

Unemployment Insurance Actuarial Study & Financial Handbook 1998

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STATE OF ALASKA
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

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State of Alaska
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Table of Contents

Preface	5
Executive Summary	7
Chapter 1 Unemployment Insurance Covered Employment and Wages	9
Table 1.1 Nonagricultural Wage and Salary Employment, 1989-1998	13
Table 1.2 Average Monthly Covered Employment (excluding federal) by Industry, 1989-1998	14
Table 1.3 Total Covered Payroll (excluding federal) by Industry (\$1,000), 1989-1998	15
Table 1.4 Taxable Covered Payroll by Industry (\$1,000), 1989-1998	16
Table 1.5 Average Annual Earnings in Covered Employment (excluding federal) by Industry (\$), 1989-1998	17
Table 1.6 Average Weekly Earnings in Covered Employment (excluding federal) by Industry (\$), 1989-1998	18
Table 1.7 Average Monthly Covered Employment (excluding federal) by Ownership, 1989-1998	19
Table 1.8 Total Covered Payroll (excluding federal) by Ownership (\$1,000), 1989-1998	19
Table 1.9 Taxable Covered Payroll by Ownership (\$1,000), 1989-1998	20
Table 1.10 Average Annual Earnings in Covered Employment (excluding federal) by Ownership (\$), 1989-1998	20
Table 1.11 Average Weekly Earnings in Covered Employment (excluding federal) by Ownership (\$), 1989-1998	21
Chapter 2 Unemployment Insurance Benefit Payments	23
Table 2.1 Unemployment, 1989-1998	29
Table 2.2 Unemployment Insurance Claimant Characteristics, 1998	30
Table 2.3 Schedule of UI Weekly Benefit Amounts	31
Table 2.4 Schedule of Weekly Benefits Duration	32
Table 2.5 Payment Data, UI Regular Benefits (Taxable and Reimbursable), 1989-1998	32
Table 2.6 Average Weekly Benefits (Regular UI) as a Percentage of Average Weekly Earnings (Covered Employment), 1998	33
Table 2.7 Payment Data, UI Extended Benefits, 1989-1998	34
Table 2.8 Payment Data, UI State Supplemental Benefits, 1989-1998	34
Table 2.9 UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Intrastate, 1989-1998	35
Table 2.10 UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Interstate, 1989-1998	37
Table 2.11 UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Total, 1989-1998	39
Table 2.12 UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Interstate as a Percentage of Total, 1989-1998	41
Table 2.13 UI Regular Benefit Payments by Local Office, 1989-1998	42
Table 2.14 Amount of UI Benefit Payments by Census Area, 1998	44
Table 2.15 UI Regular Benefit Payments to Interstate Claimants by State, 1997-1998	45
Table 2.16 Payment of Dependents' Benefits, 1989-1998	46
Table 2.17 Average Weekly Percentage of Unemployed Receiving UI Benefits, 1998	47
Chapter 3 Alaska's Unemployment Insurance Benefit Financing System	49
Table 3.1 Benefit Cost Rate, 1989-1998	55
Table 3.2 Benefit Cost Rates by Industry, 1998	56
Table 3.3 Trust Fund Deposits and Disbursements, 1989-1998	57
Table 3.4 Tax Base, Average Employer and Employee Tax Rates and Ratio of Taxable to Total Wages, 1989-1998	58
Table 3.5 Employer Accounts by Rate Type and Average Tax Rates by Industry	59
Table 3.6 UI Tax Rate Calculations, and Tax Rates by Rate Class for 1998	60
Table 3.7 Administrative Costs, 1989-1998	61
Table 3.8 Collections, UI Regular Benefits Paid—Reimbursable Employment, 1989-1998	61
Table 3.9 Benefits Paid, Contributions Assessed and Ratio of Benefits to Contributions, Taxable Employment, 1989-1998	62
Table 3.10 Collections, Benefits Paid, Trust Fund Reserves and Average Employer Tax Rate as Percentages of Payroll, 1989-1998	63
Table 3.11 UI Benefits Paid, Taxes Assessed, and Covered Payroll by Industry, 1998	64
Table 3.12 UI Benefits Paid as a Percent of Taxes Assessed and Covered Payroll by Industry, 1998	65
Appendix A Data Sources and Limitations	67
Appendix B Summary of Major Changes in the Employment Security Act	70
Appendix C Glossary of Terms	76

Preface

In 1935, the U.S. Congress passed the Social Security Act, establishing an economic stabilization program of partial wage replacement for workers during periods of temporary and involuntary unemployment. Under the federal-state partnership created by the act, each state designs its own system within federally established guidelines. Alaska's participation in this program is governed by the Alaska Employment Security Act, AS 23.20.

One of the provisions of the act, AS 23.20.022, requires that the Alaska Department of Labor and Workforce Development (AKDOL) submit to the governor a biennial actuarial study of the unemployment insurance (UI) tax and benefit structures. This is the 13th such actuarial study. It is designed to fulfill the statutory requirements and also to provide a comprehensive published source for anyone needing information on the UI system in Alaska.

Information in this publication generally follows a time series of 10 years, although many of the graphs included in the narrative have been extended to 12-year periods. Readers interested in a longer historical perspective should refer to earlier reports of this series. These publications are available upon request from the department's Research and Analysis Section.

The *Unemployment Insurance Actuarial Study and Financial Handbook, 1998*, consists of an Executive Summary, Unemployment Insurance Covered Employment and Wages (Chapter 1), Unemployment Insurance Benefit Payments (Chapter 2), and Alaska's Unemployment Insurance Benefit Financing System (Chapter 3). Three appendices are also included. Each chapter contains a narrative section, data tables with more comprehensive information, and graphs to illustrate key points of the chapter.

The Executive Summary presents some highlights of the following chapters.

Chapter 1 focuses on Alaska's payroll and employment that are covered by the unemployment insurance (UI) system in Alaska. It discusses total payroll, average monthly employment, and average earnings per worker. Each is broken out by major industry division.

Chapter 2 examines the payment of UI benefits to unemployed workers. It explains some key eligibility provisions of the system and describes the main programs. It also analyzes the distribution of payments by area and industry, the characteristics of UI claimants, and discusses some of the important issues regarding the payment of UI benefits.

Chapter 3 centers on the financing of the UI system. It discusses the UI trust fund and administration of the fund. It also includes a somewhat detailed explanation of how employer and employee taxes are calculated.

Appendix A describes the data sources used in this publication and some of the limitations of the data. Appendix B summarizes the major changes in UI law since 1937. Appendix C is a glossary of terms.

Executive Summary

Extensive information about the Unemployment Insurance (UI) system in Alaska and recent trends is presented in Chapters 1-3. The following findings are some of the most significant for 1998:

- ✓ Alaska's UI program covered an average of 267,000 workers in 1998, or 98.3% of all nonagricultural wage and salary workers.
- ✓ Average monthly covered employment, total covered payroll, total taxable payroll, and average annual earnings increased in 1998, and exceed all previous levels.
- ✓ Total covered payroll in Alaska in 1998 was \$8.3 billion, of which \$6.3 billion was paid by employers required to pay UI tax contributions.
- ✓ Average weekly earnings for covered workers in 1998 rose to \$635, about 3.3% more than in 1996 (\$615). Top earnings continued to be in the oil and gas industry (\$1,580), while the lowest were in trades (\$420).
- ✓ The fastest wage growth in both the 1996-98 period and in the 1997-98 period was in the food products industry (\$486). While the numbers for the paper products industry indicate more rapid wage growth, the data are skewed by large severance payments to workers unemployed by the closure of the Ketchikan pulp mill.
- ✓ About \$119 million in benefits was paid to 53.8 thousand unemployed workers in 1998. Regular benefits amounted to \$113 million, while \$100,000 was paid out to those receiving state supplemental benefits. The extended benefits program paid out an additional \$5.6 million.
- ✓ In 1998, the average weekly benefit payment for regular benefits in Alaska was \$176, up about \$3.50 from 1996. On the average, those claiming regular benefits received 15 weeks of benefits, and extended benefits were paid for an average of 6 weeks.
- ✓ In 1998, Alaska ranked 46th in the nation in terms of benefit adequacy, or the percentage of average weekly earnings replaced by unemployment benefits. On the other hand, Alaska ranked highest in the nation in terms of the percentage of unemployed workers who actually received benefits.
- ✓ At the end of 1998, Alaska's UI trust fund had a healthy reserve balance of \$207.5 million.
- ✓ In 1999, the average employer tax rate was 2.06% of taxable payroll.

UI Covered Employment and Wages

This chapter discusses the coverage provisions of the unemployment insurance (UI) program in Alaska, beginning with workers who are covered by state and federal programs. As UI is payable only to people who have worked for wages, employment and payroll information is reviewed next. Finally, average earnings are examined.

As a result of a change in the definition of what constitutes reportable wages, the reader must be aware of limitations within the following analysis. An explanation of the impact of this change, which became effective in July 1995, is found in the sidebar in this chapter and in Appendix A, "Data Sources and Limitations." The reader should note that this change does impact various time series discussed in this publication.

The previous issue of this Handbook published 1996 information and highlighted changes from 1994 through 1996. This issue will examine changes since then, and comment on significant trends in wages, pay, and benefit payments that have occurred in the past ten years.

Most Workers in Alaska Are Covered by Unemployment Insurance

State and federal unemployment insurance (UI) programs covered 267,433 workers in Alaska in 1998. This is 98.3% of all nonagricultural wage and salary workers, the same percentage as in 1996. (See Table 1.1 and Figure 1.1.) State programs covered 92% and federal programs covered 6.3% of Alaska's workers. Over the course of the past ten years, the total percentage has remained stable, averaging 98.3%.

However, as the number of federal workers in Alaska has fallen, the 10-year trend shows an increasing percentage of workers covered under state UI programs.

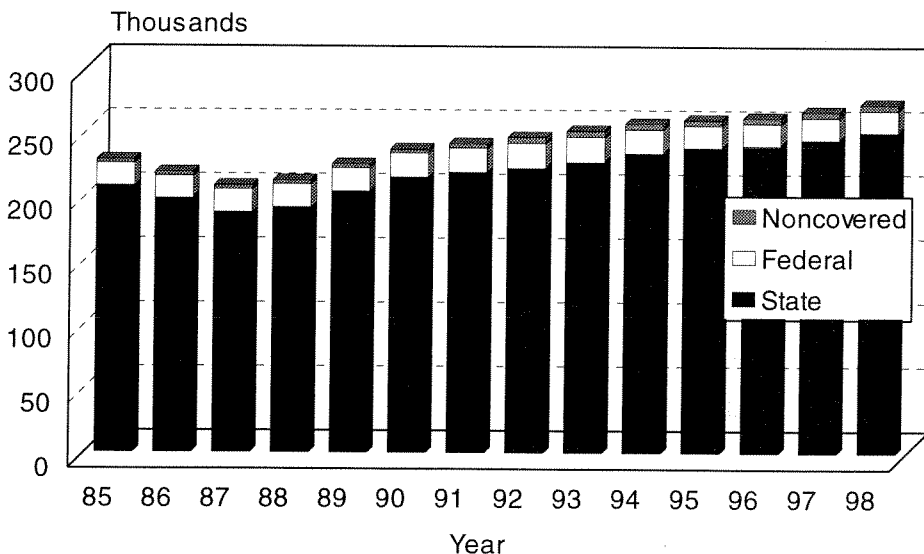
The last major group of workers to be provided coverage was state and local government employees, in 1978. Before that year about 85 percent of all workers were covered. The 1.7% of workers now remaining uncovered are full-commission salespersons, elected and appointed officials, fishers, unpaid family and domestic workers, and the self-employed.

Some Employers Pay UI Taxes Quarterly, Some Reimburse the State for Benefit Costs

Nonprofit organizations and state and local government agencies have the option to reimburse the state for the cost of benefits paid to their former employees. All other employers

Employment by Type of UI Coverage, 1985-1998

Figure 1.1



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

are assigned tax rates, and must pay taxes quarterly, based on the "taxable wages" paid to their employees.

The percentage of covered employment with "reimbursable" employers has continued to fall slowly from 23.1% in 1989, to 21.5% in 1998. This will be a continuing trend. As the state matures it is predictable that workers of reimbursable employers will become a smaller proportion of the total workforce. (See Table 1.2.) In 1998, average monthly employment covered under reimbursable employer accounts was 53,898, slightly more than one-fifth of employment.

Employment and Payroll Continue Moderate Growth

During the three years following the recession of 1986-87, employment grew 4.9% and payroll grew 7.4% annually until 1990. Since 1990, however, growth has been moderate, and the past two years have posted 2.2% average annual growth in employment and 3.9% in total payroll.

Total covered employment (Table 1.2) grew at the rate of 1.9% in 1997 and 2.5% in 1998.

Reimbursable employment, those working for nonprofit corporations, and state and local governments, grew at slower rates: 1.0% in 1997, and 1.9% in 1998.

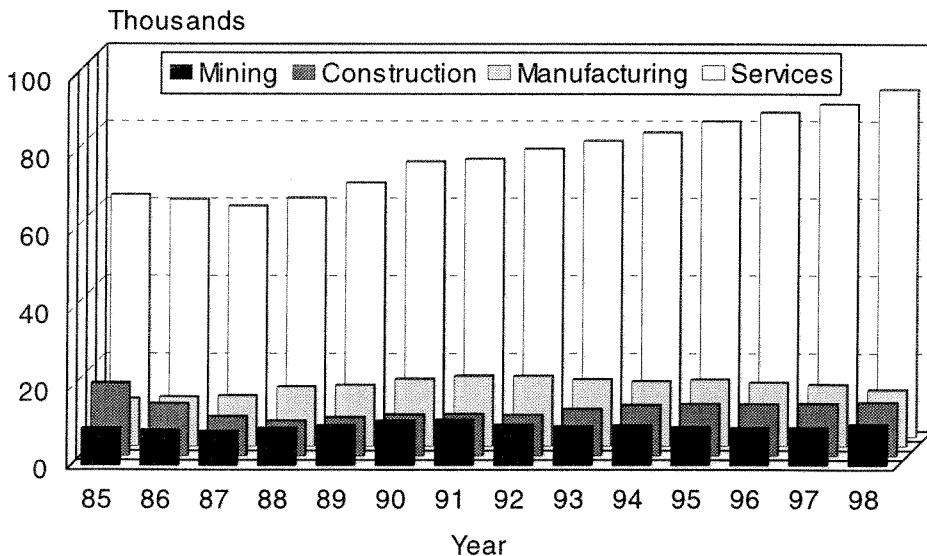
Total covered payroll (Table 1.3) grew 3.2% in 1997 and 4.5% in 1998. Reimbursable accounts, on the other hand, posted much lower rates of 1.2% in 1997 and 1.1% in 1998.

The past two years have treated some industries well, and others poorly. Oil and gas mining, and services have shown strong growth. Lumber and wood and paper products have experienced severe decreases in employment and payroll.

Employment

Average monthly covered employment increased from 239,654 in 1996 to 250,251 in 1998. Nine industries have posted employment growth since 1996. The top winners were mining (other than oil and gas, 12.1%), transportation, communications and utilities (9.9%), oil and gas mining (8.6%), services (7.2%), and finance, insurance and real estate (6.2%). Moderate employment gains show in the numbers for trade (3.6%), construction (3.6%), other manufacturing (not food, lumber, or paper related), and in the agriculture, forestry and fishing group.

Figure 1.2 Average Monthly Covered Employment, 1985-1998



Four industries show employment decreases from 1996 to 1998. The big loser is paper products. This industry was bruised with an 81% drop in employment from 524 in 1996 to 100 in 1998. Paper product employment has been falling steadily since 1989, when employment was 978.

Accompanying the paper products industry in its slide is the lumber and wood industry (-16%). Food products manufacturing has not done well either (-12%).

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

Payroll

The total covered payroll paid to Alaska workers covered by the unemployment insurance system increased by 26.9% from 1989 to 1996, and 7.8% from 1996 to 1998. Total covered payroll now stands at about \$8.3 billion, up from approximately \$6.0 billion in 1989.

Once again, the biggest winner was other mining (20.0%), and the loser was the paper products industry (down 75%).

Only two industries, paper products and lumber and wood, have lost total covered payroll since 1989. All others have shown long term growth.

The services industry, long Alaska's largest industry group, has added almost a billion dollars to its payroll since 1989, when its payroll was about \$1.6 billion. In the past two years the services industry has added another 10 percent to its payroll, and now pays its employees about \$2.6 billion a year.

Three other industries posted growth rates over the past two years in excess of the service industry's rate. Those are other mining (20%), transportation, communications and utilities (15%), and finance, insurance and real estate (14.4%).

The Services Industry is Alaska's Growth Engine

Employment in Alaska's services industry has grown steadily for the past ten years,

Change in Definition of Reportable Wages

Alaska's employers are required to report to the Alaska Department of Labor and Workforce Development the amount of wages paid to every worker during each quarter of the year. In addition, they report the amount of each worker's wages which are "taxable" under Unemployment Insurance (UI) regulations. On July 1, 1995, a change in the reporting definition of total wage went into effect. Under the new definition, certain retirement benefits and "cafeteria plan" benefits were excluded from the computation of total wages reportable for UI purposes.

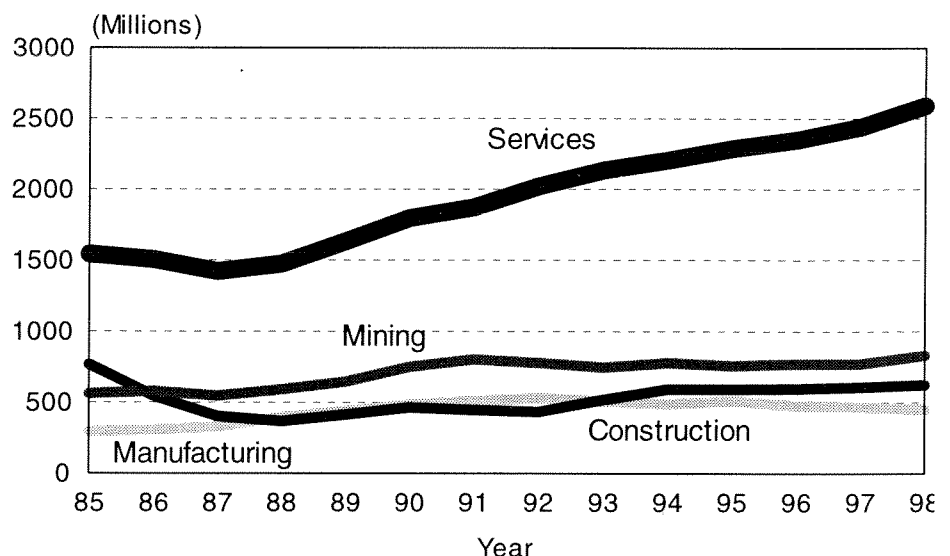
Because the change in the requirement occurred mid-year, employers were given an option to implement the change at the start of calendar year 1996, and later submit any corrections for the third and fourth quarters of 1995. Since changing computer systems in the middle of a year would have been difficult, many employers took advantage of the option.

Data users should be mindful of the change in reporting when comparing wage data prior to, and after, 1995. Since the change started in mid-1995, the full impact of the change would be in place in 1996.

The department does not have a quantitative measure of the effect of the change on the data for different industries.

Total Covered Payroll 1985-1998

Figure 1.3



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

increasing from 65,327 in 1989 to 89,560 in 1998. Since 1989, growth in services has accounted for 51.7% of all new jobs added. From 1996 to 1998, the industry has accounted for 56.9% of increased employment.

In 1989, the services industry held 32.1% of all employment in Alaska. At the end of 1998, 35.8% of all jobs in covered employment were in services.

Since 1989, only four other industries have increased their share of the industrial mix. The largest of these industries is trades, which has grown by 28.2% since 1989, moving from 44,116 employees in 1989 to 56,548 workers in 1998. The trade industry is Alaska's second largest industry group.

As mentioned before, the industry group hit hardest over the past ten years is the manufacturing group. These manufacturers produce food, lumber and wood, paper, and other products. Employment in manufacturing has fallen from 7.7% of all employment in 1989 to 5.8% in 1998.

Average Annual Earnings Show Small Increases

After two years of decreases, average annual earnings have once more assumed a slow climb upwards. The overall increase is 3.3% from \$31,961 in 1996 to \$33,012 in 1998. (See Table 1.5.) This earnings increase is slightly higher than, but generally reflective of, the increase in the Anchorage Consumer Price Index (the CPI-U) from 1996 to 1998.

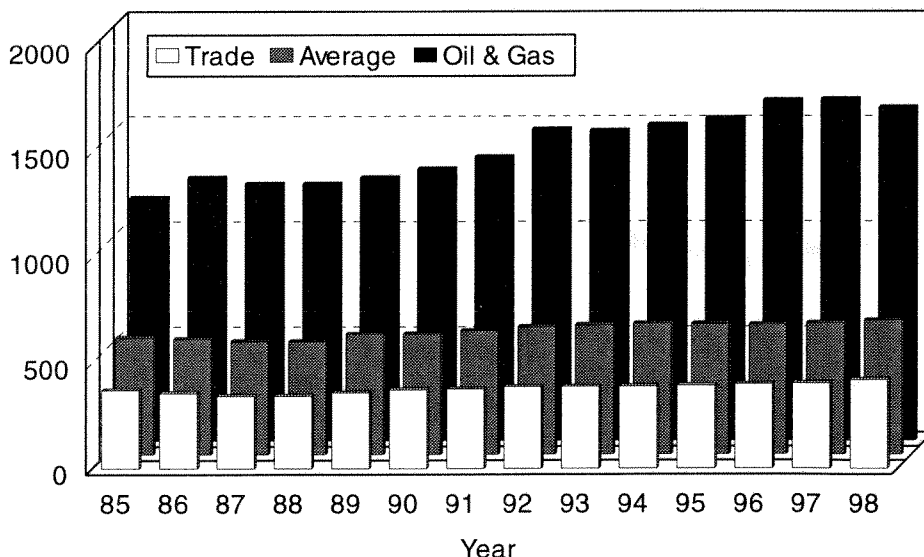
From 1989 to 1998, the industries showing the greatest wage growth have been other manufacturing (37.5%), other mining (31.5%), finance, insurance and real estate (29.8%), and oil and gas mining (26.8%). The paper products industry data on average annual earnings is unreliable in that it reflects severance payments that were given to workers at the Ketchikan Pulp Mill when it began closing in 1997.

The largest wage losses in the period from 1996 to 1998 were within the lumber and wood, and oil and gas industries. Reimbursable employers in local government also reported slight wage losses.

Since 1989 Alaska's two best paying industries have continued to be the oil and gas industry (\$82,150 annually) and other mining industries (\$62,686). Once again, Alaska's lowest wage industry is trade (\$21,834).

Figure 1.4

Average Weekly Earnings, 1985-1998



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

Nonagricultural Wage and Salary Employment, Covered and Noncovered, 1989-1998

Table 1.1

Year	Total Nonagricultural Wage and Salary Employment	Insured through State UI Programs	% of Total	Insured through Federal UI Programs	% of Total	Not Insured by UI Programs	% of Total
1989	224,810	203,423	90.5	18,218	8.1	3,169	1.4
1990	236,543	214,644	90.7	18,729	7.9	3,170	1.3
1991	240,873	218,367	90.7	18,922	7.9	3,584	1.5
1992	245,898	221,795	90.2	19,549	8.0	4,554	1.9
1993	251,038	226,475	90.2	19,856	7.9	4,707	1.9
1994	256,763	233,455	90.9	18,764	7.3	4,544	1.8
1995	259,737	237,816	91.6	17,504	6.7	4,417	1.7
1996	261,443	239,654	91.7	17,322	6.6	4,467	1.7
1997	266,251	244,255	91.7	17,342	6.5	4,654	1.7
1998	272,141	250,251	92.0	17,182	6.3	4,708	1.7

Note: Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Table 1.2

**Average Monthly Covered Employment
(excluding federal) by Industry, 1989-1998**

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	203,423	214,644	218,367	221,795	226,475	233,455	237,816	239,654	244,255	250,251
Ag., For. & Fish	1,099	1,098	1,181	1,458	1,604	1,327	1,357	1,418	1,517	1,424
Mining	10,248	11,476	11,762	10,481	10,051	10,274	9,812	9,616	9,614	10,493
Oil and Gas	9,166	10,258	10,541	9,229	8,952	9,152	8,687	8,209	8,018	8,916
Other Mining	1,082	1,218	1,221	1,252	1,099	1,123	1,126	1,407	1,597	1,577
Construction	9,886	10,595	10,683	10,436	11,986	13,029	13,273	13,224	13,361	13,701
Manufacturing	15,706	17,273	18,080	18,052	17,153	16,688	17,137	16,350	15,786	14,539
Food Products	8,591	9,942	11,057	11,660	11,049	10,730	11,012	10,500	10,167	9,292
Lumber & Wood	2,895	3,060	2,605	2,340	2,348	2,247	2,233	1,882	1,990	1,585
Paper Products	978	907	910	908	771	513	526	524	228	100
Other Mfg.	3,242	3,364	3,508	3,144	2,985	3,198	3,366	3,444	3,402	3,564
Trans., Comm.& Util.	21,999	21,482	22,720	23,563	23,805	24,193	23,861	23,766	25,044	26,126
Trade	44,116	46,014	46,832	47,916	49,145	52,668	54,086	54,606	55,963	56,548
Fin., Ins. & Real Est.	9,566	9,535	9,800	9,815	10,328	11,115	10,871	10,959	11,287	11,640
Services	65,327	70,821	71,485	74,116	76,192	78,341	81,258	83,529	85,709	89,560
Public Admin.	24,835	25,673	25,253	25,191	25,218	25,308	25,588	25,894	25,656	25,719
Unclassified	641	677	571	767	994	512	573	295	318	502

PERCENT DISTRIBUTION

Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ag., For. & Fish	0.5	0.5	0.5	0.7	0.7	0.6	0.6	0.6	0.6	0.6
Mining	5.0	5.3	5.4	4.7	4.4	4.4	4.1	4.0	3.9	4.2
Oil and Gas	4.5	4.8	4.8	4.2	4.0	3.9	3.7	3.4	3.3	3.6
Other Mining	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.6	0.7	0.6
Construction	4.9	4.9	4.9	4.7	5.3	5.6	5.6	5.5	5.5	5.5
Manufacturing	7.7	8.0	8.3	8.1	7.6	7.1	7.2	6.8	6.5	5.8
Food Products	4.2	4.6	5.1	5.3	4.9	4.6	4.6	4.4	4.2	3.7
Lumber & Wood	1.4	1.4	1.2	1.1	1.0	1.0	0.9	0.8	0.8	0.6
Paper Products	0.5	0.4	0.4	0.4	0.3	0.2	0.2	0.2	0.1	0.0
Other Mfg.	1.6	1.6	1.6	1.4	1.3	1.4	1.4	1.4	1.4	1.4
Trans., Comm.& Util.	10.8	10.0	10.4	10.6	10.5	10.4	10.0	9.9	10.3	10.4
Trade	21.7	21.4	21.4	21.6	21.7	22.6	22.7	22.8	22.9	22.6
Fin., Ins. & Real Est.	4.7	4.4	4.5	4.4	4.6	4.8	4.6	4.6	4.6	4.7
Services	32.1	33.0	32.7	33.4	33.6	33.6	34.2	34.9	35.1	35.8
Public Admin.	12.2	12.0	11.6	11.4	11.1	10.8	10.8	10.8	10.5	10.3
Unclassified	0.3	0.3	0.3	0.3	0.4	0.2	0.2	0.1	0.1	0.2

REIMBURSABLE ACCOUNTS

Total	47,078	50,163	50,512	51,336	51,539	51,509	52,082	52,374	52,911	53,898
Trans., Comm.& Util.	916	904	912	931	935	868	851	875	829	634
Services	25,171	27,412	28,258	29,138	29,516	29,531	29,900	30,144	30,679	31,663
Public Admin.	20,981	21,841	21,338	21,178	21,010	21,020	21,223	21,369	21,307	21,493
Other	10	6	4	(*)	(*)	(*)	(*)	(*)	(*)	(*)

Notes: Reimbursable account data are included in the uppermost portion of this table.

(*) Comparable data no longer available for this series.

Percentages may not add up to 100% due to rounding.

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

Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Total Covered Payroll (excluding federal) by Industry, (\$1,000), 1989-1998

Table 1.3

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	6,036,041	6,378,361	6,667,085	6,979,390	7,222,753	7,529,797	7,655,455	7,659,605	7,904,441	8,261,192
Ag., For. & Fish	27,559	29,095	33,265	42,100	45,015	34,764	35,653	37,718	42,791	37,208
Mining	645,454	748,817	802,979	779,290	746,335	777,488	758,946	771,032	771,359	831,305
Oil and Gas	593,868	687,058	737,451	708,737	683,737	712,455	690,411	688,618	675,047	732,449
Other Mining	51,586	61,759	65,528	70,553	62,598	65,033	68,535	82,414	96,313	98,856
Construction	413,146	464,221	446,773	434,411	520,144	592,441	593,813	597,056	607,686	622,871
Manufacturing	439,498	483,658	511,465	529,892	509,508	489,486	511,816	477,371	469,531	452,335
Food Products	189,672	223,152	255,112	279,945	263,136	252,483	263,782	239,458	228,218	235,025
Lumber & Wood	111,218	118,792	101,504	95,294	97,758	92,347	95,766	80,553	84,106	64,297
Paper Products	41,262	37,555	38,505	41,221	39,489	24,745	25,100	23,751	17,732	5,860
Other Mfg.	97,346	104,159	116,344	113,432	109,124	119,911	127,169	133,608	139,474	147,152
Trans., Comm.& Util.	905,372	761,587	828,646	895,258	919,958	964,883	954,099	951,364	1,031,271	1,094,265
Trade	823,700	894,837	918,643	966,258	990,457	1,063,143	1,106,233	1,135,009	1,173,263	1,234,688
Fin., Ins. & Real Est.	252,966	260,450	274,116	287,190	315,349	337,803	334,499	349,059	370,950	399,428
Services	1,633,568	1,796,913	1,872,859	2,022,028	2,135,651	2,206,906	2,288,408	2,349,682	2,439,947	2,591,045
Public Admin.	881,028	921,567	963,904	1,002,283	1,018,185	1,045,716	1,051,876	978,972	980,491	974,901
Unclassified	13,750	17,216	14,435	20,680	22,152	17,167	20,112	12,342	17,153	23,147

PERCENT DISTRIBUTION

Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ag., For. & Fish	0.5	0.5	0.5	0.6	0.6	0.5	0.5	0.5	0.5	0.5
Mining	10.7	11.7	12.0	11.2	10.3	10.3	9.9	10.1	9.8	10.1
Oil and Gas	9.8	10.8	11.1	10.2	9.5	9.5	9.0	9.0	8.5	8.9
Other Mining	0.9	1.0	1.0	1.0	0.9	0.9	0.9	1.1	1.2	1.2
Construction	6.8	7.3	6.7	6.2	7.2	7.9	7.8	7.8	7.7	7.5
Manufacturing	7.3	7.6	7.7	7.6	7.1	6.5	6.7	6.2	5.9	5.5
Food Products	3.1	3.5	3.8	4.0	3.6	3.4	3.4	3.1	2.9	2.8
Lumber & Wood	1.8	1.9	1.5	1.4	1.4	1.2	1.3	1.1	1.1	0.8
Paper Products	0.7	0.6	0.6	0.6	0.5	0.3	0.3	0.3	0.2	0.1
Other Mfg.	1.6	1.6	1.7	1.6	1.5	1.6	1.7	1.7	1.8	1.8
Trans., Comm.& Util.	15.0	11.9	12.4	12.8	12.7	12.8	12.5	12.4	13.0	13.2
Trade	13.6	14.0	13.8	13.8	13.7	14.1	14.5	14.8	14.8	14.9
Fin., Ins. & Real Est.	4.2	4.1	4.1	4.1	4.4	4.5	4.4	4.6	4.7	4.8
Services	27.1	28.2	28.1	29.0	29.6	29.3	29.9	30.7	30.9	31.4
Public Admin.	14.6	14.4	14.5	14.4	14.1	13.9	13.7	12.8	12.4	11.8
Unclassified	0.2	0.3	0.2	0.3	0.3	0.2	0.3	0.2	0.2	0.3

REIMBURSABLE ACCOUNTS (\$1,000)

Total	1,584,065	1,683,745	1,784,959	1,901,857	1,949,119	2,002,542	2,011,599	1,937,890	1,960,524	1,981,410
Trans., Comm.& Util.	43,481	45,408	45,283	47,955	47,506	45,960	43,286	46,086	44,331	30,582
Services	754,198	813,463	877,043	949,488	993,881	1,026,279	1,033,936	1,030,096	1,048,399	1,078,162
Public Admin.	786,239	824,761	862,550	898,614	902,081	921,853	925,569	855,163	856,309	861,985
Other	147	113	83	(*)	(*)	(*)	(*)	(*)	(*)	(*)

Notes: Reimbursable account data are included in the uppermost portion of this table.

(*) Comparable data no longer available for this series.

Percentages may not add up to 100% due to rounding.

A change in definition of covered payroll began mid 1995, see Appendix A.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Table 1.4

Taxable Covered Payroll by Industry (\$1,000), 1989-1998

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	2,964,226	3,039,796	3,184,860	3,263,435	3,397,312	3,592,202	3,698,894	3,739,737	3,853,741	3,995,639
Ag., For. & Fish	20,793	21,459	25,028	31,158	33,386	26,140	26,811	28,466	29,281	27,883
Mining	266,762	290,700	313,736	291,384	277,035	291,797	301,547	291,153	292,382	307,749
Oil and Gas	236,358	257,209	280,940	258,445	244,147	259,747	266,403	249,099	245,925	263,699
Other Mining	30,404	33,491	32,796	32,939	32,888	32,049	35,144	42,054	46,457	44,051
Construction	287,621	318,541	311,875	300,607	357,668	407,034	408,102	409,505	410,102	424,804
Manufacturing	326,677	361,082	385,073	390,586	375,933	364,459	376,682	352,338	343,164	329,194
Food Products	165,300	192,683	221,522	237,345	225,597	216,050	223,480	205,307	198,445	202,977
Lumber & Wood	76,484	80,748	70,073	62,805	65,205	63,833	64,625	54,887	55,430	43,387
Paper Products	25,158	22,566	23,359	23,281	22,101	14,837	14,467	14,580	11,573	3,831
Other Mfg.	59,735	65,085	70,119	67,155	63,030	69,739	74,110	77,564	77,716	78,999
Trans., Comm.& Util.	540,177	419,187	452,979	475,279	490,335	512,598	507,618	500,036	545,896	576,217
Trade	622,869	667,273	702,260	734,172	750,162	820,991	856,898	881,561	902,972	929,309
Fin., Ins. & Real Est.	174,433	175,285	186,443	188,306	204,661	225,623	220,764	227,546	238,200	251,495
Services	650,656	711,716	729,863	771,601	820,112	860,167	911,534	962,675	1,006,797	1,065,030
Public Admin.	62,988	63,243	66,197	67,380	72,731	75,986	79,359	82,048	80,254	74,933
Unclassified	11,250	11,310	11,406	12,962	15,269	7,407	9,579	4,409	4,693	9,024

PERCENT DISTRIBUTION

Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ag., For. & Fish	0.7	0.7	0.8	1.0	1.0	0.7	0.7	0.8	0.8	0.7
Mining	9.0	9.6	9.9	8.9	8.2	8.1	8.2	7.8	7.6	7.7
Oil and Gas	8.0	8.5	8.8	7.9	7.2	7.2	7.2	6.7	6.4	6.6
Other Mining	1.0	1.1	1.0	1.0	1.0	0.9	1.0	1.1	1.2	1.1
Construction	9.7	10.5	9.8	9.2	10.5	11.3	11.0	11.0	10.6	10.6
Manufacturing	11.0	11.9	12.1	12.0	11.1	10.1	10.2	9.4	8.9	8.2
Food Products	5.6	6.3	7.0	7.3	6.6	6.0	6.0	5.5	5.1	5.1
Lumber & Wood	2.6	2.7	2.2	1.9	1.9	1.8	1.7	1.5	1.4	1.1
Paper Products	0.8	0.7	0.7	0.7	0.7	0.4	0.4	0.4	0.3	0.1
Other Mfg.	2.0	2.1	2.2	2.1	1.9	1.9	2.0	2.1	2.0	2.0
Trans., Comm.& Util.	18.2	13.8	14.2	14.6	14.4	14.3	13.7	13.4	14.2	14.4
Trade	21.0	22.0	22.0	22.5	22.1	22.9	23.2	23.6	23.4	23.3
Fin., Ins. & Real Est.	5.9	5.8	5.9	5.8	6.0	6.3	6.0	6.1	6.2	6.3
Services	22.0	23.4	22.9	23.6	24.1	23.9	24.6	25.7	26.1	26.7
Public Admin.	2.1	2.1	2.1	2.1	2.1	2.1	2.1	2.2	2.1	1.9
Unclassified	0.4	0.4	0.4	0.4	0.4	0.2	0.3	0.1	0.1	0.2

Note: Percentages may not add up to 100% due to rounding.

A change in definition of covered payroll began mid 1995, see Appendix A.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Average Annual Earnings in Covered Employment (excluding federal) by Industry (\$), 1989-1998

Table 1.5

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	29,672	29,716	30,532	31,468	31,892	32,254	32,191	31,961	32,361	33,012
Ag., For. & Fish	25,076	26,498	28,167	28,875	28,064	26,197	26,273	26,599	28,208	26,129
Mining	62,983	65,251	68,269	74,353	74,255	75,675	77,349	80,182	80,233	79,225
Oil and Gas	64,790	66,978	69,960	76,795	76,378	77,847	79,476	83,886	84,191	82,150
Other Mining	47,677	50,705	53,667	56,352	56,959	57,910	60,866	58,574	60,309	62,686
Construction	41,791	43,815	41,821	41,626	43,396	45,471	44,738	45,149	45,482	45,462
Manufacturing	27,983	28,001	28,289	29,354	29,704	29,332	29,866	29,197	29,744	31,112
Food Products	22,078	22,445	23,072	24,009	23,815	23,531	23,954	22,806	22,447	25,293
Lumber & Wood	38,417	38,821	38,965	40,724	41,635	41,098	42,887	42,802	42,264	40,566
Paper Products	42,190	41,406	42,313	45,398	51,218	48,236	47,719	45,326	77,772	58,600
Other Mfg.	30,027	30,963	33,165	36,079	36,557	37,496	37,780	38,794	40,998	41,288
Trans., Comm.& Util.	41,155	35,452	36,472	37,994	38,646	39,883	39,986	40,030	41,178	41,884
Trade	18,671	19,447	19,616	20,166	20,154	20,186	20,453	20,785	20,965	21,834
Fin., Ins. & Real Est.	26,444	27,315	27,971	29,260	30,533	30,392	30,770	31,851	32,865	34,315
Services	25,006	25,373	26,199	27,282	28,030	28,171	28,162	28,130	28,468	28,931
Public Admin.	35,475	35,896	38,170	39,787	40,375	41,320	41,108	37,807	38,217	37,906
Unclassified	21,451	25,430	25,280	26,962	22,286	33,529	35,099	41,837	53,940	46,110
REIMBURSABLE ACCOUNTS (\$)										
Total	33,648	33,565	35,337	37,047	37,818	38,878	38,624	37,001	37,053	36,762
Trans., Comm.& Util.	47,468	50,230	49,652	51,509	50,809	52,949	50,865	52,670	53,475	48,237
Services	29,963	29,675	31,037	32,586	33,673	34,753	34,580	34,173	34,173	34,051
Public Admin.	37,474	37,762	40,423	42,431	42,936	43,856	43,612	40,019	40,189	40,105
Other	14,700	18,833	20,750	(*)	(*)	(*)	(*)	(*)	(*)	(*)

Notes: Average Annual Earnings = Total Covered Payroll (Table 1.3) divided by Average Covered Employment (Table 1.2).

Reimbursable account data are included in the uppermost portion of this table.

(*) Comparable data no longer available for this series.

A change in definition of covered payroll began mid 1995, see Appendix A.

1/ The Ketchikan pulp mill closed Mar 97. Workers were given severance payments based on years of service.

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

Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Table 1.6

Average Weekly Earnings in Covered Employment (excluding federal) by Industry (\$), 1989-1998

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	570.62	571.46	587.15	605.15	613.31	620.26	619.05	614.64	622.34	634.84
Ag., For. & Fish	482.24	509.58	541.67	555.29	539.70	503.80	505.26	511.53	542.45	502.48
Mining	1,211.22	1,254.82	1,312.86	1,429.86	1,427.98	1,455.29	1,487.48	1,541.97	1,542.94	1,523.55
Oil and Gas	1,245.97	1,288.03	1,345.39	1,476.82	1,468.81	1,497.06	1,528.39	1,613.19	1,619.07	1,579.81
Other Mining	916.86	975.10	1,032.07	1,083.70	1,095.37	1,113.66	1,170.50	1,126.43	1,159.78	1,205.50
Construction	803.67	842.60	804.25	800.50	834.54	874.44	860.35	868.26	874.66	874.26
Manufacturing	538.13	538.48	544.02	564.49	571.23	564.07	574.35	561.48	571.99	598.30
Food Products	424.58	431.64	443.70	461.71	457.99	452.51	460.65	438.57	431.67	486.41
Lumber & Wood	738.79	746.56	749.33	783.15	800.67	790.34	824.74	823.11	812.78	780.11
Paper Products	811.35	796.26	813.72	873.03	984.96	927.61	917.67	871.66	1,495.61	1,126.92
Other Mfg.	577.43	595.44	637.79	693.60	703.03	721.07	726.55	746.05	788.42	794.01
Trans., Comm. & Util.	791.45	681.78	701.39	730.66	743.18	766.98	768.96	769.82	791.89	805.46
Trade	359.06	373.98	377.23	387.80	387.57	388.19	393.33	399.72	403.17	419.89
Fin., Ins. & Real Est.	508.54	525.29	537.90	562.70	587.18	584.45	591.73	612.53	632.02	659.91
Services	480.88	487.93	503.83	524.65	539.04	541.74	541.58	540.96	547.46	556.36
Public Admin.	682.22	690.31	734.04	765.14	776.45	794.61	790.54	727.06	734.94	728.96
Unclassified	412.52	489.04	486.16	518.50	428.57	644.79	674.99	804.56	1,037.31	886.72
REIMBURSABLE ACCOUNTS (\$)										
Total	647.07	645.49	679.56	712.45	727.28	747.64	742.76	711.56	712.56	706.97
TCU	912.85	965.96	954.85	990.56	977.09	1,018.26	978.17	1,012.88	1,028.37	927.63
Services	576.21	570.68	596.87	626.65	647.55	668.32	665.00	657.16	657.18	654.83
Public Admin.	720.65	726.19	777.37	815.99	825.69	843.38	838.68	769.59	772.87	771.26
Other	282.69	362.18	399.04	(*)	(*)	(*)	(*)	(*)	(*)	(*)

Notes: Average Weekly Earnings = Average Annual Earnings (Table 1.5) divided by 52.

Reimbursable account data are included in the uppermost portion of this table.

(*) Comparable data no longer available for this series.

A change in definition of covered payroll began mid 1995, see Appendix A.

1/ The Ketchikan pulp mill closed Mar 97. Workers were given severance payments based on years of service.

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

Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Average Monthly Covered Employment (excluding federal) by Ownership, 1989-1998

Table 1.7

OWNERSHIP	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	203,423	214,644	218,367	221,795	226,475	233,455	237,816	239,654	244,255	250,251
State Government	20,376	21,479	20,807	20,191	19,683	19,887	19,880	19,849	19,441	19,831
Local Government	26,781	28,140	28,660	29,470	29,944	29,815	30,589	30,966	30,997	31,276
Private Industry	156,266	165,025	168,900	172,134	176,848	183,753	187,347	188,839	193,817	199,144
Taxable	151,429	159,453	162,972	165,441	169,641	176,675	180,390	181,707	186,146	191,254
Reimbursable	4,837	5,572	5,928	6,693	7,207	7,078	6,957	7,132	7,671	7,890

PERCENT DISTRIBUTION										
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
State Government	10.0	10.0	9.5	9.1	8.7	8.5	8.4	8.3	8.0	7.9
Local Government	13.2	13.1	13.1	13.3	13.2	12.8	12.9	12.9	12.7	12.5
Private Industry	76.8	76.9	77.3	77.6	78.1	78.7	78.8	78.8	79.4	79.6
Taxable	74.4	74.3	74.6	74.6	74.9	75.7	75.9	75.8	76.2	76.4
Reimbursable	2.4	2.6	2.7	3.0	3.2	3.0	2.9	3.0	3.1	3.2

Note: Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Total Covered Payroll (excluding federal) by Ownership (\$1,000), 1989-1998

Table 1.8

OWNERSHIP	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	6,036,041	6,378,361	6,667,085	6,979,390	7,222,753	7,529,797	7,655,455	7,659,605	7,904,441	8,261,192
State Government	704,401	752,768	788,394	810,009	816,910	833,973	835,813	755,786	751,853	761,013
Local Government	885,837	923,880	966,951	1,036,179	1,078,060	1,119,757	1,131,558	1,130,507	1,134,393	1,120,982
Private Industry	4,445,803	4,701,713	4,911,740	5,133,202	5,327,783	5,576,067	5,688,084	5,773,312	6,018,195	6,379,197
Taxable	4,328,979	4,565,435	4,751,787	4,945,025	5,124,752	5,372,562	5,487,951	5,565,271	5,790,375	6,136,602
Reimbursable	116,824	136,278	159,953	188,177	203,031	203,505	200,133	208,041	227,820	242,595

PERCENT DISTRIBUTION										
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
State Government	11.7	11.8	11.8	11.6	11.3	11.1	10.9	9.9	9.5	9.2
Local Government	14.7	14.5	14.5	14.8	14.9	14.9	14.8	14.8	14.4	13.6
Private Industry	73.7	73.7	73.7	73.5	73.8	74.1	74.3	75.4	76.1	77.2
Taxable	71.7	71.6	71.3	70.9	71.0	71.4	71.7	72.7	73.3	74.3
Reimbursable	1.9	2.1	2.4	2.7	2.8	2.7	2.6	2.7	2.9	2.9

Note: Percentages may not add up to 100% due to rounding.

A change in definition of covered payroll began in mid 1995, see Appendix A.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Table 1.9**Taxable Covered Payroll by Ownership (\$1,000), 1989-1998**

OWNERSHIP	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	2,964,226	3,039,796	3,184,860	3,263,435	3,397,312	3,592,202	3,698,894	3,739,737	3,853,741	3,995,639
State Government	8,248	9,276	8,814	8,795	8,838	9,003	8,801	8,804	8,823	8,841
Local Government	75,013	75,960	76,780	78,476	86,153	87,916	90,299	95,652	91,641	86,997
Private Industry	2,880,965	2,954,560	3,099,266	3,176,164	3,302,321	3,495,283	3,599,794	3,635,281	3,753,277	3,899,801
PERCENT DISTRIBUTION										
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
State Government	0.3	0.3	0.3	0.3	0.3	0.3	0.2	0.2	0.2	0.2
Local Government	2.5	2.5	2.4	2.4	2.5	2.4	2.4	2.6	2.4	2.2
Private Industry	97.2	97.2	97.3	97.3	97.2	97.3	97.3	97.2	97.4	97.6

Note: Percentages may not add up to 100% due to rounding.

A change in definition of covered employment began mid 1995, see Appendix A.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Table 1.10**Average Annual Earnings in Covered Employment (excluding federal) by Ownership (\$), 1989-1998**

OWNERSHIP	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	29,672	29,716	30,532	31,468	31,892	32,254	32,191	31,961	32,361	33,012
State Government	34,570	35,047	37,891	40,117	41,503	41,936	42,043	38,077	38,674	38,375
Local Government	33,077	32,832	33,739	35,160	36,003	37,557	36,992	36,508	36,597	35,842
Private Industry	28,450	28,491	29,081	29,821	30,126	30,345	30,361	30,573	31,051	32,033
Taxable	28,588	28,632	29,157	29,890	30,209	30,409	30,423	30,628	31,107	32,086
Reimbursable	24,152	24,458	26,983	28,115	28,171	28,752	28,767	29,170	29,699	30,747

Note: Average Annual Earnings = Total Covered Payroll (Table 1.8) divided by Average Covered Employment (Table 1.7).

A change in definition of covered payroll began mid 1995, see Appendix A.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor

Average Weekly Earnings in Covered Employment (excluding federal) by Ownership (\$), 1989-1998

Table 1.11

OWNERSHIP	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total	570.62	571.46	587.15	605.15	613.31	620.26	619.05	614.64	622.34	634.84
State Government	664.81	673.97	728.67	771.49	798.14	806.45	808.52	732.25	743.72	737.98
Local Government	636.10	631.38	648.82	676.16	692.36	722.25	711.39	702.08	703.79	689.26
Private Industry	547.12	547.90	559.25	573.48	579.35	583.57	583.87	587.94	597.13	616.02
Taxable	549.76	550.61	560.71	574.81	580.95	584.79	585.05	588.99	598.20	617.04
Reimbursable	464.46	470.34	518.90	540.68	541.76	552.92	553.21	560.96	571.13	591.29

Note: Average Weekly Earnings = Average Annual Earnings (Table 1.10) divided by 52.

A change in definition of covered payroll began mid 1995, see Appendix A.

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

Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor

This chapter focuses on the payment of unemployment insurance (UI) benefits. Where does the money go? A general description of the regular UI benefit payment system is presented first. Then, there is a discussion of eligibility provisions, followed by information on the benefit schedule, dependents' allowance, and duration. Next, brief summaries of extended benefits, and state supplemental benefits programs are provided. Finally, the distribution of payments by industry and area is covered.

UI Benefit Payments in 1997 and 1998 Reflect Low Unemployment

Near record low unemployment rates for the past two years held UI benefit payments at approximately \$118.5 million in 1997 and \$119.0 million in 1998. Low UI benefit payment years like these have not been seen since the rapid three-year recovery following the 1986-87 recession, when UI benefit payments fell to \$81 million in 1989. (See Table 2.14.)

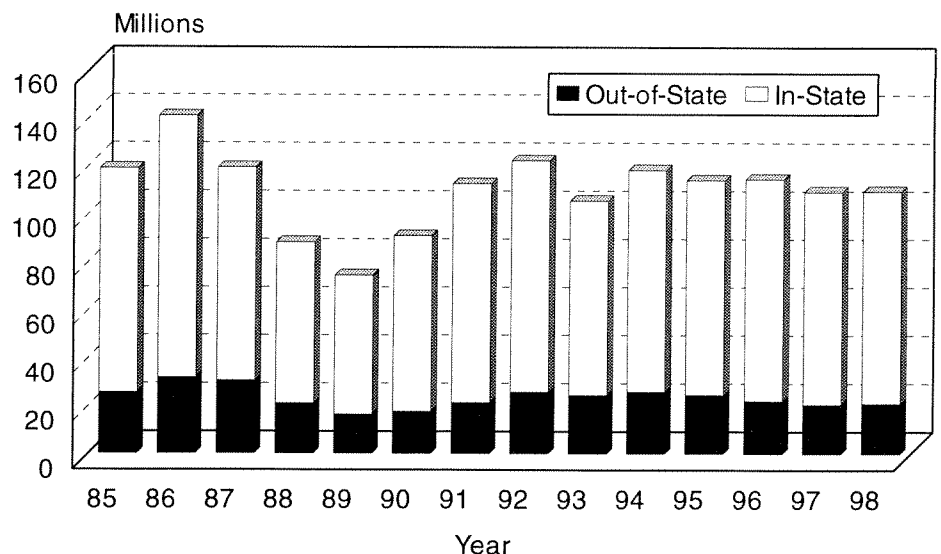
During the past decade Alaska's two highest years of UI benefit payments were in 1992 and 1993. During these two years Emergency Unemployment Compensation (EUC) was payable in Alaska. This special, federally funded program pumped a total of over \$115 million into the state in 1992 and 1993.

UI benefit payments made to out-of-state claimants have been falling since 1993, when such payments reached 23.5% of all regular UI benefit payments made. (See Table 2.13.) In 1998, out-of-state payments fell to about \$20 million, or 18.7% of all regular UI benefit payments paid. The booming economy in the contiguous United States is reflected in the lower number of workers looking for seasonal employment in Alaska, and then later claiming UI benefits from their home "down south."

Three different programs distributed UI benefits in Alaska in 1997 and 1998. About 95 percent of all the dollars paid out in 1997 and 1998 was paid through the regular UI program, and approximately 5 percent was paid through the Extended Benefits program. A small amount of money (about 0.1%) was paid by the State Supplemental Benefits program.

Amount of UI Payments, Regular Benefits, 1985-1998

Figure 2.1



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

Regular Benefits is the Nation's Mainstay UI Program

Continuously available in every state in the United States, the regular UI benefits program is each state's largest UI program. The regular UI program was created by the Employment Security Act of 1937, and is loosely modeled after benefit programs in Europe.

In Alaska, eligibility for regular benefits is granted individuals who have earned at least \$1,000 in their "base period," with at least \$100 earned outside the base period quarter in which they made the most money. (Please use the Glossary for term definitions).

The base period is defined as the first four of the five most recently completed quarters on the date of application for unemployment insurance benefits. However, base period earnings are not always simply the claimant's earnings during the base period. In 1981, the Alaska Legislature enacted AS 23.20.350, which redefines base period wage to better reflect the claimant's attachment to the labor force. For the purpose of computing benefits payable, base period earnings are determined as follows:

1. If the insured worker is paid 90% or more of their earnings in one calendar quarter, the worker's base period earnings are their earnings in the three other quarters multiplied by 10; or
2. If the insured worker is paid less than 90% of their earnings in one calendar quarter, the worker's base period earnings are simply their earnings during the base period.

The amount of benefits a claimant may receive weekly depends upon the claimant's base period earnings. The minimum weekly benefit amount currently is \$44 at \$1,000 base period earnings, and increases by \$2 increments for each \$250 in earnings. (See Table 2.3.) The maximum benefit amount since 1997 has been \$248 for base period earnings of \$26,500 or more.

In 1998, 43,750 unemployed persons received \$113.2 million in regular UI benefits. These claimants were potentially eligible to receive up to an average of 20.8 weeks, but only actually claimed 14.5 weeks. The average weekly benefit payment was \$176. (See Tables 2.5 and 2.14.)

Claimants with Children Receive an Additional Allowance

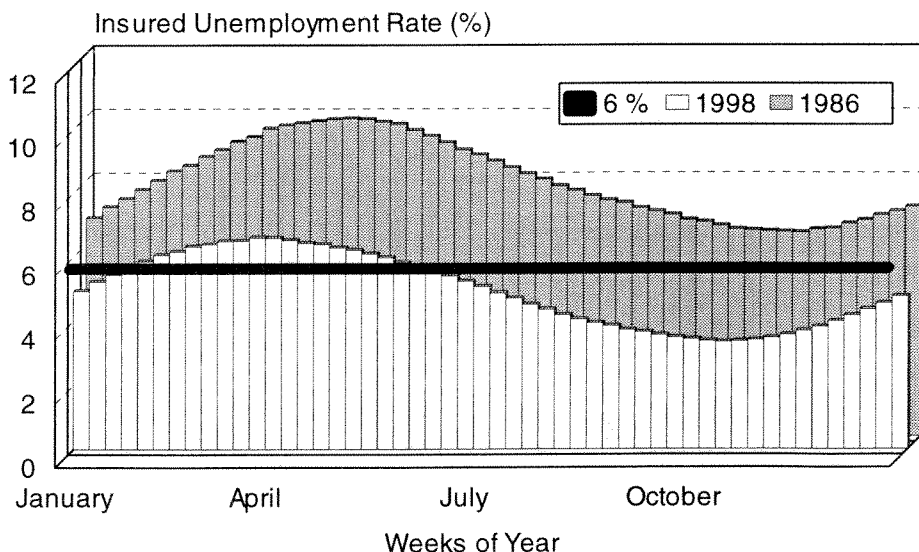
Alaska is one of only 13 states to provide additional dependent benefits to UI claimants. As in the majority of states with the dependent allowance, the allowance increases the maximum amount of benefits payable during the claim, because the allowance is added to the basic weekly benefit.

Dependent benefits introduce the concept of need into what is fundamentally an insurance program. In Alaska, for example, the dependent allowance can exceed the base weekly benefit amount for individuals earning up to \$4,500 during their base period.

Claimants are eligible to receive \$24 per dependent up to a

Figure 2.2

Alaska Insured Unemployment Rate, 1986 & 1998



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

maximum of \$72. To qualify for dependent benefits, the child must be less than 18 years of age, be lawfully in the individual's physical custody at the time the individual claims the allowance for dependents, or depend on the claimant for more than 50 percent of support. A dependent must be an unmarried child, or step-child, or a legal ward of any age who is both dependent on the claimant for more than 50 percent of support and prevented by infirmity from engaging in a gainful occupation.

In 1998, 19,226 persons receiving regular UI benefits were paid \$12.5 million in dependent benefits. Those claiming dependent allowance were 35.7% of all regular UI program claimants. The dependent allowance they received amounted to 11.5% of all regular UI benefit dollars paid in 1998. (See Table 2.16.)

Duration of Benefits Depends on the Stability of the Claimant's Work

The length of time a claimant may claim benefits varies in each state. In Alaska, it varies with each claimant. Alaska sets potential duration of benefits by dividing the amount of base period earnings by the amount of earnings in the highest quarter. The intent is to provide a duration of benefits which relates to the duration of employment: the higher the ratio of base period earnings to high quarter earnings, the more stable the earnings stream and, therefore, the higher the potential duration of benefits.

The duration of benefits is set according to a schedule in AS 23.20.350(e), and ranges from 16 weeks with a ratio of less than 1.50, to 26 weeks with a ratio of 3.50 or more. (See Table 2.4.) Claimants with a ratio of less than 1.50 have earned more than two-thirds of their wages in one quarter.

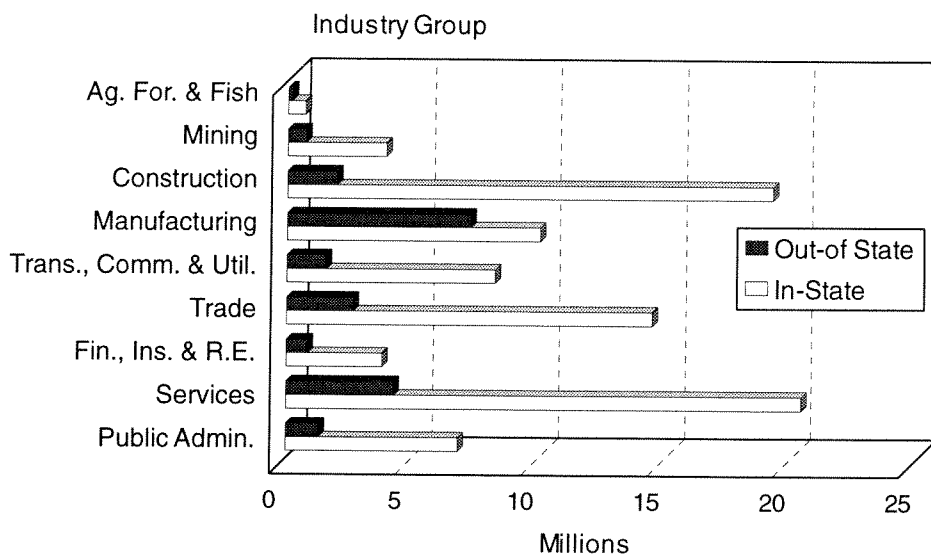
Alaska's highly seasonal economy ensures that the amount paid to claimants in the late winter months is frequently double the amount disbursed in the late summer. The state's duration schedule contributes to this high winter claims load, by providing claimants (without other disqualification) a minimum of 16 weeks of benefits. These long duration periods propel many claimants into the month of December, or later, virtually ensuring the high levels of claims needed to "trigger" extended benefits.

Reason Claimants Leave or Refuse Work May Affect Duration of Benefits

All states disqualify claimants who voluntarily quit work without good cause, who are discharged for misconduct, or who unreasonably refuse an offer of suitable work. Although the disqualification provisions vary from state to state, almost every state (46 states in all) provides for a complete denial of benefits for the duration of a claimant's unemployment. To requalify for benefits, claimants must obtain another job, work for a specific period, and then become unemployed again for a nondisqualifying reason.

UI Regular Benefit Payments, by Industry, 1998

Figure 2.3



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

In the three remaining states, benefits are either postponed, reduced, or both. In Alaska, a claimant who voluntarily quits work, or who is discharged for misconduct, suffers a six-week postponement of benefits (including the one-week waiting period everyone must serve). There is also a benefit reduction equal to three times the weekly benefit amount. This policy is the most liberal in the nation. The primary argument for this short period is that the disqualification should be no longer than it takes the average person to find work. The rationale is that after a six-week period the worker's continuing unemployment is no longer due to their reasons for leaving work, but to the unavailability of work. The main argument in favor of longer or unlimited disqualification is that the unemployment does not become involuntary after six weeks, just because the "average" worker returns to work within that time. The worker continues to be unemployed due to a voluntary act. An additional argument is that the leniency of the disqualification is yet another disincentive to work. In 1998 about 6300 individuals had benefits postponed and reduced due to such a disqualification. Nevertheless, these individuals received approximately \$15 million in benefits.

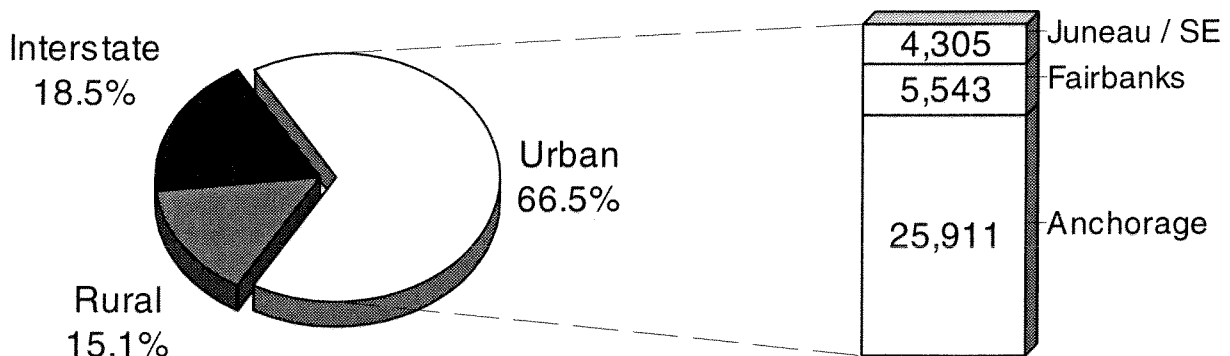
Extended Benefits: Alaska's Little Helper

Under normal circumstances, UI claimants receive no more benefits once they exhaust the maximum amount to which they are entitled. However, they may collect additional payments of up to half the amount of their maximum regular benefits when certain economic conditions exist. These additional payments are called extended benefits (EB).

In order for EB to be payable, unemployment must be high enough to meet a set federal standard. Specifically, an extended benefits period exists as long as the insured unemployment rate (IUR) in the state is at least 6 percent. Prior to 1982, the "trigger" rate was 5 percent, and EB was payable continuously beginning in 1975. With the trigger rate now at 6 percent, Alaska generally triggers off between May and July, and triggers back on in January or February. As figure 2.2 illustrates, in 1986, during the peak of the recession, the IUR never fell below 6 percent and EB was payable year round.

Figure 2.4

Claimants by Processing Center, 1998



The IUR is calculated by dividing the average number of weeks of UI claimed for the past thirteen weeks by the average covered employment for the past four quarters. Among the states, only Alaska triggers on to EB each year. Two factors ensure that EB will trigger on in Alaska each winter. The first is a highly seasonal economy, which drives up unemployment in the winter months. The second is Alaska's high UI benefits reciprocity rate. (See Table 2.17.) In 1998, Alaska ranked highest nationally in the average weekly percentage of the unemployed receiving UI benefits. A number of factors contribute to our state's high reciprocity rate. These are: eligibility based on relatively low base period earnings, a high minimum duration of 16 weeks, and a short postponement rather than an absolute disqualification from benefits for those leaving employment or refusing work without good cause.

Since the cessation of the Emergency Unemployment Compensation program in early 1994, EB has again become Alaska's little helper. In the past five years, EB has pumped over \$41.4 million into the wintertime economy.

In 1998, six thousand claimants received over \$5.6 million in EB payments. The average duration of EB was 5.3 weeks, and the average weekly benefit amount paid was \$171.60. EB triggered on during the week ending on February 7, 1998, and triggered off during the week ending May 16, 1998.

Supplemental State Benefits Assist Claimants with Low Earnings

On September 26, 1982, federal and conforming state law disallowed the payment of extended benefits to low-wage claimants who failed to earn at least 40 times their weekly benefit amount during their

base period. More than 1,000 claimants were suddenly ineligible for EB when their regular benefits ran out.

The State Supplemental Benefits (SSB) program was created by the Alaska Legislature to provide an alternative for these low wage claimants. Claimants who are ineligible for extended benefits solely because of the "forty times rule" are eligible for SSB whenever EB is triggered on.

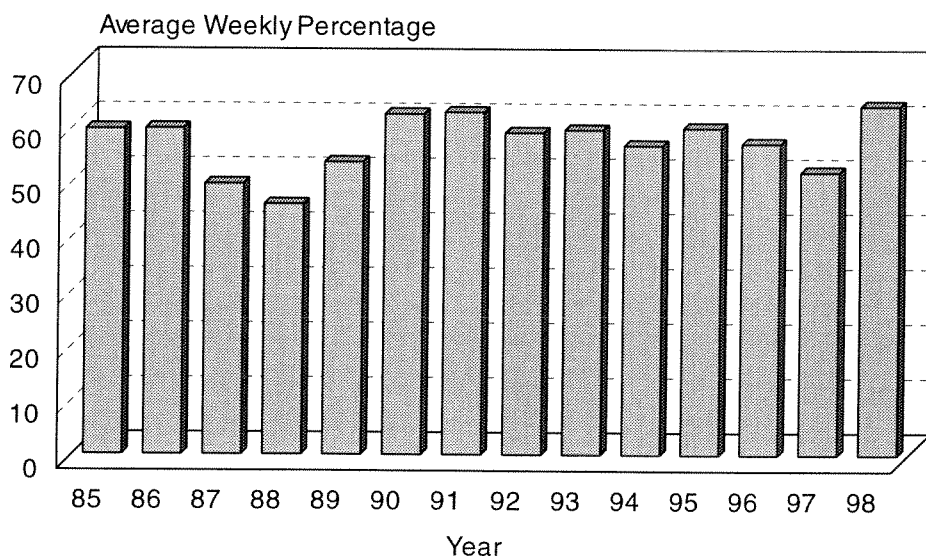
In 1998, 212 unemployed workers received \$119,680 in SSB payments. Their average weekly benefit check was \$97.43 and the average claim duration was 5.7 weeks. (See Tables 2.8 and 2.14.)

Workers from Three Alaska Industries Claim the Majority of Benefits

In 1998, 53.2% of all regular state benefit payment dollars were paid to former employees of three industries. These were services (22.7% of all regular benefits paid), construction (19.5%), and manufacturing (15.9%). Together they received \$63.4 million of the \$109.0 million paid out in regular state benefits. (See Table 2.11.)

Percentage of Unemployed Receiving UI in Alaska

Figure 2.5



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

The services industry has been the top recipient of benefits for at least the past 10 years. The highly seasonal construction industry has held second place for seven of the past ten years, the trade industry for two of the past ten, and manufacturing for one of the past ten.

From 1997 to 1998, the largest increase in former employees claiming benefits was in the food products industry (up 430 claimants), and the largest decrease in claimants receiving an initial UI check was in the paper products industry (down 233). Overall, first payments of UI benefits in 1998 were up over 1997 by a meager 246.

Looking back over the past 10 years, the percentage distribution of benefit payments among Alaska's industries remains essentially unchanged. The same can also be said about average duration in weeks claimed among former employees of Alaska's industries, with the possible exception of three industries. These three are lumber and wood, paper products, and other mining; all of which show increased claim duration.

The highest average weekly payments in 1998 were paid to former employees in the paper products industry (\$224.96) and the lowest to the former workers of the trade industry (\$147.57). Two years earlier, the highest average weekly payment went to past employees of the other mining industry. Ten years ago, this distinction was held by the oil and gas industry.

Almost one-fifth of All Regular UI Benefits Paid Out of State

Between 1989 and 1998, the proportion of regular benefits payments sent out of state has remained between 23.1% (in 1993) and 18.8% (in 1997). (See Table 2.12.) In 1998 that percentage was 19.1%, or \$20.8 million in interstate benefits paid. These interstate claimants are those who have worked and earned wages in Alaska during their base period. (See Figure 2.1.) More than half of all regular benefits paid out of state went to those in Washington (25.2%), California (19.0%), and Oregon (9.6%). (See Table 2.15.) More than two-thirds of all interstate payments went to former workers in manufacturing (35.1%), services (20.5%), and trade (12.7). (See Table 2.10.)

Since 1987, the average weekly benefit amount has been higher for those filing from out of state than for those filing in-state. (See Tables 2.9 and 2.10.) In 1998, the average weekly benefit amount for interstate claimants was \$172.24 with average duration of 16.4 weeks. In-state claimants, on the other hand, saw weekly benefit amounts of \$164.35 and duration of 14.7 weeks.

Among out-of-state claimants, those with the highest average weekly benefit amounts were from the oil and gas industry (\$232.17), and other mining (\$221.88). The lowest average benefit amounts were paid to workers from the food products industry.

Year	Total Labor Force	Total Unem- ployment	Total Unem- ployment Rate (TUR) %	Covered Employ- ment	Insured Unem- ployment	Insured Unem- ployment Rate (IUR) %	% Ratio IUR to TUR
1989	253,000	17,000	6.7	203,423	9,056	4.5	66.3
1990	257,000	18,000	7.0	214,644	11,170	5.2	74.3
1991	258,000	22,000	8.5	218,367	13,237	6.1	71.1
1992	262,000	24,000	9.2	221,795	13,880	6.3	68.3
1993	299,000	23,000	7.7	226,475	12,213	5.4	70.1
1994	305,000	24,000	7.9	223,455	13,554	6.1	77.1
1995	303,723	22,220	7.3	237,816	12,885	5.4	74.1
1996	315,928	24,682	7.8	239,654	13,120	5.5	70.1
1997	316,032	24,930	7.9	244,255	12,095	5.0	62.8
1998	316,898	18,351	5.8	250,251	12,140	4.9	83.8

Note: Insured unemployment and the insured unemployment rate are for comparison only, and are calculated as the percent of average covered employment filing claims for unemployment compensation during an average week of the year. The Total Unemployment Rate (TUR) uses labor force data, which include unemployment with employment. Labor force data were published using unrounded figures starting in 1995.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions, ES 202 report to the U.S. Department of Labor. Report of Claims Activities, ETA 539 report to the U.S. Department of Labor. Local Area Unemployment Statistics (LAUS).

Table 2.2

Unemployment Insurance Claimant Characteristics, 1998

Characteristics	All Recipients		Characteristics	All Recipients	
	Number	% of Total		Number	% of Total
Total	53,788	100.0	Average Annual Earnings (\$):		
			1,000– 9,999	14,769	27.5
Gender:			10,000–19,999	16,675	31.0
Male	33,697	62.6	20,000–29,999	10,363	19.3
Female	20,091	37.4	30,000–39,999	5,423	10.1
Age:			40,000–49,999	3,113	5.8
Less than 21	1,265	2.4	50,000–59,999	1,689	3.1
21–24	4,183	7.8	60,000–69,999	888	1.7
25–34	15,118	28.1	70,000–79,999	438	0.8
35–44	17,279	32.1	80,000–89,999	217	0.4
45–54	11,181	20.8	90,000+	213	0.4
55–64	4,052	7.5	Geographic Location:		
65+	710	1.3	Aleutians East Borough	160	0.3
Number of Dependents:			Aleutians West Census Area	322	0.6
0	31,079	57.8	Anchorage Borough	13,468	25.0
1	8,907	16.6	Bethel Census Area	1,087	2.0
2	7,809	14.5	Bristol Bay Borough	143	0.3
3+	5,993	11.1	Denali Borough	237	0.4
Ethnic Background:			Dillingham Census Area	275	0.5
Alaska Native/American Indian	9,703	18.0	Fairbanks North Star Borough	5,420	10.1
Asian and Pacific Islander	3,795	7.1	Haines Borough	290	0.5
Black	1,848	3.4	Juneau Borough	2,010	3.7
Hispanic	2,391	4.4	Kenai Peninsula Borough	4,836	9.0
White	34,927	64.9	Ketchikan Gateway Borough	1,298	2.4
Other	340	0.6	Kodiak Island Borough	1,650	3.1
No Information	784	1.5	Lake & Peninsula Borough	104	0.2
Industry:			Matanuska–Susitna Borough	4,256	7.9
Agriculture, Forestry and Fishing	436	0.8	Nome Census Area	656	1.2
Mining	1,964	3.7	North Slope Borough	345	0.6
Oil and Gas	1,503	2.8	Northwest Arctic Borough	478	0.9
Other Mining	461	0.9	Prince of Wales–Outer Ketchikan C A	926	1.7
Contract Construction	8,763	16.3	Sitka Borough	573	1.1
Manufacturing	8,694	16.2	Skagway–Hoonah–Angoon C A	497	0.9
Food Products	6,401	11.9	Southeast Fairbanks Census Area	538	1.0
Lumber and Wood Products	1,266	2.4	Valdez–Cordova Census Area	952	1.8
Paper Products	361	0.7	Wade Hampton Census Area	614	1.1
Other Manufacturing	666	1.2	Wrangell–Petersburg Census Area	729	1.4
Transport., Communications and Util.	4,376	8.1	Yakutat Borough	103	0.2
Trade	9,397	17.5	Yukon–Koyukuk Census Area	549	1.0
Finance, Insurance and Real Estate	1,989	3.7	Alaska Area Unknown	1,340	2.5
Services	12,705	23.6	Total In–State	43,856	81.5
Public Administration	5,192	9.7	Out–of–State	9,932	18.5
Unclassified	272	0.5	Local Office:		
Occupation:			Anchorage	25,911	48.2
Agriculture, Forestry, and Fishing	1,509	2.8	Central – Interstate Claims	9,932	18.5
Benchwork	208	0.4	Central – Rural Mail Claims	8,097	15.1
Clerical and Sales	9,671	18.0	Fairbanks	5,543	10.3
Machine Trades	1,769	3.3	Juneau / SE Urban	4,305	8.0
Processing	5,415	10.1			
Professional, Technical, Managerial	7,506	14.0			
Service	7,634	14.2			
Structural Work	13,738	25.5			
Miscellaneous and Unknown	6,338	11.8			

Notes: Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Resear Juneau / SE Urban serves Juneau, Ketchikan, Petersburg, Sitka. UI Claimant Characteristics Files.

Starting 1996, the UI claims processing work at many offices was consolidated into regional centers in Anchorage and Juneau. All UI Claims filing is now done by mail or telephone. The Anchorage Center serves clients in Anchorage, Bethel, Dillingham, Eagle River, Glennallen, Homer, Kenai, Kodiak, Kotzebue, Mat–Su, Nome, Seward, Tok, and Valdez.

Table 2.4

Schedule of Weekly Benefits Duration

Ratio of Base Period Earnings to High Quarter Earnings	Duration of Benefits (in Weeks)
Less than 1.50	16
1.50-1.99	18
2.00-2.49	20
2.50-2.99	22
3.00-3.49	24
3.50 or more	26

Source: Alaska Statutes 23.20.350(e).

Table 2.5

**Payment Data, UI Regular Benefits
(Taxable and Reimbursable), 1989-1998**

Year	All Claimants		Claimants Exhausting Benefits		Average Duration (in Weeks)			Average Weekly Benefit Amount (AWBA)	Ratio of WBA to Average Weekly Earnings	Maximum Weekly Benefit Amount (\$)	
	Number of First Payments 1/	Number of Weeks Paid	Number 3/	Percent of First Payments 1/	Potential	Actual	Actual for Exhausts 3/	(\$) Amount 2/		Without Dependents Benefits	With Dependents Benefits
1989	33,093	485,552	13,972	42.2	20.7	14.7	20.4	157.17	0.28	188.00	260.00
1990	39,675	584,707	17,690	44.6	20.5	14.7	19.8	162.81	0.29	212.00	284.00
1991	44,523	682,519	20,825	46.8	20.7	15.3	20.1	169.72	0.29	212.00	284.00
1992	44,094	732,262	23,502	53.3	20.9	16.6	20.6	169.92	0.28	212.00	284.00
1993	40,689	642,198	20,292	49.9	21.0	15.8	20.8	170.73	0.28	212.00	284.00
1994	46,801	712,689	21,336	45.6	20.8	15.2	20.5	169.99	0.27	212.00	284.00
1995	46,832	678,057	19,480	41.6	20.9	14.5	20.7	172.88	0.28	212.00	284.00
1996	45,116	684,730	19,623	43.5	20.8	15.2	20.5	172.53	0.28	212.00	284.00
1997	43,617	641,264	17,726	40.6	20.5	14.7	20.6	175.76	0.28	248.00	320.00
1998	43,750	632,329	17,706	40.5	20.8	14.5	20.8	176.00	0.28	248.00	320.00

1/ The number of first payments relates to the calendar year indicated. The percent who exhaust their benefits relates to first payments in the 12-month period ending June 30 of the same year.

2/ Average weekly benefit amount for all claimants excluding certain part-time workers.

3/ Exhausts: Persons receiving payments for the maximum number of weeks available to them in a particular program.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
ETA 5-159 report to the U.S. Department of Labor;
BEP 3565 P Quarterly Management Reports;
ES-218 report to the U.S. Department of Labor.

Average Weekly Benefits (Regular UI) as a Percentage of Average Weekly Earnings (Covered Employment), 1998

Table 2.6

State	Average Benefit		Average Weekly Earnings		AWBA as % of Earnings	
	Amount (\$)	Rank	Amount (\$)	Rank	Percentage	Rank
Alabama	152.29	47	510.03	34	29.9	43
ALASKA	176.00	38	635.17	10	27.7	46
Arizona	148.75	48	558.37	24	26.6	49
Arkansas	185.54	33	464.07	47	40.0	10
California	154.37	46	676.19	6	22.8	51
Colorado	224.88	11	614.55	13	36.6	21
Connecticut	214.17	15	786.65	2	27.2	47
Delaware	197.20	25	652.19	9	30.2	42
Dist. of Columbia	231.42	8	867.17	1	26.7	48
Florida	205.37	21	534.98	31	38.4	16
Georgia	180.42	37	588.55	18	30.7	40
Hawaii	269.09	1	543.22	28	49.5	1
Idaho	195.35	26	471.30	45	41.4	6
Illinois	226.87	9	664.47	7	34.1	32
Indiana	201.31	23	556.66	25	36.2	24
Iowa	214.16	16	481.99	41	44.4	2
Kansas	224.62	12	510.59	33	44.0	3
Kentucky	185.64	32	509.09	36	36.5	23
Louisiana	148.40	50	512.48	32	29.0	45
Maine	148.61	49	489.90	39	30.3	41
Maryland	202.32	22	618.26	12	32.7	35
Massachusetts	261.00	3	724.68	5	36.0	25
Michigan	234.63	7	662.94	8	35.4	28
Minnesota	256.95	5	614.20	14	41.8	5
Mississippi	146.01	51	450.93	48	32.4	36
Missouri	163.68	44	551.04	26	29.7	44
Montana	173.20	41	424.59	51	40.8	8
Nebraska	164.09	43	486.18	40	33.8	34
Nevada	207.51	18	577.41	21	35.9	26
New Hampshire	183.12	34	591.85	17	30.9	39
New Jersey	265.66	2	786.52	3	33.8	33
New Mexico	169.38	42	480.79	42	35.2	29
New York	205.78	20	781.67	4	26.3	50
North Carolina	206.65	19	537.34	30	38.5	15
North Dakota	190.42	28	435.53	49	43.7	4
Ohio	215.45	13	580.26	20	37.1	20
Oklahoma	188.71	30	473.00	44	39.9	11
Oregon	215.12	14	562.91	23	38.2	18
Pennsylvania	237.77	6	603.25	15	39.4	13
Rhode Island	226.84	10	572.81	22	39.6	12
South Carolina	174.24	40	498.79	38	34.9	30
South Dakota	161.70	45	429.38	50	37.7	19
Tennessee	174.42	39	542.61	29	32.1	37
Texas	207.79	17	601.82	16	34.5	31
Utah	194.98	27	509.17	35	38.3	17
Vermont	180.52	36	506.73	37	35.6	27
Virginia	182.86	35	588.53	19	31.1	38
Washington	259.61	4	631.07	11	41.1	7
West Virginia	186.97	31	477.09	43	39.2	14
Wisconsin	199.97	24	546.59	27	36.6	22
Wyoming	189.49	29	467.36	46	40.5	9
United States 1/	199.97		607.42		32.9	

Note: U.S. Data include Puerto Rico and the Virgin Islands.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section: ETA 5-159 report, and ES-202 Report, U.S. Department of Labor.

Table 2.7**Payment Data, UI Extended Benefits, 1989-1998**

Year	Number of First Payments	Number of Weeks Paid	Number of Claimants Exhausting Benefits	Average Duration in Weeks	Average Weekly Benefit (\$) Amount 1/
1989	4,566	24,489	958	5.4	149.66
1990	5,730	32,267	1,445	5.6	161.28
1991	8,951	57,369	3,272	6.4	164.37
1992	6	32	7	5.3	136.84
1993	2	10	3	5.0	131.75
1994	13,605	89,840	4,857	6.6	166.65
1995	7,505	43,695	2,028	5.8	169.55
1996	7,037	41,199	1,897	5.9	171.15
1997	5,702	33,047	1,434	5.8	167.34
1998	5,973	31,666	1,293	5.3	171.60

1/ Excludes certain part-time workers.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Claims and Payment Activities, ETA 5-159 report to the U.S. Department of Labor.

Table 2.8**Payment Data, UI State Supplemental Benefits, 1989-1998**

Year	Number of First Payments	Number of Weeks Paid	Number of Claimants Exhausting Benefits	Average Duration in Weeks	Average Weekly Benefit (\$) Amount 1/
1989	329	1,943	122	5.9	95.13
1990	345	2,155	143	6.2	104.24
1991	761	4,536	336	6.0	102.54
1992	731	5,546	458	7.6	102.42
1993	1,067	7,943	688	7.4	102.75
1994	384	2,696	290	7.0	94.73
1995	233	1,298	104	5.6	101.32
1996	231	1,337	102	5.8	103.19
1997	154	914	72	5.9	97.60
1998	212	1,212	91	5.7	97.43

1/ Excludes certain part-time workers.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Claims and Payment Activities, ETA 5-159 report to the U.S. Department of Labor.

UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Intrastate, 1989-1998

Table 2.9

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
NUMBER OF WEEKS PAID										
Totals (incl. unclass.)	386,470	468,952	561,087	596,579	503,348	593,895	550,571	570,030	538,485	536,869
Ag., For. & Fish	3,014	2,681	4,061	4,383	5,005	5,644	4,795	4,685	4,620	4,440
Mining	24,119	53,201	38,071	42,856	27,477	27,332	24,200	29,449	23,149	19,020
Oil and Gas	19,380	47,231	32,442	37,617	22,263	21,893	19,470	25,160	19,390	14,380
Other Mining	4,739	5,970	5,629	5,239	5,214	5,439	4,730	4,289	3,759	4,640
Construction	69,149	73,534	94,468	92,478	69,707	94,806	100,049	101,613	97,178	95,982
Manufacturing	46,672	46,874	63,509	68,333	58,536	85,973	64,437	71,060	66,022	66,062
Food Products	27,162	25,496	35,971	41,458	38,995	59,840	44,708	49,927	44,069	44,921
Lumber & Wood	11,342	12,065	16,813	13,747	7,976	10,459	7,490	10,167	8,456	10,954
Paper Products	2,136	3,093	3,114	2,495	3,658	7,827	5,781	3,372	5,746	2,952
Other Mfg.	6,032	6,220	7,611	10,633	7,907	7,847	6,458	7,594	7,751	7,235
Trans., Comm.& Util.	31,337	57,297	54,547	57,374	50,168	56,454	57,640	52,545	48,083	49,981
Trade	65,200	74,664	102,762	116,967	103,580	111,625	101,412	105,561	98,486	100,375
Fin., Ins. & Real Est.	18,050	16,117	19,654	20,033	17,251	20,600	25,147	22,680	21,368	23,360
Services	87,364	101,807	133,303	142,716	127,157	143,670	129,740	138,392	135,416	134,510
Public Admin.	40,019	40,843	47,652	48,925	42,148	45,466	41,734	41,971	42,094	40,791
Unclassified	1,546	1,934	3,060	2,514	2,319	2,325	1,417	2,074	2,069	2,348
NUMBER OF FIRST PAYMENTS										
Totals (incl. unclass.)	27,044	33,325	37,031	37,268	32,534	40,329	37,113	36,813	35,920	36,492
Ag., For. & Fish	215	211	290	296	337	411	330	310	321	327
Mining	1,980	3,667	2,546	2,602	1,709	1,849	1,614	1,961	1,354	1,389
Oil and Gas	1,570	3,349	2,163	2,284	1,382	1,518	1,265	1,723	1,095	1,078
Other Mining	410	318	383	318	327	331	349	238	259	311
Construction	4,854	5,184	6,275	5,927	4,989	7,072	6,989	6,760	6,654	6,691
Manufacturing	3,561	3,726	4,431	4,575	4,133	5,508	4,350	4,367	4,337	4,347
Food Products	1,927	2,023	2,495	2,555	2,579	3,651	2,927	2,825	2,791	2,897
Lumber & Wood	1,024	988	1,172	1,047	618	889	635	724	662	730
Paper Products	175	291	256	255	484	454	356	259	388	206
Other Mfg.	435	424	508	718	452	514	432	559	496	514
Trans., Comm.& Util.	2,183	4,184	3,561	3,676	3,215	3,949	3,840	3,390	3,259	3,423
Trade	4,448	5,173	6,845	7,163	6,438	7,313	6,787	6,749	6,548	6,871
Fin., Ins. & Real Est.	1,121	1,045	1,211	1,159	1,025	1,406	1,551	1,318	1,414	1,448
Services	5,912	7,223	8,666	8,786	7,864	9,602	8,684	9,024	9,059	9,021
Public Admin.	2,666	2,754	3,042	2,932	2,672	3,047	2,833	2,757	2,807	2,802
Unclassified	104	158	164	152	152	172	135	177	167	173
AMOUNT OF PAYMENTS (\$)										
Totals (incl. unclass.)	57,799,996	73,010,065	90,968,612	96,182,266	80,771,580	92,239,211	89,143,076	92,123,501	88,426,083	88,232,651
Ag., For. & Fish	421,657	389,718	600,373	626,509	722,065	825,949	716,245	722,423	716,400	689,356
Mining	4,181,678	9,076,745	6,999,671	8,374,847	5,386,594	5,262,416	4,784,505	5,789,479	4,868,294	3,917,167
Oil and Gas	3,351,894	8,012,061	5,949,790	7,384,851	4,371,425	4,322,462	3,879,894	4,915,804	4,132,349	2,976,320
Other Mining	829,784	1,064,684	1,049,881	989,996	1,015,169	939,954	904,611	873,675	735,945	940,847
Construction	12,021,780	13,154,194	17,924,460	17,279,799	12,888,140	17,384,443	18,898,006	19,193,516	19,204,267	19,288,194
Manufacturing	6,473,636	6,805,843	9,869,443	10,245,401	8,695,512	12,103,658	9,363,301	10,252,579	10,118,976	10,066,630
Food Products	3,229,650	3,194,400	4,807,535	5,478,880	5,155,985	7,285,068	5,659,127	6,348,381	5,704,308	5,845,808
Lumber & Wood	1,945,855	2,075,092	3,234,287	2,518,586	1,450,800	1,863,235	1,400,714	1,894,373	1,637,920	2,162,409
Paper Products	343,953	542,842	582,280	450,333	745,714	1,629,753	1,153,993	658,751	1,324,327	662,986
Other Mfg.	954,178	993,509	1,245,341	1,797,602	1,343,013	1,325,602	1,149,467	1,351,074	1,452,421	1,395,427
Trans., Comm.& Util.	4,737,488	9,449,085	9,017,422	9,400,474	8,241,229	9,110,556	9,825,550	8,756,292	7,881,034	8,288,612
Trade	8,486,999	10,109,746	14,650,040	16,749,124	14,951,744	15,530,548	14,616,436	15,279,534	14,121,728	14,514,619
Fin., Ins. & Real Est.	2,878,622	2,570,778	3,200,696	3,265,199	2,881,820	3,407,467	4,206,776	3,761,251	3,477,139	3,807,280
Services	12,252,386	14,799,741	20,364,936	21,716,546	19,549,747	21,121,888	19,723,709	21,064,470	20,767,479	20,469,052
Public Admin.	6,137,466	6,407,134	7,936,502	8,182,038	7,134,760	7,198,484	6,799,592	7,007,920	6,963,130	6,841,856
Unclassified	208,284	247,081	405,069	342,329	319,969	293,802	208,956	296,037	307,636	349,885

Table 2.9

**UI Regular Benefit Payments (Taxable and Reimbursable)
by Industry—Intrastate, 1989-1998 (cont.)**

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
PERCENT DISTRIBUTION - AMOUNT OF PAYMENTS										
Totals (incl. unclass.)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ag., For. & Fish	0.7	0.5	0.7	0.7	0.9	0.9	0.8	0.8	0.8	0.8
Mining	7.2	12.4	7.7	8.7	6.7	5.7	5.4	6.3	5.5	4.4
Oil and Gas	5.8	11.0	6.5	7.7	5.4	4.7	4.4	5.3	4.7	3.4
Other Mining	1.4	1.5	1.2	1.0	1.3	1.0	1.0	0.9	0.8	1.1
Construction	20.8	18.0	19.7	18.0	16.0	18.8	21.2	20.8	21.7	21.9
Manufacturing	11.2	9.3	10.8	10.7	10.8	13.1	10.5	11.1	11.4	11.4
Food Products	5.6	4.4	5.3	5.7	6.4	7.9	6.3	6.9	6.5	6.6
Lumber & Wood	3.4	2.8	3.6	2.6	1.8	2.0	1.6	2.1	1.9	2.5
Paper Products	0.6	0.7	0.6	0.5	0.9	1.8	1.3	0.7	1.5	0.8
Other Mfg.	1.7	1.4	1.4	1.9	1.7	1.4	1.3	1.5	1.6	1.6
Trans., Comm.& Util.	8.2	12.9	9.9	9.8	10.2	9.9	11.0	9.5	8.9	9.4
Trade	14.7	13.8	16.1	17.4	18.5	16.8	16.4	16.6	16.0	16.5
Fin., Ins. & Real Est.	5.0	3.5	3.5	3.4	3.6	3.7	4.7	4.1	3.9	4.3
Services	21.2	20.3	22.4	22.6	24.2	22.9	22.1	22.9	23.5	23.2
Public Admin.	10.6	8.8	8.7	8.5	8.8	7.8	7.6	7.6	7.9	7.8
Unclassified	0.4	0.3	0.4	0.4	0.4	0.3	0.2	0.3	0.3	0.4
AVERAGE WEEKLY PAYMENTS (\$)										
Totals (incl. unclass.)	149.56	155.69	162.13	161.22	160.47	155.31	161.91	161.61	164.21	164.35
Ag., For. & Fish	139.90	145.36	147.84	142.94	144.27	146.34	149.37	154.20	155.06	155.26
Mining	173.38	170.61	183.86	195.42	196.04	192.54	197.71	196.59	210.30	205.95
Oil and Gas	172.96	169.64	183.40	196.32	196.35	197.44	199.28	195.38	213.12	206.98
Other Mining	175.10	178.34	186.51	188.97	194.70	172.82	191.25	203.70	195.78	202.77
Construction	173.85	178.89	189.74	186.85	184.89	183.37	188.89	188.89	197.62	200.96
Manufacturing	138.70	145.19	155.40	149.93	148.55	140.78	145.31	144.28	153.27	152.38
Food Products	118.90	125.29	133.65	132.15	132.22	121.74	126.58	127.15	129.44	130.14
Lumber & Wood	171.56	171.99	192.37	183.21	181.90	178.15	187.01	186.33	193.70	197.41
Paper Products	161.03	175.51	186.99	180.49	203.86	208.22	199.62	195.36	230.48	224.59
Other Mfg.	158.19	159.73	163.62	169.06	169.85	168.93	177.99	177.91	187.38	192.87
Trans., Comm.& Util.	151.18	164.91	165.31	163.85	164.27	161.38	170.46	166.64	163.90	165.84
Trade	130.17	135.40	142.56	143.20	144.35	139.13	144.13	144.75	143.39	144.60
Fin., Ins. & Real Est.	159.48	159.51	162.85	162.99	167.05	165.41	167.29	165.84	162.73	162.98
Services	140.25	145.37	152.77	152.17	153.74	147.02	152.02	152.21	153.36	152.17
Public Admin.	153.36	156.87	166.55	167.24	169.28	158.33	162.93	166.97	165.42	167.73
Unclassified	134.72	127.76	132.38	136.17	137.98	126.37	147.46	142.74	148.69	149.01
AVERAGE DURATION IN WEEKS										
Totals (incl. unclass.)	14.3	14.1	15.2	16.0	15.5	14.7	14.8	15.5	15.0	14.7
Ag., For. & Fish	14.0	12.7	14.0	14.8	14.9	13.7	14.5	15.1	14.4	13.6
Mining	12.2	14.5	15.0	16.5	16.1	14.8	15.0	15.0	17.1	13.7
Oil and Gas	12.3	14.1	15.0	16.5	16.1	14.4	15.4	14.6	17.7	13.3
Other Mining	11.6	18.8	14.7	16.5	15.9	16.4	13.6	18.0	14.5	14.9
Construction	14.2	14.2	15.1	15.6	14.0	13.4	14.3	15.0	14.6	14.3
Manufacturing	13.1	12.6	14.3	14.9	14.2	15.6	14.8	16.3	15.2	15.2
Food Products	14.1	12.6	14.4	16.2	15.1	16.4	15.3	17.7	15.8	15.5
Lumber & Wood	11.1	12.2	14.3	13.1	12.9	11.8	11.8	14.0	12.8	15.0
Paper Products	12.2	10.6	12.2	9.8	7.6	17.2	16.2	13.0	14.8	14.3
Other Mfg.	13.9	14.7	15.0	14.8	17.5	15.3	14.9	13.6	15.6	14.1
Trans., Comm.& Util.	14.4	13.7	15.3	15.6	15.6	14.3	15.0	15.5	14.8	14.6
Trade	14.7	14.4	15.0	16.3	16.1	15.3	14.9	15.6	15.0	14.6
Fin., Ins. & Real Est.	16.1	15.4	16.2	17.3	16.8	14.7	16.2	17.2	15.1	16.1
Services	14.8	14.1	15.4	16.2	16.2	15.0	14.9	15.3	14.9	14.9
Public Admin.	15.0	14.8	15.7	16.7	15.8	14.9	14.7	15.2	15.0	14.6
Unclassified	14.9	12.2	18.7	16.5	15.3	13.5	10.5	11.7	12.4	13.6

Note: Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section UC-217 report, Benefit Payments by Industry and Area.

UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Interstate, 1989-1998

Table 2.10

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
NUMBER OF WEEKS PAID										
Totals (incl. unclass.)	98,740	104,638	120,970	147,692	138,247	156,252	142,693	127,164	117,420	120,789
Ag., For. & Fish	557	776	1,135	1,589	1,921	2,372	1,035	902	1,129	915
Mining	5,839	8,226	8,019	10,499	8,058	7,225	7,636	6,044	5,049	3,175
Oil and Gas	4,526	6,804	6,333	9,148	6,373	5,708	6,667	5,061	4,299	2,414
Other Mining	1,313	1,422	1,686	1,351	1,685	1,517	969	983	750	761
Construction	8,914	8,790	10,445	10,725	8,154	10,610	12,235	10,865	8,771	8,910
Manufacturing	22,042	25,629	35,468	44,130	47,679	58,561	48,944	45,471	43,679	48,474
Food Products	14,868	17,613	23,981	33,354	38,934	48,124	40,571	38,235	36,046	41,212
Lumber & Wood	4,742	4,985	8,373	7,009	5,057	5,239	4,508	4,794	4,355	5,155
Paper Products	1,145	1,559	1,845	1,648	2,154	3,892	2,775	1,101	2,548	1,243
Other Mfg.	1,287	1,472	1,269	2,119	1,534	1,306	1,090	1,341	730	864
Trans., Comm. & Util.	7,201	9,336	9,792	11,078	9,395	10,986	11,567	9,020	8,358	8,026
Trade	16,166	14,976	16,079	22,733	20,437	20,966	19,547	17,753	15,810	15,833
Fin., Ins. & Real Est.	6,704	5,271	4,805	5,730	5,574	5,120	5,711	4,946	4,187	4,320
Services	21,287	21,672	25,293	31,017	27,577	30,617	28,020	24,855	23,775	24,177
Public Admin.	9,800	9,511	9,507	9,781	9,205	9,387	7,885	7,103	6,441	6,635
Unclassified	230	451	427	410	247	408	113	205	221	324

NUMBER OF FIRST PAYMENTS

Totals (incl. unclass.)	5,978	6,609	7,408	8,293	8,052	10,439	9,678	8,293	7,680	7,354
Ag., For. & Fish	37	70	85	94	130	148	78	69	78	63
Mining	371	574	484	555	418	507	521	413	282	218
Oil and Gas	285	493	389	492	316	416	444	362	233	170
Other Mining	86	81	95	63	102	91	77	51	49	48
Construction	559	537	658	597	515	753	859	716	637	502
Manufacturing	1,639	1,955	2,454	2,938	3,254	4,197	3,626	3,288	3,062	3,269
Food Products	1,095	1,359	1,741	2,216	2,678	3,457	2,972	2,758	2,527	2,851
Lumber & Wood	375	412	533	494	360	434	425	398	387	317
Paper Products	89	118	105	118	142	229	150	58	104	53
Other Mfg.	80	66	75	110	74	77	79	74	44	48
Trans., Comm. & Util.	403	607	558	578	532	725	727	551	516	461
Trade	891	866	969	1,170	1,036	1,349	1,243	1,060	974	869
Fin., Ins. & Real Est.	340	283	248	281	273	333	343	282	281	227
Services	1,182	1,208	1,433	1,598	1,437	1,859	1,791	1,490	1,465	1,345
Public Admin.	542	485	492	466	439	551	479	409	369	381
Unclassified	14	24	27	16	18	17	11	15	16	19

AMOUNT OF PAYMENTS (\$)

Totals (incl. unclass.)	16,246,234	17,467,401	21,185,177	25,589,312	24,269,843	25,665,432	24,466,248	21,908,339	20,459,119	20,805,096
Ag., For. & Fish	89,207	130,767	201,318	278,116	338,508	385,177	172,999	156,953	198,756	164,103
Mining	1,083,184	1,502,092	1,646,739	2,239,553	1,731,803	1,499,568	1,602,016	1,250,924	1,118,122	729,302
Oil and Gas	846,074	1,238,033	1,305,399	1,961,886	1,362,167	1,173,298	1,410,215	1,062,318	959,189	560,450
Other Mining	237,110	264,059	341,340	277,667	369,636	326,270	191,801	188,606	158,933	168,852
Construction	1,637,522	1,581,608	2,055,510	2,112,133	1,601,598	1,957,552	2,461,715	2,123,025	1,808,173	1,967,330
Manufacturing	3,277,864	3,941,359	5,795,260	7,016,198	7,748,207	8,890,810	7,618,549	7,224,018	7,142,649	7,295,672
Food Products	2,000,397	2,502,347	3,557,455	4,936,152	5,988,630	6,835,939	5,961,543	5,801,113	5,521,293	5,707,362
Lumber & Wood	849,603	900,550	1,638,392	1,346,232	1,016,023	1,017,985	877,042	941,660	885,400	1,130,011
Paper Products	203,602	280,111	367,667	333,233	438,923	804,095	568,802	234,220	581,081	280,718
Other Mfg.	224,262	258,351	231,746	400,581	304,631	232,791	211,162	247,025	154,875	177,581
Trans., Comm. & Util.	1,224,692	1,658,151	1,796,869	1,980,400	1,727,884	1,954,966	2,153,581	1,709,935	1,566,659	1,550,961
Trade	2,495,538	2,323,200	2,608,235	3,626,859	3,343,132	3,219,479	3,141,060	2,876,736	2,484,454	2,634,055
Fin., Ins. & Real Est.	1,153,281	932,835	844,987	1,057,621	1,018,985	904,711	1,037,681	915,628	766,350	829,235
Services	3,457,890	3,611,331	4,367,488	5,343,817	4,926,401	5,078,199	4,775,805	4,252,860	4,114,491	4,269,413
Public Admin.	1,788,158	1,713,194	1,789,958	1,871,331	1,794,809	1,712,125	1,485,577	1,366,070	1,223,650	1,303,275
Unclassified	38,898	72,864	78,813	63,284	38,516	62,845	17,265	32,190	35,815	61,750

Table 2.10

UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Interstate, 1989-1998 (cont.)

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
PERCENT DISTRIBUTION - AMOUNT OF PAYMENTS										
Totals (incl. unclass.)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ag., For. & Fish	0.5	0.7	1.0	1.1	1.4	1.5	0.7	0.7	1.0	0.8
Mining	6.7	8.6	7.8	8.8	7.1	5.8	6.5	5.7	5.5	3.5
Oil and Gas	5.2	7.1	6.2	7.7	5.6	4.6	5.8	4.8	4.7	2.7
Other Mining	1.5	1.5	1.6	1.1	1.5	1.3	0.8	0.9	0.8	0.8
Construction	10.1	9.1	9.7	8.3	6.6	7.6	10.1	9.7	8.8	9.5
Manufacturing	20.2	22.6	27.4	27.4	31.9	34.6	31.1	33.0	34.9	35.1
Food Products	12.3	14.3	16.8	19.3	24.7	26.6	24.4	26.5	27.0	27.4
Lumber & Wood	5.2	5.2	7.7	5.3	4.2	4.0	3.6	4.3	4.3	5.4
Paper Products	1.3	1.6	1.7	1.3	1.8	3.1	2.3	1.1	2.8	1.3
Other Mfg.	1.4	1.5	1.1	1.6	1.3	0.9	0.9	1.1	0.8	0.9
Trans., Comm.& Util.	7.5	9.5	8.5	7.7	7.1	7.6	8.8	7.8	7.7	7.5
Trade	15.4	13.3	12.3	14.2	13.8	12.5	12.8	13.1	12.1	12.7
Fin., Ins. & Real Est.	7.1	5.3	4.0	4.1	4.2	3.5	4.2	4.2	3.7	4.0
Services	21.3	20.7	20.6	20.9	20.3	19.8	19.5	19.4	20.1	20.5
Public Admin.	11.0	9.8	8.4	7.3	7.4	6.7	6.1	6.2	6.0	6.3
Unclassified	0.2	0.4	0.4	0.2	0.2	0.2	0.1	0.1	0.2	0.3
AVERAGE WEEKLY PAYMENT (\$)										
Totals (incl. unclass.)	164.54	166.93	175.13	173.26	175.55	164.26	171.46	172.28	174.24	172.24
Ag., For. & Fish	160.16	168.51	177.37	175.03	176.21	162.38	167.15	174.01	176.05	179.35
Mining	185.51	182.60	205.35	213.31	214.92	207.55	209.80	206.97	221.45	229.70
Oil and Gas	186.94	181.96	206.13	214.46	213.74	205.55	211.52	209.90	223.12	232.17
Other Mining	180.59	185.70	202.46	205.53	219.37	215.08	197.94	191.87	211.91	221.88
Construction	183.70	179.93	196.79	196.94	196.42	184.50	201.20	195.40	206.15	220.80
Manufacturing	148.71	153.79	163.39	158.99	162.51	151.82	155.66	158.87	163.53	150.51
Food Products	134.54	142.07	148.34	147.99	153.81	142.05	146.94	151.72	153.17	138.49
Lumber & Wood	179.17	180.65	195.68	192.07	200.91	194.31	194.55	196.42	203.31	219.21
Paper Products	177.82	179.67	199.28	202.20	203.77	206.60	204.97	212.73	228.05	225.84
Other Mfg.	174.25	175.51	182.62	189.04	198.59	178.25	193.73	184.21	212.16	205.53
Trans., Comm.& Util.	170.07	177.61	183.50	178.77	183.92	177.95	186.18	189.57	187.44	193.24
Trade	154.37	155.13	162.21	159.54	163.58	153.56	160.69	162.04	157.14	166.36
Fin., Ins. & Real Est.	172.03	176.97	175.86	184.58	182.81	176.70	181.70	185.12	183.03	191.95
Services	162.44	166.64	172.68	172.29	178.64	165.86	170.44	171.11	173.06	176.59
Public Admin.	182.47	180.13	188.28	191.32	194.98	182.39	188.41	192.32	189.98	196.42
Unclassified	169.12	161.56	184.57	154.35	155.94	154.03	152.79	157.02	162.06	190.59
AVERAGE DURATION IN WEEKS										
Totals (incl. unclass.)	16.5	15.8	16.3	17.8	17.2	15.0	14.7	15.3	15.3	16.4
Ag., For. & Fish	15.1	11.1	13.4	16.9	14.8	16.0	13.3	13.1	14.5	14.5
Mining	15.7	14.3	16.6	18.9	19.3	14.3	14.7	14.6	17.9	14.6
Oil and Gas	15.9	13.8	16.3	18.6	20.2	13.7	15.0	14.0	18.5	14.2
Other Mining	15.3	17.6	17.7	21.4	16.5	16.7	12.6	19.3	15.3	15.9
Construction	15.9	16.4	15.9	18.0	15.8	14.1	14.2	15.2	13.8	17.7
Manufacturing	13.4	13.1	14.5	15.0	14.7	14.0	13.5	13.8	14.3	14.8
Food Products	13.6	13.0	13.8	15.1	14.5	13.9	13.7	13.9	14.3	14.5
Lumber & Wood	12.6	12.1	15.7	14.2	14.0	12.1	10.6	12.0	11.3	16.3
Paper Products	12.9	13.2	17.6	14.0	15.2	17.0	18.5	19.0	24.5	23.5
Other Mfg.	16.1	22.3	16.9	19.3	20.7	17.0	13.8	18.1	16.6	18.0
Trans., Comm.& Util.	17.9	15.4	17.5	19.2	17.7	15.2	15.9	16.4	16.2	17.4
Trade	18.1	17.3	16.6	19.4	19.7	15.5	15.7	16.7	16.2	18.2
Fin., Ins. & Real Est.	19.7	18.6	19.4	20.4	20.4	15.4	16.7	17.5	14.9	19.0
Services	18.0	17.9	17.7	19.4	19.2	16.5	15.6	16.7	16.2	18.0
Public Admin.	18.1	19.6	19.3	21.0	21.0	17.0	16.5	17.4	17.5	17.4
Unclassified	16.4	18.8	15.8	25.6	13.7	24.0	10.3	13.7	13.8	17.1

Note: Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
UC-217 report, Benefit Payments by Industry and Area.

UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Total, 1989-1998

Table 2.11

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
NUMBER OF WEEKS PAID										
Totals (incl. unclass.)	485,210	573,590	682,057	744,271	641,595	750,147	693,264	697,194	655,905	657,658
Ag., For. & Fish	3,571	3,457	5,196	5,972	6,926	8,016	5,830	5,587	5,749	5,355
Mining	29,958	61,427	46,090	53,355	35,535	34,557	31,836	35,493	28,198	22,195
Oil and Gas	23,906	54,035	38,775	46,765	28,636	27,601	26,137	30,221	23,689	16,794
Other Mining	6,052	7,392	7,315	6,590	6,899	6,956	5,699	5,272	4,509	5,401
Construction	78,063	82,324	104,913	103,203	77,861	105,416	112,284	112,478	105,949	104,892
Manufacturing	68,714	72,503	98,977	112,463	106,215	144,534	113,381	116,531	109,701	114,536
Food Products	42,030	43,109	59,952	74,812	77,929	107,964	85,279	88,162	80,115	86,133
Lumber & Wood	16,084	17,050	25,186	20,756	13,033	15,698	11,998	14,961	12,811	16,109
Paper Products	3,281	4,652	4,959	4,143	5,812	11,719	8,556	4,473	8,294	4,195
Other Mfg.	7,319	7,692	8,880	12,752	9,441	9,153	7,548	8,935	8,481	8,099
Trans., Comm. & Util.	38,538	66,633	64,339	68,452	59,563	67,440	69,207	61,565	56,441	58,007
Trade	81,366	89,640	118,841	139,700	124,017	132,591	120,959	123,314	114,296	116,208
Fin., Ins. & Real Est.	24,754	21,388	24,459	25,763	22,825	25,720	30,858	27,626	25,555	27,680
Services	108,651	123,479	158,596	173,733	154,734	174,287	157,760	163,247	159,191	158,687
Public Admin.	49,819	50,354	57,159	58,706	51,353	54,853	49,619	49,074	48,535	47,426
Unclassified	1,776	2,385	3,487	2,924	2,566	2,733	1,530	2,279	2,290	2,672
NUMBER OF FIRST PAYMENTS										
Totals (incl. unclass.)	33,022	39,934	44,439	45,561	40,586	50,768	46,791	45,106	43,600	43,846
Ag., For. & Fish	252	281	375	390	467	559	408	379	399	390
Mining	2,351	4,241	3,030	3,157	2,127	2,356	2,135	2,374	1,636	1,607
Oil and Gas	1,855	3,842	2,552	2,776	1,698	1,934	1,709	2,085	1,328	1,248
Other Mining	496	399	478	381	429	422	426	289	308	359
Construction	5,413	5,721	6,933	6,524	5,504	7,825	7,848	7,476	7,291	7,193
Manufacturing	5,200	5,681	6,885	7,513	7,387	9,705	7,976	7,655	7,399	7,616
Food Products	3,022	3,382	4,236	4,771	5,257	7,108	5,899	5,583	5,318	5,748
Lumber & Wood	1,399	1,400	1,705	1,541	978	1,323	1,060	1,122	1,049	1,047
Paper Products	264	409	361	373	626	683	506	317	492	259
Other Mfg.	515	490	583	828	526	591	511	633	540	562
Trans., Comm. & Util.	2,586	4,791	4,119	4,254	3,747	4,674	4,567	3,941	3,775	3,884
Trade	5,339	6,039	7,814	8,333	7,474	8,662	8,030	7,809	7,522	7,740
Fin., Ins. & Real Est.	1,461	1,328	1,459	1,440	1,298	1,739	1,894	1,600	1,695	1,675
Services	7,094	8,431	10,099	10,384	9,301	11,461	10,475	10,514	10,524	10,366
Public Admin.	3,208	3,239	3,534	3,398	3,111	3,598	3,312	3,166	3,176	3,183
Unclassified	118	182	191	168	170	189	146	192	183	192
AMOUNT OF PAYMENTS (\$)										
Totals (incl. unclass.)	74,046,230	90,477,466	112,153,789	121,771,578	105,041,423	117,904,643	113,609,324	114,031,840	108,885,202	109,037,747
Ag., For. & Fish	510,864	520,485	801,691	904,625	1,060,573	1,211,126	889,244	879,376	915,156	853,459
Mining	5,264,862	10,578,837	8,646,410	10,614,400	7,118,397	6,761,984	6,386,521	7,040,403	5,986,416	4,646,469
Oil and Gas	4,197,968	9,250,094	7,255,189	9,346,737	5,733,592	5,495,760	5,290,109	5,978,122	5,091,538	3,536,770
Other Mining	1,066,894	1,328,743	1,391,221	1,267,663	1,384,805	1,266,224	1,096,412	1,062,281	894,878	1,109,699
Construction	13,659,302	14,735,802	19,979,970	19,391,932	14,489,738	19,341,995	21,359,721	21,316,541	21,012,440	21,255,524
Manufacturing	9,751,500	10,747,202	15,664,703	17,261,599	16,443,719	20,994,468	16,981,850	17,476,597	17,261,625	17,362,302
Food Products	5,230,047	5,696,747	8,364,990	10,415,032	11,144,615	14,121,007	11,620,670	12,149,494	11,225,601	11,553,170
Lumber & Wood	2,795,458	2,975,642	4,872,679	3,864,818	2,466,823	2,881,220	2,277,756	2,836,033	2,523,320	3,292,420
Paper Products	547,555	822,953	949,947	783,566	1,184,637	2,433,848	1,722,795	892,971	1,905,408	943,704
Other Mfg.	1,178,440	1,251,860	1,477,087	2,198,183	1,647,644	1,558,393	1,360,629	1,598,099	1,607,296	1,573,008
Trans., Comm. & Util.	5,962,180	11,107,236	10,814,291	11,380,874	9,969,113	11,065,522	11,979,131	10,466,227	9,447,693	9,839,573
Trade	10,982,537	12,432,946	17,258,275	20,375,983	18,294,876	18,750,027	17,757,496	18,156,270	16,606,182	17,148,674
Fin., Ins. & Real Est.	4,031,903	3,503,613	4,045,683	4,322,820	3,900,805	4,312,178	5,244,457	4,676,879	4,243,489	4,636,515
Services	15,710,276	18,411,072	24,732,424	27,060,363	24,476,148	26,200,087	24,499,514	25,317,330	24,881,970	24,738,465
Public Admin.	7,925,624	8,120,328	9,726,460	10,053,369	8,929,569	8,910,609	8,285,169	8,373,990	8,186,780	8,145,131
Unclassified	247,182	319,945	483,882	405,613	358,485	356,647	226,221	328,227	343,451	411,635

Table 2.11

**UI Regular Benefit Payments (Taxable and Reimbursable)
by Industry—Total, 1989-1998 (cont.)**

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
PERCENT DISTRIBUTION - AMOUNT OF PAYMENTS										
Totals (incl. unclass.)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Ag., For. & Fish	0.5	0.6	0.7	0.7	1.0	1.0	0.8	0.8	0.8	0.8
Mining	6.1	11.7	7.7	8.7	6.8	5.7	5.6	6.2	5.5	4.3
Oil and Gas	5.4	10.2	6.5	7.7	5.5	4.7	4.7	5.2	4.7	3.2
Other Mining	0.7	1.5	1.2	1	1.3	1.1	1.0	0.9	0.8	1.0
Construction	23.9	16.3	17.8	15.9	13.8	16.4	18.8	18.7	19.3	19.5
Manufacturing	7.8	11.9	14	14.2	15.7	17.8	14.9	15.3	15.9	15.9
Food Products	3.7	6.3	7.5	8.6	10.6	12.0	10.2	10.7	10.3	10.6
Lumber & Wood	1.7	3.3	4.3	3.2	2.3	2.4	2.0	2.5	2.3	3.0
Paper Products	0.7	0.9	0.8	0.6	1.1	2.1	1.5	0.8	1.7	0.9
Other Mfg.	1.7	1.4	1.3	1.8	1.6	1.3	1.2	1.4	1.5	1.4
Trans., Comm.& Util.	8.7	12.3	9.6	9.3	9.5	9.4	10.5	9.2	8.7	9.0
Trade	16.5	13.7	15.4	16.7	17.4	15.9	15.6	15.9	15.3	15.7
Fin., Ins. & Real Est.	5.3	3.9	3.6	3.5	3.7	3.7	4.6	4.1	3.9	4.3
Services	20.9	20.3	22.1	22.2	23.3	22.2	21.6	22.2	22.9	22.7
Public Admin.	9.7	9	8.7	8.3	8.5	7.6	7.3	7.3	7.5	7.5
Unclassified	0.6	0.4	0.4	0.3	0.3	0.3	0.2	0.3	0.3	0.4

AVERAGE WEEKLY PAYMENT (\$)

Totals (incl. unclass.)	153.07	157.74	164.43	163.61	163.72	157.18	163.88	163.56	166.01	165.80
Ag., For. & Fish	139.92	150.56	154.29	151.48	153.13	151.09	152.53	157.40	159.19	159.38
Mining	181.29	172.22	187.60	198.94	200.32	195.68	200.61	198.36	212.30	209.35
Oil and Gas	183.09	171.19	187.11	199.87	200.22	199.11	202.40	197.81	214.93	210.60
Other Mining	168.09	179.75	190.19	192.36	200.73	182.03	192.39	201.49	198.46	205.46
Construction	173.94	179.00	190.44	187.90	186.10	183.48	190.23	189.52	198.33	202.64
Manufacturing	135.70	148.23	158.27	153.49	154.82	145.26	149.78	149.97	157.35	151.59
Food Products	113.92	132.15	139.53	139.22	143.01	130.79	136.27	137.81	140.12	134.13
Lumber & Wood	166.31	174.52	193.47	186.20	189.28	183.54	189.84	189.56	196.97	204.38
Paper Products	171.62	176.90	191.56	189.13	203.83	207.68	201.36	199.64	229.73	224.96
Other Mfg.	160.56	162.75	166.34	172.38	174.52	170.26	180.26	178.86	189.52	194.22
Trans., Comm.& Util.	157.80	166.69	168.08	166.26	167.37	164.08	173.09	170.00	167.39	169.63
Trade	135.93	138.70	145.22	145.86	147.52	141.41	146.81	147.24	145.29	147.57
Fin., Ins. & Real Est.	161.18	163.81	165.41	167.79	170.90	167.66	169.95	169.29	166.05	167.50
Services	143.43	149.10	155.95	155.76	158.18	150.33	155.30	155.09	156.30	155.89
Public Admin.	157.46	161.26	170.16	171.25	173.89	162.45	166.98	170.64	168.68	171.74
Unclassified	135.53	134.15	138.77	138.72	139.71	130.50	147.86	144.02	149.98	154.06

AVERAGE DURATION IN WEEKS

Totals (incl. unclass.)	14.7	14.4	15.3	16.3	15.8	14.8	14.8	15.5	15.0	15.0
Ag., For. & Fish	14.2	12.3	13.9	15.3	14.8	14.3	14.3	14.7	14.4	13.7
Mining	12.7	14.5	15.2	16.9	16.7	14.7	14.9	15.0	17.2	13.8
Oil and Gas	12.9	14.1	15.2	16.8	16.9	14.3	15.3	14.5	17.8	13.5
Other Mining	12.2	18.5	15.3	17.3	16.1	16.5	13.4	18.2	14.6	15.0
Construction	14.4	14.4	15.1	15.8	14.1	13.5	14.3	15.0	14.5	14.6
Manufacturing	13.2	12.8	14.4	15.0	14.4	14.9	14.2	15.2	14.8	15.0
Food Products	13.9	12.7	14.2	15.7	14.8	15.2	14.5	15.8	15.1	15.0
Lumber & Wood	11.5	12.2	14.8	13.5	13.3	11.9	11.3	13.3	12.2	15.4
Paper Products	12.4	11.4	13.7	11.1	9.3	17.2	16.9	14.1	16.9	16.2
Other Mfg.	14.2	15.7	15.2	15.4	17.9	15.5	14.8	14.1	15.7	14.4
Trans., Comm.& Util.	14.9	13.9	15.6	16.1	15.9	14.4	15.2	15.6	15.0	14.9
Trade	15.2	14.8	15.2	16.8	16.6	15.3	15.1	15.8	15.2	15.0
Fin., Ins. & Real Est.	16.9	16.1	16.8	17.9	17.6	14.8	16.3	17.3	15.1	16.5
Services	15.3	14.6	15.7	16.7	16.6	15.2	15.1	15.5	15.1	15.3
Public Admin.	15.5	15.5	16.2	17.3	16.5	15.2	15.0	15.5	15.3	14.9
Unclassified	15.1	13.1	18.3	17.4	15.1	14.5	10.5	11.9	12.5	13.9

Note: Percentages may not add up to 100% due to rounding. Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, UC-217 report, Benefit Payments by Industry and Area.

UI Regular Benefit Payments (Taxable and Reimbursable) by Industry—Interstate as a Percentage of Total, 1989-1998

Table 2.12

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
NUMBER OF WEEKS PAID (%)										
Totals (incl. unclass.)	20.3	18.2	17.7	19.8	21.5	20.8	20.6	18.2	17.91	18.4
Ag., For. & Fish	15.6	22.4	21.8	26.6	27.7	29.6	17.8	16.1	19.6	17.1
Mining	19.5	13.4	17.4	19.7	22.7	20.9	24.0	17.0	17.9	14.3
Oil and Gas	18.9	12.6	16.3	19.6	22.3	20.7	25.5	16.7	18.1	14.4
Other Mining	21.7	19.2	23.0	20.5	24.4	21.8	17.0	18.6	16.6	14.1
Construction	11.4	10.7	10.0	10.4	10.5	10.1	10.9	9.7	8.3	8.5
Manufacturing	32.1	35.3	35.8	39.2	44.9	40.5	43.2	39.0	39.8	42.3
Food Products	35.4	40.9	40.0	44.6	50.0	44.6	47.6	43.4	45.0	47.8
Lumber & Wood	29.5	29.2	33.2	33.8	38.8	33.4	37.6	32.0	34.0	32.0
Paper Products	34.9	33.5	37.2	39.8	37.1	33.2	32.4	24.6	30.7	29.6
Other Mfg.	17.6	19.1	14.3	16.6	16.2	14.3	14.4	15.0	8.6	10.7
Trans., Comm. & Util.	18.7	14.0	15.2	16.2	15.8	16.3	16.7	14.7	14.8	13.8
Trade	19.9	16.7	13.5	16.3	16.5	15.8	16.2	14.4	13.8	13.6
Fin., Ins. & Real Est.	27.1	24.6	19.6	22.2	24.4	19.9	18.5	17.9	16.415	15.6
Services	19.6	17.6	15.9	17.9	17.8	17.6	17.8	15.2	14.9	15.2
Public Admin.	19.7	18.9	16.6	16.7	17.9	17.1	15.9	14.5	13.3	14.0
Unclassified	13.0	18.9	12.2	14.0	9.6	14.9	7.4	9.0	9.7	12.1
NUMBER OF FIRST PAYMENTS (%)										
Totals (incl. unclass.)	18.1	16.5	16.7	18.2	19.8	20.6	20.7	18.4	17.61	16.8
Ag., For. & Fish	14.7	24.9	22.7	24.1	27.8	26.5	19.1	18.2	19.5	16.2
Mining	15.8	13.5	16.0	17.6	19.7	21.5	24.4	17.4	17.2	13.6
Oil and Gas	15.4	12.8	15.2	17.7	18.6	21.5	26.0	17.4	17.5	13.6
Other Mining	17.3	20.3	19.9	16.5	23.8	21.6	18.1	17.6	15.9	13.4
Construction	10.3	9.4	9.5	9.2	9.4	9.6	10.9	9.6	8.7	7.0
Manufacturing	31.5	34.4	35.6	39.1	44.1	43.2	45.5	43.0	41.4	42.9
Food Products	36.2	40.2	41.1	46.4	50.9	48.6	50.4	49.4	47.5	49.6
Lumber & Wood	26.8	29.4	31.3	32.1	36.8	32.8	40.1	35.5	36.9	30.3
Paper Products	33.7	28.9	29.1	31.6	22.7	33.5	29.6	18.3	21.1	20.5
Other Mfg.	15.5	13.5	12.9	13.3	14.1	13.0	15.5	11.7	8.1	8.5
Trans., Comm. & Util.	15.6	12.7	13.5	13.6	14.2	15.5	15.9	14.0	13.7	11.9
Trade	16.7	14.3	12.4	14.0	13.9	15.6	15.5	13.6	12.9	11.2
Fin., Ins. & Real Est.	23.3	21.3	17.0	19.5	21.0	19.1	18.1	17.6	16.613	13.6
Services	16.7	14.3	14.2	15.4	15.4	16.2	17.1	14.2	13.9	13.0
Public Admin.	16.9	15.0	13.9	13.7	14.1	15.3	14.5	12.9	11.6	12.0
Unclassified	11.9	13.2	14.1	9.5	10.6	9.0	7.5	7.8	8.7	9.9
AMOUNT OF PAYMENTS (%)										
Totals (incl. unclass.)	21.9	19.3	18.9	21.0	23.1	21.8	21.5	19.2	18.81	19.1
Ag., For. & Fish	17.5	25.1	25.1	30.7	31.9	31.8	19.5	17.8	21.7	19.2
Mining	20.6	14.2	19.0	21.1	24.3	22.2	25.1	17.8	18.7	15.7
Oil and Gas	20.2	13.4	18.0	21.0	23.8	21.3	26.7	17.8	18.8	15.8
Other Mining	22.2	19.9	24.5	21.9	26.7	25.8	17.5	17.8	17.8	15.2
Construction	12.0	10.7	10.3	10.9	11.1	10.1	11.5	10.0	8.6	9.3
Manufacturing	33.6	36.7	37.0	40.6	47.1	42.3	44.9	41.3	41.4	42.0
Food Products	38.2	43.9	42.5	47.4	53.7	48.4	51.3	47.7	49.2	49.4
Lumber & Wood	30.4	30.3	33.6	34.8	41.2	35.3	38.5	33.2	35.1	34.3
Paper Products	37.2	34.0	38.7	42.5	37.1	33.0	33.0	26.2	30.5	29.7
Other Mfg.	19.0	20.6	15.7	18.2	18.5	14.9	15.5	15.5	9.6	11.3
Trans., Comm. & Util.	20.5	14.9	16.6	17.4	17.3	17.7	18.0	16.3	16.6	15.8
Trade	22.7	18.7	15.1	17.8	18.3	17.2	17.7	15.8	15.0	15.4
Fin., Ins. & Real Est.	28.6	26.6	20.9	24.5	26.1	21.0	19.8	19.6	18.117	17.9
Services	22.0	19.6	17.7	19.7	20.1	19.4	19.5	16.8	16.5	17.3
Public Admin.	22.6	21.1	18.4	18.6	20.1	19.2	17.9	16.3	14.9	16.0
Unclassified	15.7	22.8	16.3	15.6	10.7	17.6	7.6	9.8	10.4	15.0

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
UC-217 report, Benefit Payments by Industry and Area.

Table 2.13
UI Regular Benefit Payments by Local Office, 1989-1998

LOCAL OFFICE	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
NUMBER OF WEEKS PAID										
Total	485,552	584,707	682,519	732,262	642,198	712,689	678,057	684,730	641,264	632,329
Anchorage	111,537	138,790	174,672	185,561	151,071	163,572	156,965	180,726	247,591	304,590
Central – Interstate	98,971	105,494	121,245	146,306	138,688	144,282	133,326	120,163	113,433	110,423
Central – Mail	76,365	75,949	75,518	68,936	57,353	65,459	62,619	75,630	94,878	105,208
Eagle River	11,893	13,210	16,309	16,836	14,198	14,597	15,118	6,777	–	–
Fairbanks	57,323	69,466	79,833	75,879	66,261	72,876	69,639	68,375	61,281	61,862
Homer	8,778	13,628	15,015	14,944	13,592	13,966	14,045	9,173	–	–
Juneau	17,758	19,893	23,211	25,361	23,199	25,731	26,236	36,182	49,802	50,246
Kenai	27,078	32,605	38,187	46,566	37,766	40,663	40,092	46,113	24,236	–
Ketchikan	11,937	14,182	16,910	16,507	15,588	14,976	13,914	9,144	–	–
Kodiak	9,527	9,643	15,833	19,192	20,132	32,748	24,906	28,695	4,543	–
Matanuska–Susitna	38,348	49,174	54,872	58,219	48,060	54,037	54,162	57,466	42,253	–
Seward	5,273	8,719	10,130	10,124	8,897	10,401	10,062	9,456	3,247	–
Sitka	5,443	6,436	6,652	6,748	6,396	12,994	7,274	5,572	–	–
Valdez	2,124	6,181	5,055	6,173	5,449	6,693	7,355	5,466	–	–
Petersburg	1,475	3,991	4,412	4,078	3,847	4,009	3,318	2,266	–	–
Glennallen	756	4,509	3,788	4,221	3,983	4,186	4,334	2,783	–	–
Dillingham	366	1,501	1,857	3,216	2,991	3,181	2,444	–	–	–
Tok	600	3,984	4,099	4,299	5,310	7,012	7,541	5,139	–	–
Bethel	–	1,322	3,204	4,764	5,729	6,023	8,201	5,406	–	–
Nome	–	2,910	5,150	5,587	6,530	8,151	9,346	5,623	–	–
Kotzebue	–	3,120	6,567	8,745	7,158	7,132	7,160	4,575	–	–
AVERAGE DURATION IN WEEKS										
Total	14.7	14.7	15.3	16.6	15.8	15.2	14.5	15.2	14.7	14.5
Anchorage	14.3	14.5	15.2	16.7	16.3	14.8	14.5	15.2	14.2	14.3
Central – Interstate	16.0	16.4	16.5	17.5	17.1	16.3	14.7	15.1	15.2	15.7
Central – Mail	15.2	14.8	14.5	15.2	13.9	14.1	14.3	15.1	14.9	14.6
Eagle River	14.0	14.3	14.1	15.5	14.5	13.3	13.0	14.4	–	–
Fairbanks	14.5	14.2	15.8	16.1	15.4	15.3	14.2	14.9	14.2	13.7
Homer	14.3	14.9	16.4	18.6	16.5	15.5	15.1	16.3	–	–
Juneau	14.1	13.7	15.0	15.5	14.3	14.1	13.9	13.8	14.0	13.6
Kenai	14.3	14.5	14.8	17.0	17.1	15.1	15.0	15.2	16.7	–
Ketchikan	13.5	13.0	13.3	14.7	12.4	13.2	12.6	14.8	–	–
Kodiak	12.0	10.3	13.5	15.4	15.2	18.0	15.4	17.7	24.2	–
Matanuska–Susitna	15.0	15.9	15.7	17.7	16.0	15.5	15.1	15.5	16.1	–
Seward	13.8	14.9	15.5	18.2	16.1	15.3	15.3	14.9	15.0	–
Sitka	12.7	11.6	13.3	14.4	11.5	16.4	13.3	14.1	–	–
Valdez	11.4	14.0	14.4	14.8	13.6	14.8	13.2	15.1	–	–
Petersburg	11.0	15.1	13.5	16.6	13.6	15.3	12.2	15.4	–	–
Glennallen	11.3	15.9	15.2	17.0	15.9	15.3	13.7	16.0	–	–
Dillingham	13.6	15.3	13.7	15.9	16.1	14.9	16.5	–	–	–
Tok	12.2	15.7	18.2	16.9	17.8	15.8	15.7	17.1	–	–
Bethel	–	13.4	17.8	18.5	19.8	16.1	14.1	17.3	–	–
Nome	–	14.7	16.0	17.6	16.0	15.3	14.7	16.1	–	–
Kotzebue	–	15.8	16.9	17.6	16.6	15.2	16.1	14.7	–	–

UI Regular Benefit Payments by Local Office, 1989-1998 (cont.)

Table 2.13

LOCAL OFFICE	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
AMOUNT OF PAYMENTS (\$)										
Total	74,203,051	92,153,624	111,519,227	120,690,885	105,349,484	116,692,350	113,639,510	113,045,662	108,955,464	108,747,786
Anchorage	17,221,687	21,923,893	28,649,167	30,911,712	24,857,790	27,180,705	27,198,316	30,911,558	42,383,717	52,669,995
Central – Interstate	16,356,119	17,702,516	21,214,669	25,771,708	24,751,692	25,125,887	23,541,100	21,236,471	20,390,889	20,333,054
Central – Mail	10,720,521	11,184,127	11,496,539	10,330,181	8,636,930	10,025,547	9,860,742	11,933,454	14,525,601	16,308,879
Eagle River	1,943,293	2,192,049	2,798,431	2,948,298	2,499,068	2,589,869	2,747,639	1,246,621	–	–
Fairbanks	8,669,137	10,959,589	13,093,808	12,498,548	10,772,401	11,901,280	11,901,532	11,551,384	10,773,006	10,920,359
Homer	1,255,796	2,088,313	2,318,030	2,257,267	1,990,260	2,064,300	2,170,391	1,419,523	–	–
Juneau	2,715,079	3,068,971	3,790,827	4,225,598	3,876,780	4,371,494	4,500,136	5,030,372	8,443,966	8,515,499
Kenai	3,915,831	4,977,921	6,090,802	7,650,984	6,049,196	6,479,261	6,559,914	7,480,904	3,997,436	–
Ketchikan	1,729,948	2,068,920	2,698,648	2,608,955	2,534,714	2,379,810	2,230,930	1,433,352	–	–
Kodiak	1,372,636	1,413,241	2,318,047	2,796,903	2,883,877	4,622,992	3,298,120	3,732,130	702,713	–
Matanuska–Susitna	5,968,049	7,825,765	9,082,290	9,856,991	7,974,914	9,090,217	9,321,200	9,930,356	7,253,729	–
Seward	686,615	1,350,399	1,487,863	1,427,903	1,172,104	1,475,983	1,419,602	1,386,672	484,407	–
Sitka	815,096	977,604	992,108	1,046,710	1,034,793	2,200,458	1,133,720	846,451	–	–
Valdez	327,062	1,055,678	817,516	936,071	849,645	1,062,754	1,212,209	897,737	–	–
Petersburg	247,887	652,336	733,376	639,238	587,209	615,645	488,281	346,212	–	–
Glennallen	127,586	749,604	583,010	639,663	613,932	668,016	693,540	459,435	–	–
Dillingham	54,468	232,948	293,927	486,010	489,641	495,926	389,549	–	–	–
Tok	76,241	531,019	573,280	598,960	754,932	1,041,496	1,139,223	792,178	–	–
Bethel	–	200,560	496,174	711,875	858,136	884,779	1,187,441	757,848	–	–
Nome	–	494,078	887,032	880,050	972,357	1,264,382	1,474,925	883,650	–	–
Kotzebue	–	504,093	1,103,683	1,467,260	1,189,113	1,151,549	1,171,000	769,354	–	–
AVERAGE WEEKLY PAYMENT (\$)										
Total	152.82	157.61	163.39	164.82	164.05	163.74	167.60	165.10	169.91	171.98
Anchorage	154.40	157.96	164.02	166.59	164.54	166.17	173.28	171.04	171.18	172.92
Central – Interstate	165.26	167.81	174.97	176.15	178.47	174.14	176.57	176.73	179.76	184.14
Central – Mail	140.39	147.26	152.24	149.85	150.59	153.16	157.47	157.79	153.10	155.02
Eagle River	163.40	165.94	171.59	175.12	176.02	177.42	181.75	183.95	–	–
Fairbanks	151.23	157.77	164.01	164.72	162.58	163.31	170.90	168.94	175.80	176.53
Homer	143.06	153.24	154.38	151.05	146.43	147.81	154.53	154.75	–	–
Juneau	152.89	154.27	163.32	166.62	167.11	169.89	171.53	139.03	169.55	169.48
Kenai	144.61	152.67	159.50	164.30	160.18	159.34	163.62	162.23	164.94	–
Ketchikan	144.92	145.88	159.59	158.05	162.61	158.91	160.34	156.75	–	–
Kodiak	144.08	146.56	146.41	145.73	143.25	141.17	132.42	130.06	154.68	–
Matanuska–Susitna	155.63	159.14	165.52	169.31	165.94	168.22	172.10	172.80	171.67	–
Seward	130.21	154.88	146.88	141.04	131.74	141.91	141.09	146.64	149.19	–
Sitka	149.75	151.90	149.14	155.11	161.79	169.34	155.86	151.91	–	–
Valdez	153.98	170.79	161.72	151.64	155.93	158.79	164.81	164.24	–	–
Petersburg	168.06	163.45	166.22	156.75	152.64	153.57	147.16	152.79	–	–
Glennallen	168.76	166.25	153.91	151.54	154.14	159.58	160.02	165.09	–	–
Dillingham	148.82	155.20	158.28	151.12	163.70	155.90	159.39	–	–	–
Tok	127.07	133.29	139.86	139.33	142.17	148.53	151.07	154.15	–	–
Bethel	–	151.71	154.86	149.43	149.79	146.90	144.79	140.19	–	–
Nome	–	169.79	172.24	157.52	148.91	155.12	157.81	157.15	–	–
Kotzebue	–	161.57	168.07	167.78	166.12	161.46	163.55	168.16	–	–

Notes: The Central – Mail unit included Valdez prior to 1988; Petersburg, Glennallen, Dillingham, and Tok prior to 1989; and Bethel, Nome, and Kotzebue prior to 1990.

Starting 1996, the UI claims processing work at many offices was consolidated into regional centers in Anchorage and Juneau.

The Anchorage Center serves clients in Anchorage, Bethel, Dillingham, Eagle River, Glennallen, Homer, Kenai, Kodiak, Kotzebue, Mat–Su, Nome, Seward, Tok, and Valdez.

The Juneau / SE Urban Center serves Juneau, Ketchikan, Petersburg, and Sitka.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: BEP 3565 P Quarterly Management Reports.

Table 2.14

Amount of UI Benefit Payments by Census Area, 1998

Census Areas	State UI 1/		UCFE		UCX		EUC	SSB	All
	Regular	EB	Regular	EB	Regular	EB			Programs
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	Total
Aleutians East Borough	309,402	2,199	0	0	0	0	0	1,088	312,689
Aleutians West CA	595,037	11,644	672	0	0	0	0	0	607,353
Anchorage Borough	27,284,036	1,582,014	706,674	26,781	362,869	9,575	0	18,416	29,990,365
Bethel CA	1,709,754	138,148	19,812	3,003	2,864	0	0	6,465	1,880,046
Bristol Bay Borough	205,945	19,193	9,059	0	0	0	0	0	234,197
Denali Borough	422,191	57,093	70,997	3,950	4,347	0	0	1,008	559,586
Dillingham CA	465,541	32,140	7,667	0	0	0	0	628	505,976
Fairbanks N Star Borough	10,836,085	499,185	512,707	21,093	320,667	17,416	0	8,761	12,215,914
Haines Borough	570,132	41,673	11,820	0	0	0	0	448	624,073
Juneau Borough	4,014,597	171,385	62,064	1,660	8,580	0	0	4,281	4,262,567
Kenai Peninsula Borough	9,726,199	705,253	137,066	3,495	37,919	0	0	22,293	10,632,225
Ketchikan Gateway Borough	2,633,815	168,732	52,290	0	6,099	0	0	2,200	2,863,136
Kodiak Island Borough	3,412,893	98,495	16,999	0	3,166	0	0	1,152	3,532,705
Lake & Peninsula Borough	183,839	11,517	6,514	0	0	0	0	1,148	203,018
Matanuska-Susitna Borough	9,068,501	506,715	174,014	20,393	38,629	7,162	0	12,951	9,828,365
Nome CA	1,361,405	86,373	2,287	0	5,430	0	0	2,433	1,457,928
North Slope Borough	826,059	29,322	1,575	0	0	0	0	0	856,956
Northwest Arctic Borough	1,005,487	73,321	12,088	225	0	0	0	3,902	1,095,023
Prince of Wales-Outer Ktn	1,941,325	94,173	11,178	0	0	0	0	3,954	2,050,630
Sitka Borough	959,217	43,513	54,645	3,552	6,546	0	0	0	1,067,473
Skagway-Hoonah-Angoon CA	1,058,029	59,626	31,947	0	0	0	0	895	1,150,497
Southeast Fairbanks CA	1,046,568	80,878	73,288	2,829	14,098	3,536	0	2,665	1,223,862
Valdez - Cordova CA	2,078,854	132,970	31,765	1,160	3,168	0	0	5,238	2,253,155
Wade Hampton CA	1,156,104	75,190	0	0	1,622	0	0	4,472	1,237,388
Wrangell - Petersburg CA	1,618,055	74,129	35,523	3,040	0	0	0	1,464	1,732,211
Yakutat Borough	205,914	9,051	0	0	0	0	0	0	214,965
Yukon - Koyukuk CA	1,095,243	84,041	19,542	4,204	2,160	0	0	2,202	1,207,392
Area Unknown	2,442,424	200,967	35,742	1,394	14,585	224	0	8,074	2,703,410
In-State Totals	88,232,651	5,088,940	2,097,935	96,779	832,749	37,913	0	116,138	96,503,105
Interstate Totals	20,805,096	390,038	1,145,177	18,399	129,824	1,508	0	3,542	22,493,584
Totals All Areas	109,037,747	5,478,978	3,243,112	115,178	962,573	39,421	0	119,680	118,996,689

Ten-Year Historical Data Series for Census Area Totals (\$)

Year	State UI 1/		UCFE		UCX		EUC	SSB	All
	Regular	EB	Regular	EB	Regular	EB			Programs
									Total
1989	74,046,230	3,616,901	3,386,290	206,945	488,506	0	0	184,819	81,929,691
1990	90,477,466	5,126,989	3,252,227	114,624	559,369	0	0	222,974	99,753,649
1991	112,153,789	9,281,316	3,316,482	214,828	814,743	0	2,798,884	473,221	129,053,263
1992	121,771,578	3,801	3,897,584	0	2,476,242	0	47,069,125	613,796	175,832,126
1993	105,041,423	579	3,827,029	0	1,767,553	0	68,737,851	813,931	180,188,366
1994	117,904,643	14,895,807	4,536,264	449,480	1,280,696	144,639	10,494,385	304,145	150,010,059
1995	113,609,324	7,248,703	4,343,639	202,109	1,199,348	57,836	46,043	136,008	126,843,010
1996	114,031,840	6,906,444	3,342,795	186,912	883,029	49,526	15,994	137,013	125,553,553
1997	108,885,202	5,438,470	2,911,603	115,401	998,659	34,166	0	90,726	118,474,227
1998	109,037,747	5,478,978	3,243,112	115,178	962,573	39,421	0	119,680	118,996,689

1/ UI and UI-Combined (includes federal portion of UI-Combined).

Note: EUC program began in Nov. 1991. Prior years' data represent FSC program.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: UC 217 report, Benefit Payments by Industry and Area.

UI Regular Benefit Payments to Interstate Claimants^{1/} by State, 1997-1998

Table 2.15

State	1997		1998	
	(\$) Regular Benefits Paid	Percent Distribution	(\$) Regular Benefits Paid	Percent Distribution
Alabama	146,561	0.7	167,447	0.8
Arizona	793,044	3.9	780,880	3.8
Arkansas	142,700	0.7	145,331	0.7
California	3,895,420	19.0	4,420,268	21.2
Colorado	409,879	2.0	349,334	1.7
Connecticut	38,329	0.2	29,030	0.1
Delaware	14,651	0.1	13,271	0.1
Dist. of Columbia	1,212	0.0	3,660	0.0
Florida	448,764	2.2	596,804	2.9
Georgia	221,367	1.1	216,681	1.0
Guam	0	0.0	0	0.0
Hawaii	314,539	1.5	269,683	1.3
Idaho	680,327	3.3	733,272	3.5
Illinois	103,480	0.5	103,121	0.5
Indiana	73,532	0.4	90,124	0.4
Iowa	51,735	0.3	92,386	0.4
Kansas	60,436	0.3	65,152	0.3
Kentucky	99,245	0.5	78,634	0.4
Louisiana	200,188	1.0	186,782	0.9
Maine	68,613	0.3	46,199	0.2
Maryland	55,990	0.3	73,092	0.4
Massachusetts	69,624	0.3	57,903	0.3
Michigan	207,969	1.0	208,943	1.0
Minnesota	335,965	1.6	234,831	1.1
Mississippi	125,804	0.6	128,308	0.6
Missouri	260,715	1.3	213,624	1.0
Montana	706,200	3.5	696,435	3.3
Nebraska	47,544	0.2	60,850	0.3
Nevada	393,594	1.9	448,609	2.2
New Hampshire	63,690	0.3	50,413	0.2
New Jersey	63,550	0.3	52,718	0.3
New Mexico	259,617	1.3	258,160	1.2
New York	176,550	0.9	195,362	0.9
North Carolina	217,601	1.1	257,306	1.2
North Dakota	108,025	0.5	85,942	0.4
Ohio	155,365	0.8	156,419	0.8
Oklahoma	242,610	1.2	302,184	1.5
Oregon	1,961,483	9.6	1,981,636	9.5
Pennsylvania	142,071	0.7	129,582	0.6
Puerto Rico	40,167	0.2	59,695	0.3
Rhode Island	4,530	0.0	8,375	0.0
South Carolina	92,102	0.5	95,832	0.5
South Dakota	36,625	0.2	75,554	0.4
Tennessee	226,859	1.1	170,630	0.8
Texas	766,248	3.7	702,951	3.4
Utah	153,633	0.8	140,182	0.7
Vermont	51,954	0.3	52,240	0.3
Virginia	179,394	0.9	135,642	0.7
Virgin Islands	8,821	0.0	2,585	0.0
Washington	5,153,684	25.2	5,028,490	24.2
West Virginia	56,643	0.3	48,582	0.2
Wisconsin	183,746	0.9	150,412	0.7
Wyoming	129,553	0.6	132,781	0.6
Canada	13,976	0.1	20,769	0.1
Total	20,455,924	100.0	20,805,096	100.0

^{1/} These are payments from Alaska to recipients in other states.

Note: Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
UC-217 report, Benefit Payments by Industry and Area.

Table 2.16
Payment of Dependents' Benefits, 1989-1998

Year	Number of First Pays with Dependents	All First Pays	Percent First Pays with Dependents	Weeks Compensated with Dependents	All Weeks Compensated	Percent Weeks Compensated with Dependents	(\$) Amount of Dependent Benefits	Average (\$) Payment of Dependent Benefits	
								Claimants with Dependents	All Claimants
1989	12,410	33,093	37.5	200,664	485,552	41.3	8,864,736	44.18	18.26
1990	14,977	39,675	37.7	244,932	584,707	41.9	11,014,824	44.97	18.84
1991	16,413	44,523	36.9	278,019	682,519	40.7	12,413,232	44.65	18.19
1992	15,846	44,094	35.9	291,300	732,262	39.8	13,032,168	44.74	17.80
1993	14,847	40,689	36.5	257,242	642,198	40.1	11,541,100	44.86	17.97
1994	18,586	46,801	39.7	288,853	712,689	40.5	14,004,072	48.48	19.65
1995	19,655	46,832	42.0	288,692	678,057	42.6	13,639,536	47.25	20.12
1996	19,259	45,116	42.7	294,374	684,730	43.0	13,197,336	44.83	19.27
1997	18,511	43,617	42.4	275,395	641,264	42.9	12,363,624	44.89	19.28
1998	19,226	43,750	43.9	278,024	632,329	44.0	12,486,840	44.91	19.75

Notes: Dependent's allowance is \$24.00 per dependent (maximum \$72.00).
State UI (Regular) program only

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
BEP 3565 P Quarterly Management Report.

Average Weekly Percentage of Unemployed Receiving UI Benefits, 1998

Table 2.17

State	Average Weekly Unemployed	Average Weeks Compensated	Compensated as % of Unemployed	Rank
Alabama	85,925	26,636	31.0	24
Alaska	19,100	12,160	63.7	1
Arizona	91,375	17,292	18.9	43
Arkansas	63,800	20,331	31.9	22
California	954,400	327,916	34.4	19
Colorado	74,250	13,314	17.9	45
Connecticut	64,100	30,078	46.9	5
Delaware	14,350	6,147	42.8	11
Dist. of Columbia	22,500	6,897	30.7	26
Florida	324,725	61,436	18.9	44
Georgia	159,200	28,284	17.8	47
Hawaii	34,675	11,564	33.4	20
Idaho	32,475	10,659	32.8	21
Illinois	272,975	94,162	34.5	18
Indiana	92,425	25,714	27.8	32
Iowa	40,800	15,067	36.9	17
Kansas	50,500	11,913	23.6	39
Kentucky	83,000	24,542	29.6	28
Louisiana	110,425	18,615	16.9	49
Maine	28,475	13,153	46.2	7
Maryland	125,050	29,437	23.5	40
Massachusetts	107,600	55,758	51.8	3
Michigan	189,775	80,896	42.6	12
Minnesota	67,250	27,838	41.4	15
Mississippi	66,250	14,715	22.2	41
Missouri	116,000	33,859	29.2	29
Montana	24,925	6,643	26.7	34
Nebraska	19,525	5,678	29.1	30
Nevada	38,350	17,044	44.4	10
New Hampshire	17,800	2,841	16.0	52
New Jersey	201,375	84,186	41.8	14
New Mexico	54,150	9,672	17.9	46
New York	495,800	153,991	31.1	23
North Carolina	131,750	40,009	30.4	27
North Dakota	7,725	3,180	41.2	16
Ohio	245,975	60,327	24.5	36
Oklahoma	64,725	10,347	16.0	51
Oregon	95,525	40,138	42.0	13
Pennsylvania	269,300	125,316	46.5	6
Puerto Rico	174,750	47,746	27.3	33
Rhode Island	23,700	11,460	48.4	4
South Carolina	66,725	19,346	29.0	31
South Dakota	10,550	1,698	16.1	50
Tennessee	117,775	36,166	30.7	25
Texas	487,300	93,678	19.2	42
Utah	34,275	8,135	23.7	37
Vermont	10,925	5,011	45.9	8
Virginia	110,425	19,428	17.6	48
Washington	139,500	62,783	45.0	9
West Virginia	52,300	13,621	26.0	35
Wisconsin	93,525	52,423	56.1	2
Wyoming	11,450	2,704	23.6	38
United States	6,294,225	1,952,768	31.0	

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: UI Data Summary, Quarters 1-4, 1998, produced by the U.S. Department of Labor.

Alaska's UI Benefit Financing System

This chapter focuses on the other side of unemployment insurance (UI): where the money comes from to pay benefits. First the core of the financing system is discussed, with its benefit costs and the benefit cost rate. Next is a description of the UI trust fund, along with a discussion of the general level and trends of employer and employee taxes. This is followed by an explanation of the tax calculation procedures and formulas, experience rating, and the trust fund solvency adjustment. Finally, administration of the program and revenue from direct reimbursements to the fund are discussed.

Unemployment Insurance is a Self-Financing System

Unemployment compensation is an insurance program, not a social welfare program. As such, it should be self-supporting. This means that, in the long run, employer and employee contributions and reimbursements must be roughly equal to benefits paid out to claimants. Each state has its own financing system to achieve that goal by varying employer taxes and in some cases employee taxes. Alaska is one of only three states that tax employees each year in order to pay for part of benefit costs.

Alaska's system previously was based solely upon the "reserve multiple" (a system still used in many states), which varies tax rates according to a schedule based on the ratio of UI trust fund reserves to payroll. In 1980, state law transformed the unemployment insurance tax structure into a highly reliable,

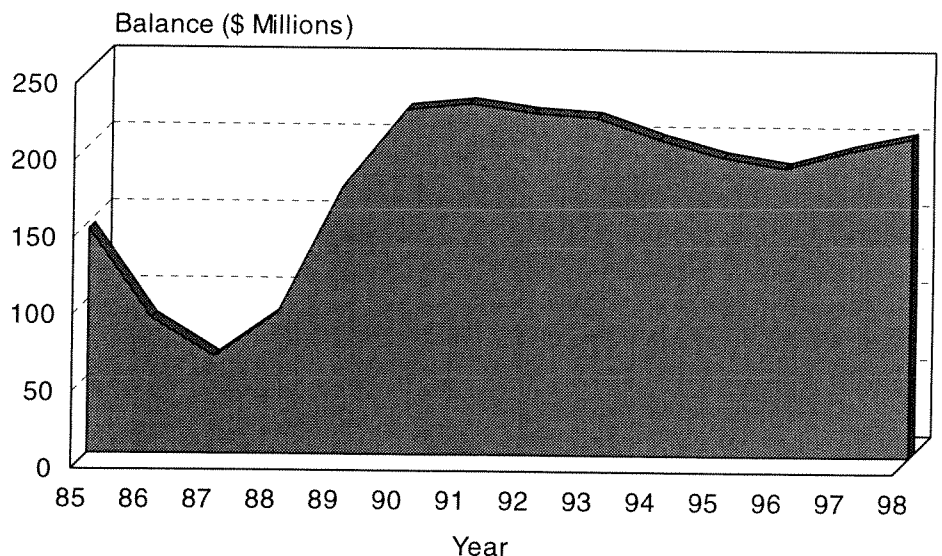
self-adjusting financial system based less upon trust fund reserves and more upon UI benefit costs. The tax base automatically adjusts to changes in average earnings, and the tax rate automatically adjusts to changes in benefit costs, payroll, and the trust fund reserve ratio.

Benefit Costs and Benefit Cost Rate Drive the UI System

The primary purpose of any financing system is to cover benefit costs. The cost of benefits is expressed as the ratio of the amount of benefits paid in the current year to the total payroll during the previous year. This ratio is called the benefit cost rate (BCR). The BCR is a measure of the potential funding needed to pay unemployment benefits, and the financial impact of unemployment benefits on the economy of the state.

UI Trust Fund End-of-Year Balance, 1985-1998

Figure 3.1



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

Alaska's benefit cost rate is high compared to other states. The BCR for taxable employment was 1.9% in 1998, and averaged 2.1% for the 10-year period from 1989 to 1998. (See Table 3.1.) In general, the average benefit cost rate in Alaska is higher than in other states. This is attributable to both the seasonality of employment and the fact that a larger proportion of the unemployed in Alaska receive UI benefits than in any other state.

Benefit cost rates in reimbursable employment tend to be less than one-third the rate in taxable employment. The benefit cost rate in reimbursable employment was 0.5% in 1998, and averaged about 0.6% over the ten year period from 1989 to 1998. These low benefit cost rates result from the generally stable and non-seasonal employment practices of our major reimbursable employers: state and local government.

The UI Trust Fund is a Savings Account for Paying Benefits

Each state has a trust fund for the sole purpose of paying unemployment insurance benefits. Withdrawals are made from reserves as needed to make payments to claimants; taxes, reimbursements, interest, and other sources of contributions are deposited into the fund to build reserves.

Maintaining the solvency of the trust fund is one of the most important tasks of any UI system. Occasionally, a recession may be severe enough that money drawn from the fund to pay benefits exceeds revenues and fund reserves. If a state's fund becomes insolvent, the state may borrow from the federal government.

Between 1955 and 1960, Alaska borrowed \$9 million from the federal government to keep its trust fund solvent. Annual benefit payments from 1952 through 1959 exceeded collections, breaking the fund temporarily in 1955 and then again in 1957. To replenish the fund, the amount of wages subject to taxes was increased, and taxes were levied on employees beginning in 1955. Although many states borrowed to pay benefits in the early 1980's, Alaska has not borrowed to pay UI benefits since 1960.

The level of employment and payroll in the economy has a direct effect on the amount of benefits that will potentially need to be paid. Therefore, the ability of trust fund reserves to pay benefits during recessions cannot be measured simply by the level of reserves. A better measure is the reserve rate, which is the ratio of reserves to total wages subject to contributions. A trust fund reserve rate of approximately 3.2% of wages subject to contributions is generally considered adequate in Alaska.

The recession of 1986-87 had a serious impact on Alaska's UI trust fund, but reserves were adequate to maintain solvency. At the end of 1985, Alaska's trust fund reserves were \$145.4 million, and the reserve rate was 3.3%. By 1987, trust fund reserves had fallen to \$63.0 million with a reserve rate of 1.7%. The fund reserve balance bottomed out in April 1988 at \$45.9 million. By the end of 1990, fund reserves had rebuilt to \$224.3 million, with a reserve rate of 4.8%. (See Tables 3.3 and 3.10.) At the end of 1998, the reserve rate was 3.3%, where it has rested for the past three years. (See figure 3.1.)

State Taxes are Principal Income Source for UI Trust Fund

State UI tax revenues collected from employers and employees are the principal source of income to the unemployment insurance trust fund. In 1998, tax contributions to the UI trust fund were \$109.5 million, 74.3% of total revenues. (See Table 3.3.) This marks the third straight year of increasing tax contributions.

Employers are, however, experiencing lower than average tax rates, and have been since 1991. For employers, the 1999 tax year will mark the eighth year in a row when the average employer tax rate (2.06% of the taxable wage base in 1999) will fall below the 10-year average from 1989 to 1998. (See Table 3.4.)

State taxes are assessed on wages up to a set taxable wage base. The tax base is defined in AS 23.20.175(c) as 75% of the average annual earnings in covered employment for the immediately preceding year ending June 30. The

state taxable wage base was \$24,100 in 1998, and 24,500 for tax year 1999.

Tax Rates Calculated on Benefit Cost Rate and Trust Fund Reserve Rate

There are three essential components of employer and employee taxes in Alaska, the average benefit cost rate (ABCR), individual employer experience factors, and the trust fund solvency adjustment (TFSA). Tax rates are calculated in November and apply to the following calendar year. The formulas for calculating tax rates are as follows:

Employer tax rate = (.8 times the average benefit cost rate times the experience factor) plus the trust fund solvency adjustment

Employee tax rate = .2 times the average benefit cost rate

For tax rate calculation purposes, the average benefit cost rate (ABCR) is defined as the cost of benefits over the most recent three year period ending June 30 divided by the total payroll of contributing employers over the first three of the last four years ending June 30. (See Table 3.6.)

The ABCR measures benefit outlays which must be replaced by contributions. Basing the calculations on three-year periods makes the system "counter-cyclical." This means that contribution rates increase slowly or even decrease during recessions as the trust fund is drawn down, then increase more rapidly during periods of economic stability or growth to replenish the fund. When the ABCR is low, or when the trust fund reserves are high relative to payroll, contribution rates decline and act as a stimulus to the economy.

Prior to January 1, 1997, employers paid 82% of the ABCR, and employees paid the other 18%. Beginning in 1997, these rates shifted to 80% and 20%. Employee rates are the same for each employee. Employer rates vary according to the employer's individual experience with employee turnover and include a surtax to guarantee the solvency of the trust fund.

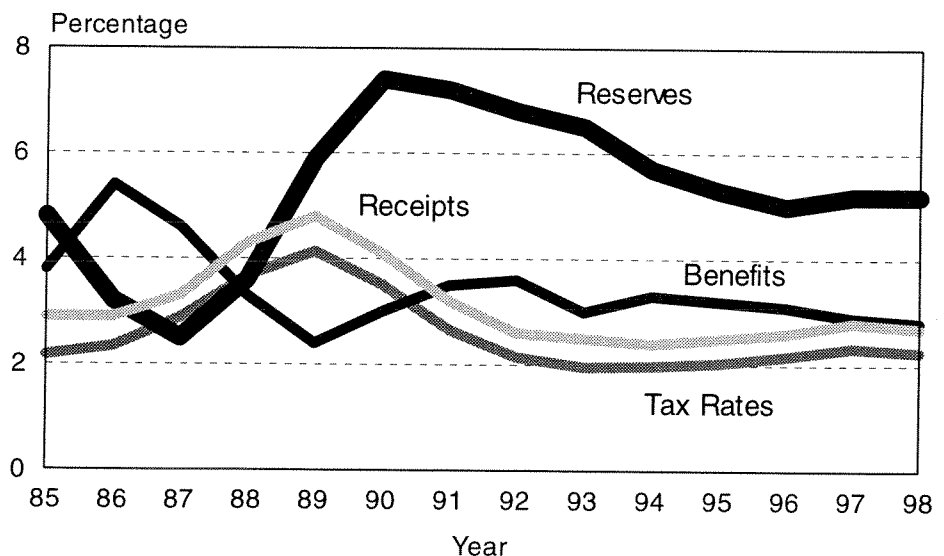
Experience Rating Varies Individual Employer Taxes According to Their Experience with Unemployment

If an individual employer has a tendency to lay off employees at a greater rate than other employers do, or on a regular seasonal basis, they likely contribute more to unemployment and the payment of UI benefits. Experience rating systems have been established in each state in recognition that such employers should contribute more to the trust fund to cover the benefit costs of their former employees.

There are three types of tax rates assigned to employers. A-rated firms are those which have at least four quarters of wage history prior to June 30 of the year immediately preceding the tax year. A-rated firms qualify for experience rating. B-rated firms are those which have fewer than four quarters of wage history; they pay the

Reserves, Receipts, Benefits and Tax Rates (as a Percentage of Taxable Payroll)

Figure 3.2



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

standard industry tax rate. C-rated firms are those which fail to report on a timely basis or are delinquent in their payments; they are taxed at the maximum rate, which can be no less than 5.4%. In 1999, 86.6% of all contributing firms were A-rated; 11.2% were B-rated; and 2.3% were C-rated. (See Table 3.5.)

Alaska is the only state that uses the payroll decline quotient method of experience rating. The logic behind Alaska's payroll decline system is that employers with a high payroll decline are likely responsible for more compensable unemployment than are employers with a low payroll decline. Therefore, follows the logic, they should contribute more to cover the higher benefit costs of their former employees.

Under the payroll decline system, each employer's percentage decline in payroll from one quarter to the next is averaged for the prior four to 12 quarters. The resulting decline quotients of all employers are then arrayed in ascending order and divided into 21 rate classes. Employers are assigned to the rate classes so that 5% of the total statewide payroll is accounted for in each class, except for the 20th and 21st rate classes, which account for 4.99% and 0.01% respectively. (The 21st rate class was added in 1984 in response to federal legislation requiring a standard tax rate of 5.4% from which the state could reduce tax rates in accordance with experience.) Experience factors are assigned to each rate class—the higher the rate class the greater the experience factor. Experience factors range from 0.4 to 1.65, according to a schedule in AS 23.20.290(c). (See Table 3.6.)

Other methods of experience rating used in other states are the reserve ratio system (30 states, and Washington DC, Puerto Rico, and the Virgin Islands), the benefit ratio system (17 states), and the benefit-wage ratio system (two states). All of these systems use actual benefit payments, or approximations of benefit payments, as the basis for experience rating—they are called "chargeback" systems. In contrast, the payroll decline quotient system considers only changes in payroll as an approximation of benefit charges, without considering actual benefit payments.

Alaska's payroll decline quotient system has worked well. The system withstood the tremendous shock of the 1986-87 recession, and fully recovered by the end of 1989. The ratio of benefits paid to contributions paid averages around 1.0 for most industries in Alaska, so although there may be individual employers with problems, industry-wide the system functions well.

There is also little doubt that "chargeback" systems are more complex and expensive to administer than a payroll decline quotient system. This is due to the constant policy decisions about individual employer responsibility for charges, the types of benefits to exempt from charging, and the increased staffing needed for the higher level of employer contact prevalent in the administration of "chargeback" systems.

In the end, the simple fact is employer (and employee) taxes, and reimbursement must partially cover benefit payments. This is true of any state's system. If benefit costs are higher in Alaska than in other states, taxes will be higher. If a state wants to reduce employer taxes, then benefits must be reduced.

The Trust Fund Solvency Adjustment is a Uniform Tax Surcharge

In order to be able to pay benefits during recessions, the trust fund reserve balance must be maintained at a high enough level. Benefit cost rates are not always sufficient for this purpose. Therefore, a surcharge is added to employers' tax rates if the trust fund reserve rate falls below 3.0%. A credit is provided to reduce employers' tax rates if the reserve rate equals or exceeds 3.3%. The trust fund solvency adjustment (TFSA) is applied uniformly to all employers at a rate of -0.4% to 1.1 % depending on the trust fund reserve rate, according to a schedule in AS 23.20.290(f). The TFSA may only be increased or decreased by 0.3%, or less, from one year to the next. The TFSA was 0.3% in 1987, 0.6% in 1988, and 0.9% in 1989. In 1996, the TFSA was -0.2%, and in 1998, there was no adjustment.

Administration of the UI Program is Funded through Federal Taxes

Besides state unemployment taxes, employers also pay taxes to the federal government to cover administrative costs. In 1985, these FUTA (Federal Unemployment Tax Act) taxes were raised to 6.2% of payroll up to a base of \$7,000. However, as long as state law conforms to federal law, employers receive a credit of 5.4% against their FUTA taxes, making the effective tax rate 0.8%. This is \$56 for each employee earning \$7,000 or more annually. In federal fiscal year 1998, the federal government estimated employers in Alaska contributed \$13.1 million in FUTA tax revenues. (See Table 3.7.)

The FUTA credit is a powerful incentive to keep state programs within federal limits. Conformity to federal law is frequently the reason for adopting new state provisions. Alaska's Employment Security Act currently conforms to federal law. There have been no recent changes in federal law that would require state conformity legislation.

The federal government pays for administration of the state's unemployment program through administrative grants. A portion of FUTA collections, which are kept in a federal account and not in the state trust fund, funds the grants. In federal fiscal year 1998, Alaska received \$28.1 million in administrative grants (\$20.0 million for unemployment insurance administrative costs and \$8.1 million for employment services). In federal fiscal year 1998, Alaska's total administrative grants amounted to 214.5% of state FUTA contributions, a good bargain for workers and employers in the state. (See Figure 3.3)

Employer Tax Contributions are Supplemented by Direct Reimbursements

Chapter 2 described the three programs through which unemployment benefits were disbursed in 1997 and 1998. Regular benefits, extended benefits, and state supplemental benefits are disbursed through the state trust fund. These programs differ in the way they are financed. As mentioned earlier, the major source of revenues deposited into the fund is employer taxes. But revenues also come from a variety of other sources.

The federal government reimburses the trust fund for 100% of regular and extended benefits paid to former federal employees (UCFE) and former military employees (UCX), as well as a portion (about 50 percent) of all non-federal extended benefit (EB) payments. In 1997 and 1998, the federal government reimbursed over \$15.8 million (not including interest) to Alaska's trust fund. The federal share of EB funds amounted to about \$4.8 million. (See Table 3.3.)

Nonprofit organizations and state and local government agencies which choose to reimburse the trust fund directly (instead of paying tax contributions) reimburse 100% of the regular UI benefits and EB paid to their former employees.

Federal Administrative Grants as a Percent of FUTA Collections

(State receives more than it pays in)

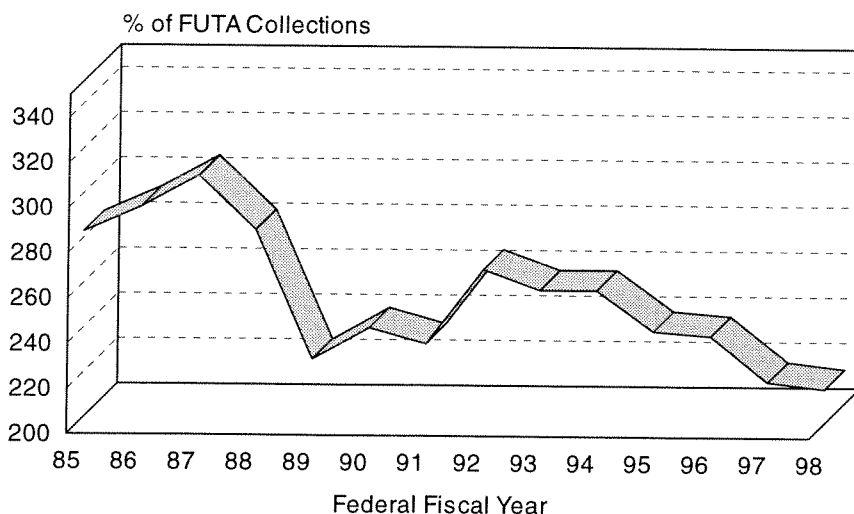


Figure 3.3

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

Through 1988, nonprofit agencies reimbursed only half of EB. In 1989, however, the legislature changed the law. (See Appendix B.) In 1998, reimbursable employers reimbursed \$10.5 million to the UI trust fund.

Some Parts of the UI System Subsidize Other Parts

UI claimants occasionally receive more in benefits than their employer contributed in taxes. The benefits paid to the claimant are subsidized by other employers. The flow of funds is never perfect in any UI system, and every type of experience rating system has problems with subsidies. Some categories of employers tend to be subsidized more than others.

One form of subsidy occurs across years. One way to measure the equity of the system is to measure the ratio of benefits paid in one year to the contribution paid in the prior year. Table 3.9 is such a calculation, broken out by major industry grouping. In the years surrounding the recession (1985-87) the benefit/contribution ratio exceeded 1.0, meaning that benefits paid out in those years were more than tax revenues in the immediately preceding years. During this time, the difference was being made up by trust fund reserves. Employers in prior years were subsidizing employers during the recession years. Starting in 1988, and continuing through 1991, the ratio declined to less than 1.0; employers were now subsidizing employers in future recessions. In 1992 the ratio increased to 1.1, a reflection of the fact that the trust fund was attempting to reduce its level of reserves. This

trend held through 1997. In 1998, the ratio of benefits to prior year contributions fell to 0.9.

One of the most important subsidy of categories is cross-industry. Although cross-industry subsidies occur under all economic conditions, the expression of the subsidies is better seen during those years when Alaska is experiencing more stable economic conditions. Under good economic conditions (1981 to 1985, for example), some industries have historically had ratios higher than 1.0. These industries with higher ratios also tend to have higher benefit cost rates than other industries. (See Tables 3.2 and 3.9.)

Over the past 10 years within taxable employment, those most subsidized industries, in order, are: paper products (with a ratio of 3.34), construction (1.35), taxable public administration (1.34), food products (1.25), lumber and wood (1.23), and other mining (1.12). On the other hand, the industries which normally pay more than their fair share in contributions are transportation, communications and utilities (0.75), oil and gas (0.83), trade (0.84), finance, insurance and real estate (0.87), and agriculture, forestry and fish (0.93).

The industries that are historically the most subsidized in Alaska also have some of the most seasonal employment patterns. The subsidies are partly a reflection of the highly seasonal nature of Alaska's economy. Even after being subsidized, firms in these industries historically pay the highest tax rates in Alaska. (See Table 3.5.) The payroll decline system attempts to recover benefit costs by taxing high-cost employers at higher rates.

Year	Taxable Employment			Reimbursable Employment		
	Benefits Paid (\$1,000)	Total Payroll (Lagged 1 Yr) (\$1,000)	Benefit Cost Rate (%)	Benefits Paid (\$1,000)	Total Payroll (Lagged 1 Yr) (\$1,000)	Benefit Cost Rate (%)
1989	69,780	3,823,639	1.8	8,351	1,492,671	0.6
1990	90,491	4,451,976	2.0	9,081	1,584,065	0.6
1991	112,528	4,694,616	2.4	11,462	1,683,745	0.7
1992	116,833	4,882,126	2.4	11,342	1,784,959	0.6
1993	102,784	5,077,533	2.0	10,632	1,901,857	0.6
1994	119,651	5,273,634	2.3	12,246	1,949,119	0.6
1995	117,353	5,527,255	2.1	10,760	2,002,542	0.5
1996	116,301	5,643,856	2.1	10,747	2,011,599	0.5
1997	113,212	5,721,715	2.0	10,249	1,937,890	0.5
1998	112,764	5,943,917	1.9	10,347	1,960,524	0.5

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
 Unemployment Insurance Financial Transaction Summary, ETA 2-112 report to the U.S. Department of Labor;
 Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Industry	Benefits Paid (\$) 1998	Total Payroll (\$) 1997	Benefit Cost Rate (%) (Lagged 1 Yr)
Taxable Employers			
Total	98,803,445	5,943,916,840	1.7
Ag., For. & Fish	853,459	42,790,821	2.0
Mining	4,646,469	771,359,214	0.6
Oil and Gas	3,536,770	675,046,566	0.5
Other Mining	1,109,699	96,312,648	1.2
Construction	21,255,524	607,686,439	3.5
Manufacturing	17,362,302	469,530,833	3.7
Food Products	11,553,170	228,217,511	5.1
Lumber & Wood	3,292,420	84,106,386	3.9
Paper Products	943,704	17,732,473	5.3
Other Mfg.	1,573,008	139,474,463	1.1
Trans., Comm. & Util.	9,645,285	986,939,163	1.0
Trade	17,148,674	1,173,132,855	1.5
Fin., Ins. & R.E.	4,636,515	370,950,065	1.2
Services	20,255,678	1,391,547,635	1.5
Public Admin.	2,587,904	124,182,081	2.1
Unclassified	411,635	5,797,734	7.1
Reimbursable Employers			
Total	10,234,302	1,960,524,320	0.5
Trans., Comm. & Util.	194,288	44,331,385	0.4
Services	4,482,787	1,048,398,932	0.4
Public Admin.	5,557,227	856,308,776	0.6
Other	0	11,485,227	0.0

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
UC-217 report, Benefit Payments by Industry and Area;
Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Trust Fund Deposits and Disbursements, 1989-1998

Table 3.3

Deposits (\$)									
Year	U.I. Tax Contributions (ex. Reimb.)	Federal Share Extended Benefits	Amounts Rec'd From Reimb. Employers	Interstate Benefits Wage Combining	Federal Emerg. Comp. /1	Penalty & Interest 2/	Other 3/	Trust Fund Interest Earned	Total Revenue Deposited 4/
1989	142,332,580	1,474,000	8,674,228	1,103,362	0	880,127	5,905,396	9,225,750	169,595,443
1990	124,867,499	2,184,454	8,779,661	1,467,283	0	2,289,582	6,548,538	16,321,178	162,458,194
1991	102,443,803	3,926,000	10,871,942	2,102,229	0	3,634,996	9,300,240	14,834,425	147,113,635
1992	84,063,743	0	11,666,761	2,452,749	48,336,000	4,034,596	10,905,998	23,562,812	185,022,659
1993	83,513,846	0	9,940,970	1,572,065	68,582,000	3,809,622	7,570,305	16,554,512	191,543,321
1994	86,627,444	6,359,000	13,074,629	1,662,708	10,213,200	4,021,879	7,761,625	14,529,694	144,250,178
1995	91,354,148	3,223,200	11,537,794	1,571,217	0	4,074,458	7,151,800	13,798,221	132,710,838
1996	95,809,515	3,076,000	10,847,305	1,521,687	0	4,125,073	5,727,000	13,153,679	134,260,259
1997	108,001,845	2,384,800	10,440,082	1,202,063	0	4,298,297	5,376,077	16,119,266	147,822,431
1998	109,544,374	2,392,600	10,491,200	1,401,321	0	4,555,936	5,689,820	13,410,177	147,485,428

Disbursements (\$)									
Year	Regular Benefits + SSB	Extended Benefit Payments	Reimburs- able Benefit Payments	Interstate Benefits Wage Combining	Federal Emerg. Comp. /1	Training And Building Fund	Other 3/	Total Benefits Disbursed 4/	Reserve Fund Balance 5/
1989	65,597,394	3,236,702	8,351,199	3,551,443	(4,316)	853,331	6,369,043	87,954,796	173,443,109
1990	83,559,395	4,710,158	9,080,645	5,953,329	(9,169)	1,167,358	7,154,239	111,615,955	224,285,349
1991	101,455,428	8,565,970	11,461,785	8,638,807	2,822,831	3,958,611	6,017,449	142,920,880	228,478,104
1992	108,463,706	163,553	11,342,163	10,609,741	46,414,029	3,696,468	10,176,661	190,866,322	222,634,440
1993	95,057,075	329,604	10,632,482	8,938,721	68,895,999	3,816,169	6,928,597	194,598,645	219,579,116
1994	108,852,719	11,911,904	12,246,477	7,149,765	7,838,127	4,031,097	6,161,042	158,191,131	205,638,163
1995	103,314,489	6,426,203	10,760,456	12,380,540	(155,124)	4,075,596	7,129,544	143,931,704	194,417,297
1996	104,442,247	6,097,233	10,746,992	10,325,627	(188,894)	4,091,045	5,647,092	141,161,342	187,516,215
1997	102,836,147	4,718,468	10,248,935	9,223,653	(230,513)	4,311,808	5,392,125	136,500,623	198,838,022
1998	103,394,074	4,854,224	10,347,429	8,836,648	(54,352)	4,556,761	6,886,723	138,821,506	207,501,944

1/ EUC – Emergency Unemployment Compensation: November 1991 – April 1994.

2/ Net collections of penalties, interest, and fines.

3/ PSE, DUA, TRA, transfer to Training and Building fund, prior year refunds, child support withholding transfers, federal UCFE and UCX benefits and receipts, federal share of regular benefits.

4/ Deposits from all sources including federal and all disbursements made to claimants.

5/ Amount available for benefits in trust fund on December 31.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section:
Unemployment Insurance Financial Transaction Summary, ETA 2-112 report to the U.S. Department of Labor.

Table 3.4**Tax Base, Average Employer and Employee Tax Rates and Ratio of Taxable to Total Wages, 1989-1998**

Year	Payroll in Taxable Employment (\$1,000)		Ratio of Taxable to Total Payroll (%)	Tax Base (\$)	Average Employer Tax Rate		Average Employee Tax Rate	
	Total Payroll	Taxable Payroll			% of Taxable Payroll	% of Total Payroll	% of Taxable Payroll	% of Total Payroll
1989	4,451,976	2,964,226	66.6	20,900	4.14	2.76	0.70	0.5
1990	4,694,616	3,039,796	64.8	21,300	3.51	2.27	0.60	0.4
1991	4,882,126	3,184,860	65.2	22,400	2.66	1.74	0.50	0.3
1992	5,077,533	3,263,435	64.3	22,600	2.15	1.38	0.50	0.3
1993	5,273,634	3,397,312	64.4	23,200	1.96	1.26	0.50	0.3
1994	5,527,255	3,592,202	65.0	23,800	1.98	1.29	0.50	0.3
1995	5,643,856	3,698,894	65.5	23,900	2.04	1.34	0.50	0.3
1996	5,721,715	3,739,737	65.4	24,400	2.17	1.42	0.50	0.3
1997	5,943,917	3,853,741	64.8	24,200	2.33	1.51	0.58	0.4
1998	6,279,782	3,995,639	63.6	24,100	2.25	1.43	0.56	0.4

Sources: Alaska Statutes 23.20.175.

Alaska Statutes 23.20.290.

Alaska Department of Labor and Sorkforce Development, Research and Analysis Section:

Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor;

Unemployment Insurance Financial Transaction Summary, ETA 2-112 report to the U.S. Department of Labor.

Employer Accounts by Rate Type and Average Tax Rates by Industry

Table 3.5

Industry	1999 Employers by Rate Type							
	A-Rated		B-Rated		C-Rated		Total	
	No.	% of A-Rated	No.	% of B-Rated	No.	% of C-Rated	No.	% of Grand Total
Agriculture, For. & Fish.	224	1.6	20	1.1	10	2.8	254	1.6
Mining	139	1.0	20	1.1	1	0.3	160	1.0
Contract Construction	1,851	13.5	333	18.8	42	11.7	2,226	14.1
Manufacturing	450	3.3	54	3.1	25	6.9	529	3.3
Trans., Commun., & Util.	991	7.2	129	7.3	28	7.8	1,148	7.2
Trade	3,594	26.2	320	18.1	81	22.5	3,995	25.2
Finance, Ins., & Real Estate Services	822	6.0	70	4.0	14	3.9	906	5.7
Public Administration	5,444	39.7	686	38.8	134	37.2	6,264	39.5
Unclassified	136	1.0	0	0.0	5	1.4	141	0.9
Total	61	0.4	135	7.6	20	5.6	216	1.4
Percent of Grand Total	13,712	100.0	1,767	100.0	360	100.0	15,839	100.0

Industry	Average Employer Tax Rates									
	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Total	4.05	3.08	2.54	2.38	2.43	2.51	2.63	2.76	2.67	2.49
Agriculture, For. & Fish.	4.57	3.53	2.88	2.72	2.81	2.93	3.03	3.10	3.02	2.81
Mining	4.46	3.31	2.73	2.71	2.76	2.86	2.97	3.12	2.99	2.76
Contract Construction	5.00	3.81	3.19	3.05	3.14	3.21	3.31	3.43	3.31	3.08
Manufacturing	4.40	3.33	2.79	2.68	2.76	2.81	2.89	3.07	2.95	2.74
Trans., Commun., & Util.	3.96	3.12	2.53	2.35	2.44	2.50	2.61	2.73	2.63	2.47
Trade	3.90	2.98	2.45	2.28	2.33	2.45	2.57	2.70	2.61	2.43
Finance, Ins., & Real Estate Services	3.66	2.75	2.23	2.02	2.04	2.05	2.19	2.33	2.31	2.14
Public Administration	3.84	2.90	2.38	2.22	2.28	2.35	2.48	2.61	2.52	2.36
Unclassified	4.18	3.27	2.72	2.50	2.35	2.36	2.45	2.55	2.45	2.32
Unclassified	4.15	3.12	2.77	2.70	2.66	2.80	2.77	3.02	2.89	2.71

Notes: A-rated firms are those which have been subject to the Employment Security Act for four or more quarters and therefore qualify for a rate determination based on their quarterly payroll experience. Employers are assigned a rate class based on their payroll decline experience as compared to all other ratable employers. Employers with a low quarterly payroll decline receive more favorable rates than those employers showing more excessive declines in quarterly payroll figures.

B-rated firms are those which have been subject to the Employment Security Act for fewer than four quarters immediately preceding the computation date and must pay the standard industry tax rate.

C-rated firms are those which fail to pay contributions or file reports on a timely basis and must pay contributions at the highest rate. Percentages may not add up to 100% due to rounding.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Taxable Wages Within Size of Payroll Code, Report No. BRT 5500 P.

Table 3.6

UI Tax Rate Calculations, and Tax Rates by Rate Class for 1999

Tax Rate Calculations				
	SFY 1995	SFY 1996	SFY 1997	SFY 1998
(1) Benefit Cost (Ben-Reimb-Int)		105,734,134	100,104,207	94,174,672
(2) Total Payroll (taxable employers)	5,647,651,919	5,682,267,480	5,783,006,707	6,124,912,128
(3) Taxable Payroll				3,976,047,441
(4) Benefit Cost for 3 Prev SFY				\$300,013,013
(5) Total Payroll, First 3 of Last 4 SFY				\$17,112,926,106
(6) 3-Yr Benefit Cost/Total Payroll (4)/(5)				0.017531
(7) Taxable/Total Payroll, Last SFY				0.649160
(8) Average Benefit Cost Rate (6)/(7)				0.027006
(9) UI Trust Fund Balance, Sep 30				\$202,794,308
(10) Total Payroll, Last SFY				\$6,124,912,128
(11) UI Trust Fund Reserve Rate (9)/(10)				0.033110
(12) Solvency Adjustment				-0.001
(13) Average Employer Tax Rate as a Percent of Taxable Payroll (0.80 x ABCR) + TFSA = (0.80 x #8) + #12				2.06%
(14) Average Employee Tax Rate: (0.20 x ABCR) = (0.20 x #8)				0.54%

Tax Rates for Employees and Experience Rated Employers

Rate Class	Experience Factor	Employee Contribution Rate (%)	Employer Contribution Rate (%)	Total Contribution Rate (%)
1	0.40	0.54	1.00	1.54
2	0.45	0.54	1.00	1.54
3	0.50	0.54	1.00	1.54
4	0.55	0.54	1.09	1.63
5	0.60	0.54	1.20	1.74
6	0.65	0.54	1.30	1.84
7	0.70	0.54	1.41	1.95
8	0.80	0.54	1.63	2.17
9	0.90	0.54	1.84	2.38
10	1.00	0.54	2.06	2.60
11	1.00	0.54	2.06	2.60
12	1.10	0.54	2.28	2.82
13	1.20	0.54	2.49	3.03
14	1.30	0.54	2.71	3.25
15	1.35	0.54	2.82	3.36
16	1.40	0.54	2.92	3.46
17	1.45	0.54	3.03	3.57
18	1.50	0.54	3.14	3.68
19	1.55	0.54	3.25	3.79
20	1.60	0.54	3.36	3.90
21	1.65	0.54	5.40	5.94

Note: Total payroll, taxable payroll, and UI benefits costs are all for employees (current or former) of contributing (taxable) employers only. Reimbursable employers are excluded.

Sources: Alaska Statutes 23.20.290.

Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions, ES-202 report to the U.S. Dept. of Labor; Unemployment Insurance Financial Transaction Summary, ETA 2-112 report.

Administrative Costs, 1989-1998

Table 3.7

Federal Fiscal Year 1/	F.U.T.A. Collections (\$1,000,000)	UI Admin. Grants (\$1,000,000)	ES Admin. Grants (\$1,000,000)	Total Admin. Grants	
				(\$1,000,000)	% of F.U.T.A.
1989	9.6	13.9	7.9	21.8	227.1
1990	9.9	15.6	8.3	23.9	241.4
1991	10.2	15.6	8.3	23.9	234.3
1992	10.2	18.7	8.5	27.2	266.7
1993	10.7	19.0	8.6	27.6	257.9
1994	11.1	19.8	8.8	28.6	257.7
1995	11.4	18.8	8.6	27.4	240.4
1996	11.8	19.4	8.7	28.1	238.1
1997	12.5	19.1	8.1	27.2	217.6
1998	13.1	20.0	8.1	28.1	214.5

1/ Federal fiscal years are 12-month periods between October 1 of one year through September 30 of the following year.

Note: In 1995, U.S. Department of Labor estimation methods for FUTA were changed. Figures in earlier publications of this table will not match these data.

Source: U. S. Department of Labor, Division of Actuarial Services.

Collections, UI Regular Benefits Paid— Reimbursable Employment, 1989-1998

Table 3.8

Year	Collections (\$)			Benefits Paid (\$)			Total Collections less Benefits Paid (\$)
	Total	Private Nonprofit	Government (State & Local)	Total	Private Nonprofit	Government (State & Local)	
1989	8,674,228	379,439	8,294,789	8,351,199	377,385	7,973,814	323,029
1990	8,779,661	442,525	8,337,136	9,080,645	454,115	8,626,530	(300,984)
1991	10,871,942	906,192	9,965,750	11,461,785	784,303	10,677,482	(589,843)
1992	11,666,761	813,968	10,852,793	11,342,163	860,886	10,481,276	324,598
1993	9,940,970	891,492	9,049,478	10,632,482	954,723	9,677,758	(691,512)
1994	13,074,629	1,220,156	11,854,473	12,246,477	885,469	11,361,008	828,152
1995	11,537,794	1,063,269	10,474,526	10,760,456	1,200,773	9,559,683	777,339
1996	10,847,305	1,063,556	9,783,749	10,746,992	1,632,636	9,114,357	100,313
1997	10,440,082	1,006,860	9,433,222	10,248,935	1,648,463	8,600,472	191,147
1998	10,491,200	913,961	9,577,239	10,347,429	1,648,836	8,698,593	143,771
Ten-Year Total							1,106,009

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Unemployment Insurance Financial Transaction Summary, ETA 2-112 report to the U.S. Department of Labor.

Table 3.9

Benefits Paid, Contributions Assessed and Ratio of Benefits to Contributions, Taxable Employment, 1989-1998

INDUSTRY	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
BENEFITS PAID (Regular + 1/2 EB), from UC-217 report (\$1,000)										
Totals (incl. unclass.)	67,398	84,011	105,145	110,408	94,559	113,472	105,945	107,028	101,833	101,543
Ag., For. & Fish	523	533	830	905	1,061	1,287	922	906	931	878
Mining	5,407	11,036	9,199	10,614	7,118	7,229	6,645	7,272	6,238	4,775
Oil and Gas	4,318	9,644	7,742	9,347	5,734	5,870	5,511	6,159	5,320	3,636
Other Mining	1,089	1,391	1,456	1,268	1,385	1,358	1,134	1,113	918	1,139
Construction	14,141	15,236	20,947	19,392	14,490	20,443	22,203	22,141	21,613	21,834
Manufacturing	9,892	10,934	16,059	17,262	16,444	21,783	17,372	17,808	17,449	17,670
Food Products	5,314	5,802	8,569	10,416	11,145	14,639	11,821	12,355	11,350	11,723
Lumber & Wood	2,820	3,009	4,983	3,865	2,467	2,980	2,317	2,879	2,547	3,333
Paper Products	556	836	974	784	1,185	2,503	1,826	936	1,918	1,009
Other Mfg.	1,203	1,286	1,534	2,198	1,648	1,661	1,409	1,638	1,635	1,606
Trans., Comm. & Util.	5,916	11,244	11,135	11,137	9,698	11,386	11,959	10,572	9,500	9,876
Trade	11,227	12,688	17,861	20,376	18,295	20,154	18,314	18,672	17,030	17,546
Fin., Ins. & Real Est.	4,121	3,595	4,193	4,321	3,899	4,610	5,395	4,813	4,359	4,759
Services	13,034	15,431	21,132	22,271	20,000	22,774	20,158	21,617	21,594	20,986
Public Admin.	2,882	2,985	3,279	3,724	3,196	3,426	2,740	2,887	2,766	2,794
TOTAL EMPLOYER AND EMPLOYEE CONTRIBUTIONS ASSESSED, from ES-202 report (\$1,000)										
Totals (incl. unclass.)	147,593	126,381	100,150	86,611	86,136	91,740	96,386	100,987	112,177	
Ag., For. & Fish	1,165	1,061	979	887	964	812	874	955	1,035	
Mining	13,404	12,044	8,856	6,964	6,735	7,180	7,613	7,279	8,235	
Oil and Gas	11,686	10,430	7,898	6,204	5,987	6,304	6,581	5,870	6,711	
Other Mining	1,718	1,614	958	760	748	876	1,032	1,409	1,524	
Construction	18,194	17,178	12,883	10,702	12,181	14,139	14,598	14,835	15,684	
Manufacturing	18,208	17,105	13,892	12,096	11,351	11,480	12,445	12,233	12,531	
Food Products	10,329	10,029	8,796	8,065	7,570	7,576	8,251	8,057	7,996	
Lumber & Wood	4,268	3,880	2,562	2,015	1,982	2,018	2,168	1,943	2,131	
Paper Products	807	650	531	455	371	264	272	330	318	
Other Mfg.	2,804	2,546	2,003	1,560	1,428	1,623	1,753	1,903	2,086	
Trans., Comm. & Util.	27,368	16,628	13,528	11,892	11,554	11,782	11,482	12,064	14,770	
Trade	28,170	25,004	20,183	17,657	16,909	18,689	19,714	21,276	23,730	
Fin., Ins. & Real Est.	7,058	5,979	4,857	4,121	4,236	4,637	4,597	5,068	5,753	
Services	30,396	28,068	22,146	19,774	19,638	20,768	22,631	24,881	27,855	
Public Admin.	2,909	2,690	2,344	2,037	2,048	1,974	2,066	2,234	2,394	
RATIO OF BENEFITS TO PRIOR YEAR CONTRIBUTIONS										
Totals (incl. unclass.)	0.6	0.6	0.8	1.1	1.1	1.3	1.2	1.1	1.0	0.9
Ag., For. & Fish	0.6	0.5	0.8	0.9	1.2	1.3	1.1	1.0	1.0	0.8
Mining	0.5	0.8	0.8	1.2	1.0	1.1	0.9	1.0	0.9	0.6
Oil and Gas	0.4	0.8	0.7	1.2	0.9	1.0	0.9	0.9	0.9	0.5
Other Mining	0.8	0.8	0.9	1.3	1.8	1.8	1.3	1.1	0.7	0.7
Construction	1.0	0.8	1.2	1.5	1.4	1.7	1.6	1.5	1.5	1.4
Manufacturing	0.6	0.6	0.9	1.2	1.4	1.9	1.5	1.4	1.4	1.4
Food Products	0.6	0.6	0.9	1.2	1.4	1.9	1.6	1.5	1.4	1.5
Lumber & Wood	0.8	0.7	1.3	1.5	1.2	1.5	1.1	1.3	1.3	1.6
Paper Products	0.7	1.0	1.5	1.5	2.6	6.7	6.9	3.4	5.8	3.2
Other Mfg.	0.5	0.5	0.6	1.1	1.1	1.2	0.9	0.9	0.9	0.8
Trans., Comm. & Util.	0.4	0.4	0.7	0.8	0.8	1.0	1.0	0.9	0.8	0.7
Trade	0.5	0.5	0.7	1.0	1.0	1.2	1.0	0.9	0.8	0.7
Fin., Ins. & Real Est.	0.6	0.5	0.7	0.9	0.9	1.1	1.2	1.0	0.9	0.8
Services	0.5	0.5	0.8	1.0	1.0	1.2	1.0	1.0	0.9	0.8
Public Admin.	1.1	1.0	1.2	1.6	1.6	1.7	1.4	1.4	1.2	1.2

Notes: Percentages may not add up to 100% due to rounding.

*Current year data are not used in calculating the ratio of benefits to contributions.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, UC-217 and ES-202 reports

Collections, Benefits Paid, Trust Fund Reserves and Average Employer Tax Rate as Percentages of Payroll, 1989-1998

Table 3.10

Year	Percent of Total Payroll				Percent of Taxable Payroll			
	Collections	Benefits Paid	Year-End Reserve	Average Employer Tax Rate	Collections	Benefits Paid	Year-End Reserve	Average Employer Tax Rate
1989	3.2	1.6	3.9	2.76	4.8	2.4	5.9	4.14
1990	2.7	1.9	4.8	2.27	4.1	3.0	7.4	3.51
1991	2.1	2.3	4.7	1.74	3.2	3.5	7.2	2.66
1992	1.7	2.3	4.4	1.38	2.6	3.6	6.8	2.15
1993	1.6	1.9	4.2	1.26	2.5	3.0	6.5	1.96
1994	1.6	2.2	3.7	1.29	2.4	3.3	5.7	1.98
1995	1.6	2.1	3.4	1.34	2.5	3.2	5.3	2.04
1996	1.7	2.0	3.3	1.42	2.6	3.1	5.0	2.17
1997	1.8	1.9	3.3	1.51	2.8	2.9	5.2	2.33
1998	1.7	1.8	3.3	1.43	2.7	2.8	5.2	2.25

Note: Net benefits paid by taxable employers include regular unemployment benefits plus all State Supplemental Benefits payments plus Alaska's share of extended benefit payments for taxable employers plus the net of benefits paid minus receipts for interstate wage combining.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Unemployment Insurance Financial Transaction Summary, ETA 2-112 report to the U.S. Department of Labor; Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor.

Table 3.11**UI Benefits Paid, Taxes Assessed, and Covered Payroll by Industry, 1998**

INDUSTRY	Amount of Benefits Paid (\$)		Employer and Employee Contributions Assessed (\$)	Total Payroll (\$)	Taxable Payroll (\$)	Percent of Total Payroll Taxable
	Regular	Regular Plus 1/2 EB				
Total	98,803,445	101,542,937	102,457,869	6,279,782,279	3,995,639,135	63.6
Ag., For. & Fish	853,459	877,607	840,609	37,207,711	27,882,521	74.9
Mining	4,646,469	4,774,891	7,907,772	831,305,183	307,749,447	37.0
Oil and Gas	3,536,770	3,635,661	6,763,281	732,449,045	263,698,601	36.0
Other Mining	1,109,699	1,139,230	1,144,491	98,856,138	44,050,846	44.6
Construction	21,255,524	21,833,908	15,678,468	622,871,007	424,804,288	68.2
Manufacturing	17,362,302	17,670,197	8,889,564	452,334,571	329,193,929	72.8
Food Products	11,553,170	11,722,719	5,461,930	235,025,362	202,976,737	86.4
Lumber & Wood	3,292,420	3,332,972	1,321,344	64,297,403	43,387,103	67.5
Paper Products	943,704	1,008,838	92,397	5,859,614	3,831,491	65.4
Other Mfg.	1,573,008	1,605,668	2,013,893	147,152,192	78,998,598	53.7
Trans., Comm. & Util.	9,645,285	9,876,052	13,346,275	1,063,682,932	576,216,799	54.2
Trade	17,148,674	17,546,199	20,514,954	1,234,553,947	929,309,384	75.3
Fin., Ins. & Real Est.	4,636,515	4,759,095	5,310,388	399,427,847	251,495,311	63.0
Services	20,255,678	20,985,640	27,519,552	1,512,883,361	1,065,029,918	70.4
Public Admin.	2,587,904	2,794,007	2,100,230	112,916,269	74,933,420	66.4
Unclassified	411,635	425,341	350,057	12,599,451	9,024,118	71.6

Notes: Reimbursable account data are excluded.

Federally funded programs and federal employment are excluded.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor; UC-217 report, Benefit Payments by Industry and Area.

UI Benefits Paid as a Percent of Taxes Assessed and Covered Payroll by Industry, 1998

Table 3.12

INDUSTRY	Regular Benefits as a Percentage of:			Regular Benefits plus 1/2 Extended Benefits as a Percentage of:		
	Collections	Total Payroll	Taxable Payroll	Collections	Total Payroll	Taxable Payroll
Total	96.4	1.6	2.5	99.1	1.6	2.5
Ag., For. & Fish	101.5	2.3	3.1	104.4	2.4	3.1
Mining	58.8	0.6	1.5	60.4	0.6	1.6
Oil and Gas	52.3	0.5	1.3	53.8	0.5	1.4
Other Mining	97.0	1.1	2.5	99.5	1.2	2.6
Construction	135.6	3.4	5.0	139.3	3.5	5.1
Manufacturing	195.3	3.8	5.3	198.8	3.9	5.4
Food Products	211.5	4.9	5.7	214.6	5.0	5.8
Lumber & Wood	249.2	5.1	7.6	252.2	5.2	7.7
Paper Products 1/	1,021.4	16.1	24.6	1,091.9	17.2	26.3
Other Mfg.	78.1	1.1	2.0	79.7	1.1	2.0
Trans., Comm. & Util.	72.3	0.9	1.7	74.0	0.9	1.7
Trade	83.6	1.4	1.8	85.5	1.4	1.9
Fin., Ins. & Real Est.	87.3	1.2	1.8	89.6	1.2	1.9
Services	73.6	1.3	1.9	76.3	1.4	2.0
Public Admin.	123.2	2.3	3.5	133.0	2.5	3.7
Unclassified	117.6	3.3	4.6	121.5	3.4	4.7

Notes: Reimbursable account data are excluded.

Federally funded programs and federal employment are excluded.

1/ The Ketchikan pulp mill closed permanently in March 1997.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section: Employment, Wages, and Contributions/ES-202 report to the U.S. Department of Labor; UC-217 report, Benefit Payments by Industry and Area.

Limitations of Data

The data in this publication are derived from a number of different sources, each with its own limitations. Much of the data come from reports that are produced directly from computer files in the state's mainframe computer. While the reports come from the same source, data that appear similar are not necessarily comparable, because the programs that produce the reports are run at different times and using different selection criteria.

Consequently, some of the tables in this publication are not directly comparable. For instance, Table 2.13 reports payment data by local office, while Tables 2.9-2.12 report the same data by industry grouping. The totals are not the same, however, because Table 2.13 comes from the Quarterly Management Report, which scans the file each week, while Tables 2.9-2.12 come from the UC-217 report, which scans the file once each month. Supplemental payments for weeks previously paid, overpayments, and other adjustments made during the month will cause the totals to differ slightly. Similarly, Table 2.13 differs slightly from Table 2.14 for the same reasons, even though both report benefit payments by area.

Differences also will occur whenever two tables are derived from different sources. Each table includes the data source at the bottom of the page. The reader should be cautious about other limitations as well. Percentages occasionally do not sum to 100% due to rounding when using only one or two digits. The data are reported to the full dollar amount whenever possible throughout the publication, but the dollar amounts in some tables are rounded to the nearest \$1,000 because of space limitations. Finally, industry groupings include subcategories for manufacturing and mining; these must be subtracted when summing the columns.

CHAPTER 1: UI Covered Employment and Wages

Chapter 1 provides information on employment, payroll, and earnings. The major source of data is the Employment, Wages, and Contributions report (ES-202), a report submitted to the U.S. Department of Labor, Bureau of Labor Statistics.

The information used in ES-202 is derived from quarterly payroll and employment information submitted to the Alaska Department of Labor and Workforce Development (AKDOL) by all employers in Alaska. The information is also derived from AKDOL estimates for delinquent employers.

The ES-202 includes all employers covered by Alaska's unemployment insurance system. It also includes all Alaska employers' average monthly employment, total payroll, and taxable payroll. Additionally, ES-202 includes taxable employers' contributions assessed by the state and paid into the UI Trust Fund.

There was a change in the legal definition of wages for UI tax reporting purposes, which went into effect July 1, 1995. Employers, however, had the option of waiting to implement the change at the start of the next calendar year. Under the new definition, certain retirement benefits are excluded from the computation of wages paid to employees. The impact of this change will be the lowering of wages reported by employers. This definitional change should be kept in mind when comparing annual time series data (such as Tables 1.3, 1.4, or 1.5) after 1994. The full impact of the change should be seen starting in 1996. All data series which use ES-202 wages will be affected.

All data found in the chapters are broken out by industry, area, ownership, and tax status.

“Average monthly employment” is an estimate of employment based on actual employment data covering that pay period which includes the 12th of each month. It is an estimate of the number of jobs filled each month. Caution must be used when deriving annual earnings from these figures, as they represent average annual earnings per job, not per worker. Payroll is the actual total payroll during each quarter.

Throughout Chapter 1, industries are broken out according to categories established in the Standard Industrial Classification (SIC) Manual. Specific industries, based on 2-digit SIC codes, were selected because of their relevance to the Alaskan economy. The same categories are used for benefit payments in Chapters 2 and 3. Employment, payroll, and earnings information is also broken out by ownership—private, state government, and local government. In all industry and ownership categories, federal government employment is excluded, as federal employees and members of the military are not covered under the state unemployment insurance program.

It is noteworthy that public administration (SIC codes 91-97) is not directly comparable with state and local government ownership. While all of public administration employment is included in either state or local government, the opposite is not true; some of the operations included under state or local government ownership are listed under other industries than public administration, particularly construction, transportation, and services.

CHAPTER 2: UI Benefit Payments

Chapter 2 provides information on benefit payments. Information on unemployment claims is entered into Alaska's Data Base 2 System (DB2) and is recorded in the state's computer. Three of the basic reports from this file form the basis of most benefit payment data used in this publication.

Payments by industry and area, Tables 2.9-2.12 and Tables 2.14-2.15, are derived from the UC-217 report. The UC-217 report is a monthly compilation of data by 2-digit SIC codes and 3-digit geographic area codes. Payment amounts differ from the amounts shown in Table 2.13 due to the omission of supplemental payments for weeks previously paid, penalties and interest, and other adjustments.

Two reports provide information for the payment data in Tables 2.5-2.8, 2.13, and 2.16. These data are derived from AKDOL's Quarterly Management Report, which scans weekly the department's active claimant file. Some of the data are also derived from the U.S. Department of Labor's Claims Activity Report (ETA 5-159), which is taken from the weekly and monthly management reports.

Data in Table 2.2 are derived from the 'Claimant Characteristics' program. This program provides a special compilation of information on all claimants who received unemployment compensation during a specified year. Occupations are listed according to classifications in the Dictionary of Occupational Titles (or DOT codes). Ethnic information is based on information voluntarily submitted at the time of initial filing.

Table 2.1 uses data from the Local Area Unemployment Statistics (LAUS), an AKDOL report produced for the U.S. Department of Labor. This report estimates the total number of employed and unemployed in the state each month.

Table 2.6 uses payment data from the yearly ETA 5-159 report on all states compiled by the U.S. Department of Labor, Division of Actuarial Services.

Table 2.17 is derived from the UI Data Summary, a quarterly publication of key UI information published by the U.S. Department of Labor, Division of Actuarial Services.

CHAPTER 3: Alaska's UI Benefit Financing System

Chapter 3 discusses financial transactions, Alaska's UI Trust Fund, and Alaska's benefit financing structure. One of the major subjects of the chapter is benefit costs. Therefore, it draws heavily from the Alaska Department of Labor and Workforce Development's Benefit Payments by Industry and Area (UC 217) report and the ES-202 quarterly reports (the USDOL's Employment, Wages, and Contributions report). In fact, several of the tables directly reproduce data reported in Chapters 1 and 2.

The other major data source for Chapter 3 is the Financial Transactions Summary (ETA 2-112). This is a monthly accounting report produced by AKDOL. It is the most accurate source of information on financial transactions and cash flow. Its major limitation is that it does not break out data by industry or area. It is used to compute UI tax rates (Tables 3.4 and 3.6), benefit costs, and benefit cost rates (Tables 3.1, 3.2 and 3.6). It is also the source for UI Trust Fund balances (Tables 3.3, 3.6 and 3.10), deposits and disbursements for all programs (Table 3.3), as well as interstate wage combining, reimbursable employers (Table 3.8), and collections, benefits and trust fund balance as a percentage of wages (Tables 3.4, 3.10, and 3.11).

Table 3.3 also uses data from the USDOL Contributions Operations (ETA 58 1) report in order to estimate reimbursable contributions between 1981 and 1984.

Table 3.5 lists experience ratings by industry, which are reported on the Array of Taxable Wages Within Size of Payroll Codes—a yearly listing of employers, their payroll experience, and their quarterly decline quotients. This information is also produced by AKDOL.

Summary of Major Changes in the Employment Security Act

Coverage Provisions of the Alaska Employment Security Act 1937-1999

- April 2, 1937** Alaska Employment Security Law enacted. Employers liable for taxes are those with eight or more employees in 20 weeks of the year. The following types of employment are excluded from coverage: agriculture; domestic service; officers and crews on vessels; service performed by a parent, spouse, or child under 21; government, nonprofit organizations, and those covered under a federal unemployment program. Employers not subject to the Law may elect coverage with permission of the Commission. Ch. 4, ESLA 1937.
- July 1, 1945** Coverage extended to employers of one or more persons at any time. Ch.7, SLA 1945.
- March 20, 1947** List of excluded services extended. Additional exclusions include newsboys and students. Any employment liable for a tax under the FUTA (Federal Unemployment Tax Act) will be automatically covered under the state UI law. Ch. 48, SLA 1947.
- March 17, 1959** Employees in finance, insurance, and real estate paid on a commission basis are excluded from coverage. Ch. 46, SLA 1959.
- April 17, 1961** Faculty of nonprofit universities excluded. Ch. 108, SLA 1961.
- Jan. 1, 1972** Coverage made mandatory for employees of nonprofit organizations, state hospitals, and institutes of higher education employing four or more in 20 weeks of the year. These employers are allowed to elect coverage on a reimbursable basis. Reimbursable financing also made available, by election, to any political subdivision. Ch. 94, SLA 1971.
- Jan. 1, 1972** Fishermen covered. Ch. 94, SLA 1971.
- April 1, 1977** Fishermen earning wages on a share-basis excluded from coverage. Ch. 122, SLA 1977.
- Jan. 1, 1978** Coverage made mandatory for most employees of the state and local governments. Coverage also extended to certain domestic and agricultural workers. Ch. 122, SLA 1977.
- July 1, 1984** Executive officers of nongovernmental corporations are excluded. Ch. 106, SLA 1984.
- Sept. 27, 1995** Certain direct sellers of consumer products are excluded. Ch. 97, SLA 95.

Financing Provisions of the Alaska Employment Security Act 1937-1999

- April 2, 1937** All wages paid to employees covered under the law are assessed a uniform tax of 1.8%. Ch. 4, ESLA 1937.
- Jan. 1, 1938** Uniform tax raised to 2.7% of total covered wages. Ch. 4, ESLA 1937.
- March 26, 1941** Taxable wages limited to first \$3,000 of wages paid to an employee. Ch. 40, SLA 1941.
- June 30, 1947** Credits against the tax are available to qualified employers if a fund surplus exists. The credit is based on the individual employer's annual payroll decline. Ch. 74, SLA 1947.
- Jan. 1, 1955** Tax base increased to first \$3,600 of wages. An employee tax of 0.5% is also assessed. Employer tax credit is eliminated. Ch. 5, ESLA 1955.
- April 14, 1957** Tax base increased to first \$4,200 of wages. Ch. 169, SLA 1957.
- March 30, 1960** Uniform employer tax raised to 2.9%. Uniform employee tax raised to 0.6%. Tax base increased to \$7,200. Ch. 60, SLA 1960.
- Oct. 1, 1960** Individual employer and employee tax rates made variable depending on quarterly payroll declines of employer. Employer tax rates range from 1.5% to 4.0% with an average tax rate of 2.9%. Employee tax rates range from 0.3% to 0.9% averaging 0.65%. Ch. 60, SLA 1960.
- Jan. 1, 1974** Employee tax made uniform and employer tax left variable. Tax base \$10,000. There are 10 alternative tax rate schedules with the appropriate schedule determined by the reserve, multiple which measures the ability of the fund to meet potential benefit payments. Ch. 43, SLA 1973.
- Jan. 1, 1981** Tax base will be 60% of the average annual wage for calendar years 1981 and 1982 and will be 75% of the average annual wage for future years. Replaces the 10 alternative tax rate schedules with 20 experience factors. An employer's yearly rate calculation will be 82% of the benefit cost rate times the experience factor. A solvency tax will be added across the board if the reserve ratio of the fund is under 3.2%. Employee tax will be a uniform 18% of the benefit cost rate. Ch. 9, SLA 1980.
- Oct. 1, 1984** The amount of interest earned on the trust fund balance will be deducted from the amount of benefits in calculation of average benefit cost rate. Ch. 106, SLA 1984.
- Jan. 1, 1985** A new rate class 21 is established and assigned an experience rating of 1.65 and a minimum employer tax rate of 5.4%. Solvency adjustments changed to provide a surcharge if the trust fund reserve rate falls below 3.0% and a credit if the reserve rate equals or exceeds 3.3%. Ch. 106, SLA 1984.
- Sept. 13, 1987** Interest on funds borrowed from the federal government to cover shortfalls in the trust fund may be paid out of employee contributions. Ch. 82, SLA 1987.

- July 1, 1989** Training programs pilot project to be funded by transfer of 0.1% of taxable wages from amount contributed by employees. Ch. 95, SLA 1989.
- June 30, 1993** Extension of Training programs pilot project until 1996. Ch. 17, SLA 1993.
- Jan. 1, 1997** Employer's yearly rate calculation will be 80% of the average benefit cost rate times the experience factor (no change in solvency tax provision). Employee tax will be a uniform 20% of the average benefit cost rate. Ch. 116, SLA 1996.

Benefit Provisions of the Alaska Employment Security Act 1937-1999

- April 2, 1937** Benefits first made payable January 1, 1939. Minimum payment \$5; maximum \$15. Weekly Benefit Amount (WBA) set at 50% of full time weekly wage. Total benefit payments not to exceed 16 x WBA. Ch. 4, ESLA 1937.
- Jan. 17, 1939** Minimum payment \$5; maximum \$16. Weekly Benefit Amount set at 1/20 of high quarter wages. Total benefit payments not to exceed either 16 x WBA or 1/3 of base year earnings. Ch. 1, SLA 1939.
- Oct. 1, 1946** Minimum payment \$8; maximum \$25. Maximum reduced to \$20 if the fund balance is less than \$2 million on January 1. Total benefit payments not to exceed either 25 x Weekly Benefit Amount or 1/3 of base year earnings. Ch. 32, ESLA 1946.
- July 1, 1949** Weekly Benefit Amount is increased by 20% for each dependent of the claimant up to three. Ch. 25, SLA 1949.
- July 1, 1951** Minimum payment \$8; maximum \$30. Ch. 11, SLA 1951.
- July 1, 1953** Minimum payment \$8; maximum \$35. Weekly Benefit Amount (WBA) now based on total wages in base year. Total benefit payments limited to 26 x WBA for most claimants. Ch. 99, SLA 1953.
- July 3, 1955** Minimum payment \$10; maximum \$45. Maximum limited to \$25 for claimants residing outside the Territory. Weekly Benefit Amount is increased by \$5 for each dependent of the claimant up to five. Claimants with dependents residing outside the Territory are disqualified for the dependent allowance. Ch. 5, ESLA 1955.
- March 30, 1960** Maximum Weekly Benefit Amount for interstate claimants reduced to \$20. Ch. 60, SLA 1960.
- July 1, 1966** Minimum payment \$10; maximum \$55. Total benefit payments limited to 28 x Weekly Benefit Amount for most claimants. Ch. 112, SLA 1966.
- July 1, 1969** Minimum payment \$18; maximum \$60 Ch. 106, SLA 1969.
- Jan. 29, 1971** Depending on the level of national and state unemployment rates, benefit payments may be extended. Extended benefit payments not to exceed one-half of total benefits available under the regular program. Ch. 106, SLA 1971.

- Jan. 1, 1972** Discrimination against nonresident claimants is ended. Ch. 106, SLA 1971.
- July 1, 1973** Minimum payment \$18; maximum \$90. Dependent allowance set at \$10 per dependent up to three. Ch. 43, SLA 1973.
- Oct. 1, 1980** Minimum payment \$34; maximum payment \$150 basic Weekly Benefit Amount. Dependent allowance set at \$24 per dependent up to three. Dependent allowance increases if an additional dependent is acquired by birth or adoption. Potential duration of benefits (16 to 26 weeks) is determined by the ratio of total base period wages to high quarter wages. Ch 9, SLA 1980.
- Oct. 31, 1981** Weekly benefits are reduced dollar for dollar upon receipt of periodic payments based on wages used to establish a benefit year. Ch. 114, SLA 1981.
- Sept. 26, 1982** Child support obligations may be deducted from weekly benefit checks. Ch. 115, SLA 1982.
- Jan. 1, 1983** Minimum payments \$34; maximum payment \$156 basic Weekly Benefit Amount. Ch. 115, SLA 1982.
- Oct. 1, 1984** Minimum payments \$38; maximum payment \$188 basic Weekly Benefit Amount. Ch. 106, SLA 1984.
- Oct. 1, 1990** Minimum payments \$44; maximum payment \$212 basic Weekly Benefit Amount. Ch. 167, SLA 1990.
- Jan. 1, 1997** Minimum payments \$44; maximum payment \$248 basic Weekly Benefit Amount. Ch. 116, SLA 1996.

Qualifying Provisions of the Alaska Employment Security Act 1937-1999

- April 2, 1937** To qualify for benefits, a claimant must: 1) have been unemployed in two of the last 13 weeks preceding claim, 2) have wages in the first three of the last four calendar quarters totaling more than 16 times the Weekly Benefit Amount, and 3) be ready and able to work. The claimant is disqualified for five additional weeks upon quitting the last employment without good cause. Ch. 4, ESLA 1937.
- Jan. 17, 1939** Total wages in base year must equal or exceed 25 times the WBA. Ch. 1, SLA 1939.
- March 26, 1941** Claimant must have been unemployed for two weeks in the benefit year including the week in which the claim was filed. Ch. 40, SLA 1941.
- July 1, 1945** Women are disqualified during the last two months of pregnancy and the month following pregnancy. Ch. 50, SLA 1945.
- Oct. 1, 1946** Minimum required wages in base year set at \$150. Ch. 32, SLA 1946.
- June 30, 1947** Waiting period reduced to one week. Ch. 74, SLA 1947.

- July 1, 1953** Minimum wage requirement set at \$300. Seasonal workers are disqualified for benefits for unemployment not occurring during their regular working season. Ch. 99, SLA 1953.
- July 3, 1955** Minimum wage requirement set at \$450 or 1 1/4 times high quarter wages. Women are disqualified until they subsequently earn \$120 if they leave work 1) to get married; 2) to live with their husband; or 3) due to pregnancy. Any week of unemployment due to a labor dispute is disqualified. A claimant found guilty of fraud is disqualified for 26 weeks. Ch. 5, ESLA 1955.
- April 4, 1957** Minimum wage requirement set at \$500 or 1 1/4 times high-quarter wages. Ch. 169, SLA 1957.
- April 7, 1962** Claimants are not disqualified while attending a training course to improve their skills. Ch. 63, SLA 1962.
- July 1, 1969** Minimum wage requirement set at \$750, \$100 of which must have been earned outside the quarter with the highest wages. Ch. 106, SLA 1969.
- Jan. 1, 1972** Women no longer disqualified during pregnancy. Ch. 106, SLA 1971.
- Oct. 1, 1980** Minimum wage requirement set at \$1,000 with at least 10 percent earned outside the quarter of highest wages. If a claimant earns more than 90% of the base period wages in one quarter, base period wages used for determining benefits will be reduced to 10 times the wages paid in the base period outside the high quarter. The six-week disqualification for voluntary quit and misconduct includes a reduction of potential benefits by three times the basic Weekly Benefit Amount (WBA). The six-week disqualification is lifted if the claimant returns to work and earns eight times the WBA. Ch. 9, SLA 1980.
- Oct. 31, 1981** A waiting week must be served for each new benefit year. Extended benefit claimants must actively seek work and may not refuse an offer of "suitable" work. Claimants filing for extended benefits from a state not triggered onto extended benefits are eligible for no more than two weeks of benefits. Ch. 114, SLA 1981.
- June 26, 1982** The national "on" and "off" trigger indicators for extended benefits are repealed in conformity with federal law. Ch. 115, SLA 1982.
- Sept. 26, 1982** In conformity with federal law, the state "on" indicator for extended benefits is increased to 6.0% insured unemployment rate. In conformity with federal law, a claimant is not eligible for extended benefits unless total base period wages equal or exceed 40 times the weekly benefit entitlement including dependent benefits. Supplemental state benefits are provided for claimants otherwise eligible for extended benefits except for the new 40 x Weekly Benefit Amount requirement. All other conditions of extended benefits apply to supplemental state benefits. Ch. 115, SLA 182.
- June 16, 1984** State interim benefits provided for noncertified teachers of indigenous languages and school employees in other than an instructional, research, or principal capacity. Ch. 106, SLA 1984.

- July 2, 1989** An insured worker is ineligible for benefits for one year if discharged for commission of a felony or theft in connection with work. Ch. 100, SLA 1989.
- Nov. 15, 1991** An agreement with the U.S. Department of Labor allows the temporary payment of benefits under the Emergency Unemployment Act of 1991 (PL 102-162) in place of extended benefits.
- July 1, 1993** The implementation of the Emergency Unemployment Compensation (EUC) program, 26 U.S.C. 3304. Eligibility for supplemental state benefits remains in effect during a period in which extended benefits (EB) are triggered “off,” but during which EUC benefits are payable. The eligibility for EB (Oct. 3, 1993) requires the claimant meet the existing 40 times Weekly Benefit Amount (WBA) requirement, or have a total of 1.5 times the base period high quarter wage.
- The total amount of EB payable is the lowest of (1) 80% of total regular benefits, (2) 20 times the WBA, or (3) 46 times the WBA minus total regular benefits paid.
- In addition to the existing EB triggers, EB is “on” if the state three month total unemployment rate is 6.5%, and is 110% of the same three-month period in either of the prior two years. The EB is “off” if there is no “on” indicator, or if the State is eligible for the EUC program. Ch. 28, SLA 1993.

AVERAGE ANNUAL EARNINGS Total payroll in covered employment divided by average monthly covered employment.

AVERAGE MONTHLY COVERED EMPLOYMENT The sum of all reported covered employment for a 12-month period divided by 12.

AVERAGE WEEKLY BENEFIT AMOUNT (AWBA) The total benefits paid for full-time unemployment divided by the number of weeks compensated.

AVERAGE WEEKLY EARNINGS Average annual earnings in covered employment divided by 52.

AREA Geographic areas within Alaska recorded by census areas and subareas.

BASE PERIOD The first four of the last five completed calendar quarters immediately preceding the first day of an individual's benefit year.

BASE PERIOD EARNINGS (BASE PERIOD WAGE) a) If the worker was paid 90% or more of his earnings in any single quarter of his base period, BPW is defined as earnings in the other three quarters times 10; b) If the worker was not paid 90% or more of his earnings in a single quarter of his base period, BPW is defined as earnings during his base period.

BENEFITS Money payments payable to an individual under AS.23.20.

BENEFIT COST RATE The cost of benefits as determined by the ratio of regular benefits paid in the current year divided by total payroll in the previous year.

BENEFIT YEAR A one-year period beginning with the day an insured worker files a request for determination of insured status.

CLAIMANT An individual who has filed a request for determination of insured status, a notice of unemployment, a certification for waiting week credit, or a claim for benefits.

CONTINUED WEEK CLAIMED A claim for waiting week credit or payment of benefits for a week.

CONTINUED WEEK PAID Payment for a week of unemployment or for a waiting week.

COMBINED WAGES (INTERSTATE WAGE COMBINING) Earnings during a base period that were paid in more than one state, for purposes of determining the share of liability in each state.

COVERAGE The determination by the state whether an employing unit should be considered an employer subject to the state's unemployment insurance laws.

COVERED EMPLOYMENT The number of persons employed during the pay period that includes the 12th of each month, by place of work. Workers that are not covered include agricultural workers, self-employed workers, some employed students, most fishermen, full-commissioned salesmen, private railroad workers and elected and appointed officials

DATA BASE 2 SYSTEM (DB2) A transaction driven system which automates all Employment Security Unemployment Insurance benefit functions, including on-line data collection and hatch processing for database updating and report generation.

DECLINE QUOTIENT An estimate of an employer's experience with unemployment, determined by dividing the decline in payroll from quarter one to quarter two by the payroll in quarter one.

DEPENDENT BENEFITS Benefits paid to claimants with dependents, up to three dependents per claimant.

DURATION The number of weeks in which payments were received by an individual (actual), or qualified for (potential), for each program. Average duration is defined as the number of weeks paid per program in a 12-month period, divided by the number of first payments received in that program during that period.

EARNINGS REPLACEMENT The proportion of average weekly earnings replaced by Unemployment Insurance weekly benefit amount.

EMERGENCY UNEMPLOYMENT COMPENSATION (EUC) A federally funded program similar to extended benefits paying additional weeks of benefits, beginning November 17, 1991, and ending April 30, 1994.

ETA Employment and Training Administration, a division of the U S Department of Labor.

EXHAUSTS Persons receiving payments for the maximum number of weeks available to them in a particular program.

EXPERIENCE RATING A method of measuring an employer's experience with unemployment by ranking each employer by average quarterly decline quotient, and assigning one of 21 rate classes, each with a factor between 0.4 and 1.65.

EXTENDED BENEFITS (EB) Additional benefits allowable after regular State Unemployment Insurance benefits have been exhausted, only when an Extended Benefits period is in effect.

EXTENDED BENEFITS PERIOD A period during which Extended Benefits payments are allowed, which is usually defined as a period of 13 weeks or more when the state's Insured Unemployment Rate is 6% or higher. Section 23.20.408 of the

Alaska Employment Security Act defines the conditions under which an extended benefits period exists.

FEDERAL FISCAL YEAR October 1 of prior year through September 30 of current year.

FEDERAL SUPPLEMENTAL BENEFITS (FSB) A federally funded program similar to FSC that was in effect between 1975 and 1978.

FEDERAL SUPPLEMENTAL COMPENSATION (FSC) A federally funded program in effect between October 1982 and April 1985, which provided additional payments after regular benefits had been exhausted and extended benefits had been exhausted or an extended benefits period was not in effect.

FINAL PAYMENT (See EXHAUSTS)

FIRST PAYMENT The first payment for a week of unemployment claimed under a specific program.

FUTA Federal Unemployment Tax Act.

HIGH QUARTER The quarter of the base period in which the greatest amount of earnings occurred.

INDUSTRY Classification of a reporting employing unit by primary economic activity according to Standard Industrial Classification codes.

INSURED UNEMPLOYMENT The number of persons filing continued claims for full regular benefits, partial regular benefits, or in waiting week status, during a given week.

INSURED UNEMPLOYMENT RATE Ratio of insured unemployed expressed as a percentage of average covered employment; computed as average insured unemployment over a 13-week period divided by average covered employment lagged 6 months.

INTERSTATE CLAIMS, INTERSTATE PAYMENTS Claims made by, or payments made to, persons residing in other states who worked in Alaska and for which Alaska is at least partially liable for unemployment compensation.

INTRASTATE CLAIMS, PAYMENTS Claims made by, or payments made to, persons residing within Alaska, including payments from other liable states.

LAUS Local Area Unemployment Statistics.

LOCAL OFFICES Unemployment Insurance (UI) claims centers (as of December, 1995, there were 20 offices, including the mail claims and interstate unit) which take and process UI claims. Beginning in late 1996, for UI claims purposes, the local offices were regionalized into UI Call Centers.

MAIL CLAIMS Claims filed by mail to the Mail Claims unit of the Central Office, by persons residing more than 55 miles from the nearest Local Office.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT Wage and salary employment by place of work, rather than residence, that does not include self-employed workers, unpaid family workers, domestics, most fishermen or agricultural workers.

OWNERSHIP Classification of reporting employing units according to legal proprietorship (federal, state, local, international, or private industry) rather than by type of economic activity.

REGULAR BENEFITS (See STATE UI PROGRAM)

REIMBURSABLE A contribution system whereby certain employers (state and local governments, hospitals, schools, non-profit corporations) can elect to reimburse the state trust fund directly for benefits paid for which they are responsible, rather than pay taxes under the experience rating system.

SOLVENCY ADJUSTMENT A surcharge added to employer taxes whenever the trust fund balance falls below 3.0% of the total payroll, or subtracted whenever the balance rises above 3.3%.

STANDARD INDUSTRIAL CLASSIFICATION (SIC) A national standardized system to classify reporting employing units into industries by four-digit codes, according to primary economic activity.

STATE FISCAL YEAR July 1 of the prior year through June 30 of the current year.

STATE INTERIM BENEFITS (SIB) A special Alaska program which pays benefits to certain noninstructional educational employees during periods between sessions. The last year the SIB program was funded was during 1986.

STATE SUPPLEMENTAL BENEFITS (SSB) A special Alaska program which pays benefits to claimants who have been denied Extended Benefits because they do not meet the federal requirement that they earn 40 times their weekly benefit amount in their base period.

STATE UI (REGULAR) PROGRAM An insurance program designed to provide temporary compensation for those who are involuntarily unemployed, funded through employer and employee taxes and reimbursements.

SUPPLEMENTAL PAYMENTS Payments made to claimants who were paid previously but may have been underpaid for various reasons.

TAX BASE The maximum amount of an employee's earnings subject to State Unemployment Insurance taxes.

TAXABLE PAYROLL That part of total payroll reported by employers who are subject to both the experience rating system and state unemployment tax provisions.

TOTAL LABOR FORCE All persons age 16 and over residing in a specific geographical area who are either employed, unemployed and seeking employment, or involved in a labor dispute.

TOTAL UNEMPLOYMENT All persons age 16 and over who did not work during the survey week, but were available and seeking work or waiting to report for work within 30 days.

TOTAL UNEMPLOYMENT RATE An expression of the number of unemployed persons as a percent of the total civilian labor force determined by dividing total unemployed workers by the total labor force.

TOTAL PAYROLL The total of all wages and salaries (taxable and reimbursable) paid by covered employers. Includes bonuses, tips, and the cash value of meals, lodging, and other gratuities when furnished with the job.

TRA Trade Readjustment Allowance. An allowance authorized under the federal Trade Act of 1974 for the purpose of providing benefits and training to workers whose employment opportunities have been impacted by adjustments made in federal regulations concerning international trade.

TRAINING AND BUILDING FUND A fund (separate from the unemployment compensation fund) based on interest and penalties collected from taxable employers and used to support training activities and to provide office space.

TRUST FUND A state fund to receive and disburse unemployment insurance funds.

TRUST FUND RESERVE Funds on deposit in the trust fund plus balances in the state's clearing account and benefit payment account plus interest credited for the last quarter of the calendar year.

UCFE Unemployment Compensation for Federal Employees. A federally funded insurance program designed to provide temporary compensation for former employers of the federal government who are involuntarily unemployed.

UCX A federally funded insurance program designed to provide temporary unemployment compensation for ex-members of the Armed Forces.

UI Unemployment Insurance.

WAITING WEEK The first week for which a claimant files for unemployment and for which there is no disqualification.

WEEKLY BENEFIT AMOUNT Amount of benefit payments actually paid to unemployed workers (actual), or for which they are eligible (potential), per week.

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