

NONRESIDENTS WORKING IN ALASKA-1997

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Highlights

- Nonresident workers made up 20.3% of all workers in 1997. This is a dramatic drop from the peak nonresident hire year of 1992 when 78,000 nonresidents were employed, nearly 24 percent of all workers. 1997 saw the lowest number and percent nonresident workers since 1988.
- The number of nonresident workers decreased by more than 3,500 workers between 1996 and 1997. While the number of nonresident workers declined, the number of resident workers employed in Alaska in 1997 increased by 6,700 workers to nearly 280,000, a 2.5% increase over 1996. Total nonresident earnings declined by more than \$7 million from 1996 to 1997 while resident earnings increased by nearly 4 percent or \$263 million.
- Total wage and salary earnings in private sector, state and local government jobs approached \$7.85 billion in 1997. Nonresidents earned about 11.4% of the total (or \$894.7 million), a significant decline from the 11.9% of total wages paid to nonresidents in 1996.
- The food processing industry showed a significant improvement in resident hire performance over 1996. The number of resident workers increased by more than 340 workers and resident earnings increased by about \$5.7 million. The number of nonresident workers declined by more than 1,100 between 1996 and 1997.
- Alaska's construction industry paid approximately \$516 million to residents in 1997, up more than \$34 million from 1996. About \$78 million were paid to nonresidents in 1997, a big improvement over the 1996 earnings of nonresidents of \$90.3 million. About 13 percent of total earnings were paid to nonresidents, less than the private sector average. About 1,000 more resident construction workers were employed in 1997 over 1996, while the number of nonresident construction workers declined by 12.6 percent (or 700 workers) from 1996 to 1997.
- Earnings paid to nonresidents in the oil industry in 1997 were approximately \$163 million, more than 25 percent of total earnings paid in that industry. Major oil companies paid out 23.9% of their earnings to nonresidents while oilfield service companies paid 25.6% of earnings to nonresidents.
- The highest percent nonresident workers are found in the Southwest Region, primarily Aleutians East, Bristol Bay, Aleutians West and Lake and Peninsula census areas. These workers were engaged primarily in seafood processing.

Overview and Department of Labor Initiatives

Despite continuing improvement in "Alaska Hire", a large number of nonresidents still work in Alaska every year. There is a continual flow of population between Alaska and other states, but in terms of employment and earnings the flow is virtually "one-way"; a very small percentage of Alaskan residents earn wages in other states, while one in nine dollars of wages paid in Alaska are paid to nonresidents.

The high incidence of nonresidents working in all parts of Alaska indicates that many jobs were available that could have been filled by unemployed Alaskans. Maximizing the employment of Alaskans not only ensures that maximum benefit accrues to the state from economic development activity, it will also reduce demands upon state "safety net" programs such as unemployment insurance and public assistance.

There are many reasons why employers hire nonresidents to work in Alaska. Although there may be a lack of available, qualified workers for certain jobs at certain times of the year, too often employers either find it easier to recruit in the Lower 48, or they assume that there are no qualified workers in Alaska. Both the real and perceived barriers to Alaskan hire must be addressed, and the Department of Labor is involved in several initiatives aimed at increasing the employment of Alaskan workers in jobs currently filled by nonresidents.

- The implementation of welfare reform has made employment of welfare recipients a priority for state agencies and a necessity for families now faced with work requirements and lifetime limits on how long they may receive benefits. Entry-level positions which require little or no training other than job-readiness and basic life skills preparation are particularly important to the success of welfare reform. State agencies, non-profit welfare reform contractors, and cooperating employers have made the problem of nonresident hire part of the solution to welfare by moving Alaskan recipients into jobs in many of the occupations and industries with high levels of nonresident hire.
- Training Alaskan workers in occupations and specialties with high nonresident hire is critical. One of the priorities of the State Training and Employment Program (STEP) is to provide training specific to these jobs. Since its inception in 1989, the STEP program has provided training to more than 10,000 Alaskan workers. Many private and public training providers utilize this report to identify training needs and determine the courses of instruction to be offered.
- In terms of sheer numbers, the greatest opportunity for Alaska hire is in the seafood processing industry. Since 1995, Governor Knowles has asked major employers in that industry to work with the Department of Labor's Seafood Employment Unit to put more Alaskans to work in our largest industry. Particular emphasis has been placed on rural recruitment, in an effort to bring Alaskan workers from areas with high unemployment and few opportunities to processing facilities with high nonresident hire. Alaska resident employment in seafood processing increased in 1997, despite a drop in total employment. Offshore processors also hired many more Alaskan workers than in the past; these workers, however, are generally counted in Washington State employment statistics and are not reflected in this report.

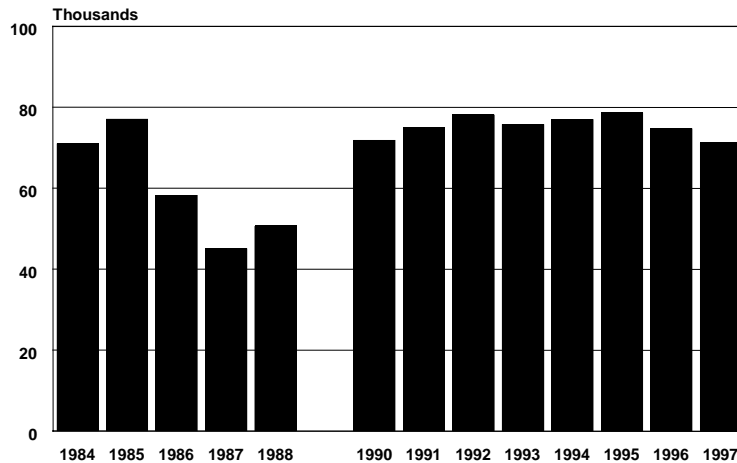
- The Alaska Employment Service provides a statewide labor exchange to serve employers and job seekers through its nineteen offices, six of which have been merged into multi-agency "one-stop" workforce development offices of the Alaska Job Center Network.
- Alaskan hire in the oil industry remains a priority with the administration, the legislature, and the industry. Detailed reporting of residency data for all contractors on the Northstar project is provided to the department quarterly in accordance with the Northstar legislation. A broader baseline report for all major oil and gas industry employers has been developed and is included in this report at Appendix table A-3.
- The Department continues to enforce the Alaska Employment Preference Act (AS 36.10.005-990) on state-funded construction projects. Under a determination issued by the commissioner on June 30, 1997 (see page 23) that the state of Alaska was a "zone of underemployment", ninety percent of workers in twenty construction crafts are required to be Alaska residents. (Note: Although a challenge to the constitutionality of the law is currently before the Superior Court; the Department of Labor continues to enforce the provisions of the law).

Number of Nonresident Workers in Alaska Continues to Decline

Although 71,233 nonresident¹ wage and salary workers² were employed in Alaska in 1997, this was a 4.7% decline, or a decrease of more than 3,500 nonresident workers since 1996. While the number of nonresident workers declined, the number of resident workers employed in Alaska in 1997 increased by 6,700 workers to nearly 280,000, a 2.5% increase over 1996.

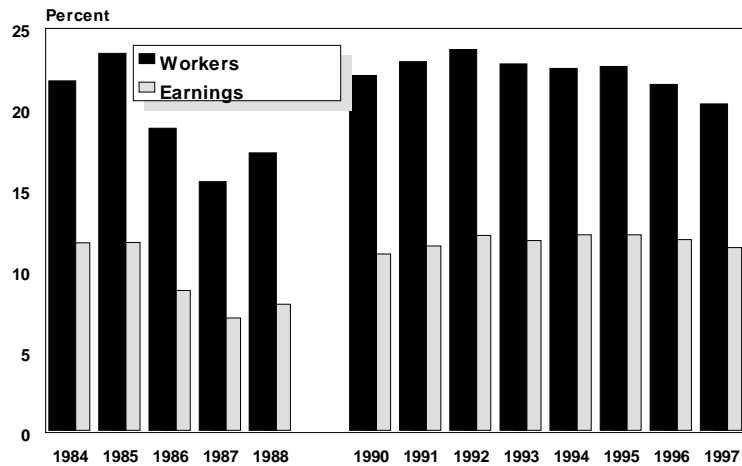
Fewer nonresident workers were the result of several factors. A strong national economy slowed immigration to Alaska reducing competition for available jobs created by Alaska's moderate, steady growth. The changing structure of the Alaska economy, with fewer seasonal jobs and more year-around jobs meant that fewer workers were needed during the peak summer hiring season. Resident workers were available to fill many more of the jobs in 1997 while training

**Number of Nonresident Workers
Alaska 1984-1997**



Note: Includes private sector, state and local government workers.
Source: Alaska Department of Labor, Research and Analysis Section.

**Percent Nonresident Workers and Earnings
Alaska 1984-1997**



Note: Includes private sector, state and local government workers.
Source: Alaska Department of Labor, Research and Analysis Section.

¹Nonresident workers are defined as those workers who did not receive a Permanent Fund Dividend (PFD) in 1997 or apply for a PFD in 1998. The methodology section of this report provides complete information on workers identified as nonresidents.

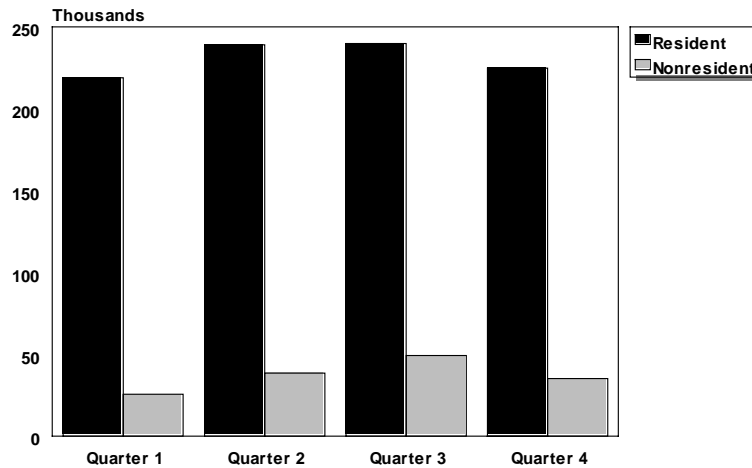
²The Department of Labor wage file includes only those workers covered by Alaska unemployment insurance. Therefore, all references to resident and nonresident workers exclude self-employed and federal government workers in Alaska.

programs produced graduates with the needed skills³.

Nonresident workers made up 20.3% of all workers in 1997. This is a dramatic drop from the peak nonresident hire year of 1992 when 78,000 nonresidents were employed, nearly 24 percent of all workers. 1997 saw the lowest number and percent nonresident workers since 1988.

**Workers by Quarter
Alaska 1997**

Total wage and salary earnings in private sector, state and local government jobs approached \$7.85 billion in 1997. Nonresidents earned about 11.4% of the total (or \$894.7 million), a significant decline from the 11.9% of total wages paid to nonresidents in 1996. Total nonresident earnings declined by more than \$7 million from 1996 to 1997 while resident earnings increased by nearly 4 percent or \$263 million.



Source: Alaska Department of Labor, Research and Analysis Section.
Note: Includes private sector, state and local government workers.

In 1997, residents earned an average of \$24,845 while nonresidents earned only half as much at \$12,560. The large disparity in total earnings is related primarily to the shorter average length of time that nonresident workers are employed in Alaska. Many nonresident workers are employed in the summer months or in short term or seasonal jobs including those related to the seafood processing, hotel/transportation/visitor related industry sectors. Twice as many nonresident workers are employed in the third calendar quarter as are employed in the first calendar quarter of each year.

Quarterly earnings present a clearer picture of average earnings rates of residents versus nonresidents. Alaska average quarterly earnings for nonresidents (\$6,028) in 1997 were about 80 percent of those paid to resident workers (\$7,532). Nonresidents typically make less than residents because they are often new workers with less experience on the job or are filling lower paid seasonal jobs that require relatively less training. Average quarterly earnings vary by industry. Some industries pay nonresidents higher average quarterly earnings than residents suggesting a higher rate of pay. Nonresidents may earn more than residents due to employers importing highly paid specialized skills. In addition, some workers in seasonal jobs or remote work sites have sufficient income to maintain an out-of-state residence and can commute to work in Alaska.

³ In FY 97 Alaska's State Training and Employment Program (STEP), funded by the Unemployment Insurance Trust Fund served 1,740 individuals. Of the clients who received occupational training, 275 (37 percent) found employment in shortage occupations often filled by nonresidents.

Despite Improvement, Many Industries Still Have High Nonresident Hire Rates

The average private sector percent nonresident workers was 23.6% in 1997, but many industry sectors had much higher and lower percent nonresident workers (see appendix table A-1 for detailed industry nonresident employment and wages). Nonresident workers in Alaska are typically found in industries with a large number of seasonal jobs (often relatively low paying), industries with faster than average growth, industries with jobs having special skills, and industries where the workers may be employed in remote worksites or camps. Alaska's seasonal industries continued to dominate the list of those with the highest nonresident earnings and workers. Seafood processing, lumber and wood products, hotels and restaurants, and the oil industry were the major industry sectors with the highest percentage of nonresident workers in 1996, just as they have been for the last several years.

Food processing (primarily seafood processing workers) continued to have the highest percent nonresident workers with 73 percent of all workers nonresident in 1997, a 2 percentage point improvement over 1996. In addition, more than 60 percent of wages in this sector were paid to nonresidents.

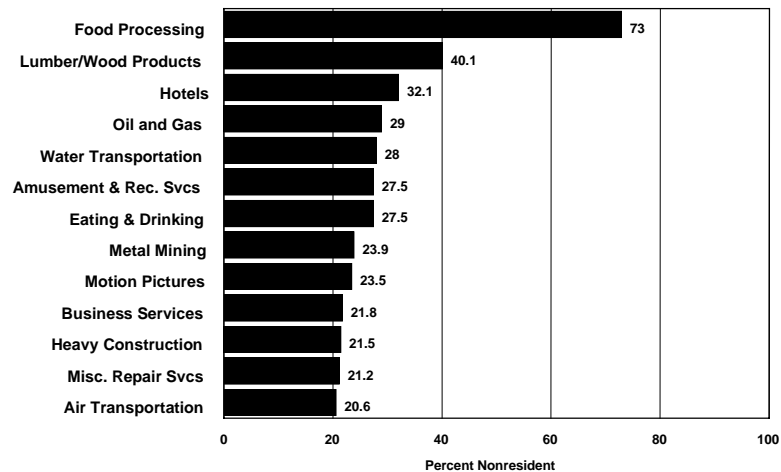
Another large industry sector with a high percent of nonresident workers is the lumber and wood products industry. In

1997, approximately 40 percent of workers in this sector, engaged primarily in seasonal logging activities, were nonresidents. With the closure of Southeast Alaska pulp mills, this industry sector lost most of the stable, year around jobs that made the pulp mill sector one of the industries with the lowest percentage of nonresident workers in the state, with only 9.5% nonresident workers in 1997.

Other industries with a higher percent nonresident workers than the private sector average include hotels (32.1%), nonmetal mining/quarries (28.1%), eating/drinking (27.5%), oil and gas (29.0%), water transportation (28.0%), and recreation services (27.5%).

Private sector industries with very low percent of nonresidents are found primarily in the financial and health services sectors. The state and local government sectors continued to have nonresident percentages less than 6 percent, a level matched by only a few private sector industries.

Private Sector Industries with Highest Percent Nonresident Workers - Alaska 1997



Note: Industries with 1,000 or more workers.

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

Historical Trends in Alaska's Most Important Industries

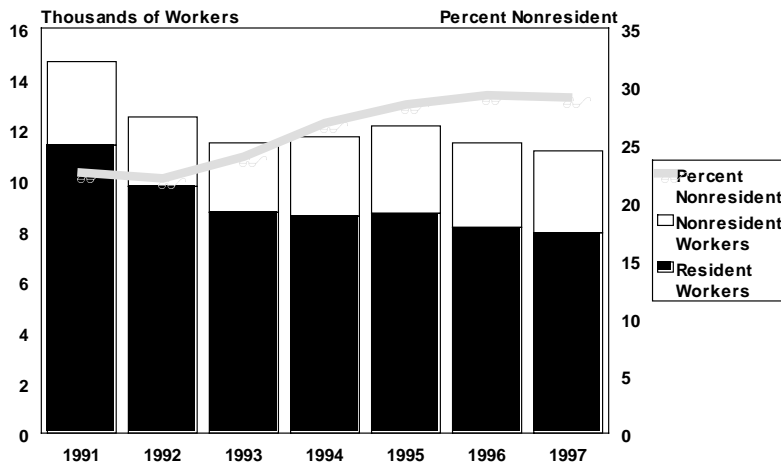
Alaska's oil industry is important in terms of total earnings, employment and high paying jobs. In 1997, nearly 25 percent of earnings went to nonresidents while 29.0% of the workers employed during the year were nonresidents, a small improvement from 1996. The increase in resident hire performance came despite a two year decline in total workers and earnings in the oil and oilfield service industries, a positive trend.

Major oil companies showed no improvement in resident hire performance over 1996 with 26.4% of all workers reported as nonresidents. Oilfield service companies showed continuing improvement in their resident hire numbers, with the percent nonresident workers dropping to 30.0% in 1997 from 31.1% in 1996.

Earnings paid to nonresidents in the oil industry in 1997 were approximately \$163 million, more than 25 percent of total earnings paid in that industry. Major oil companies paid out 23.9% of their earnings to nonresidents while oilfield service companies paid 25.6% of earnings to nonresidents.

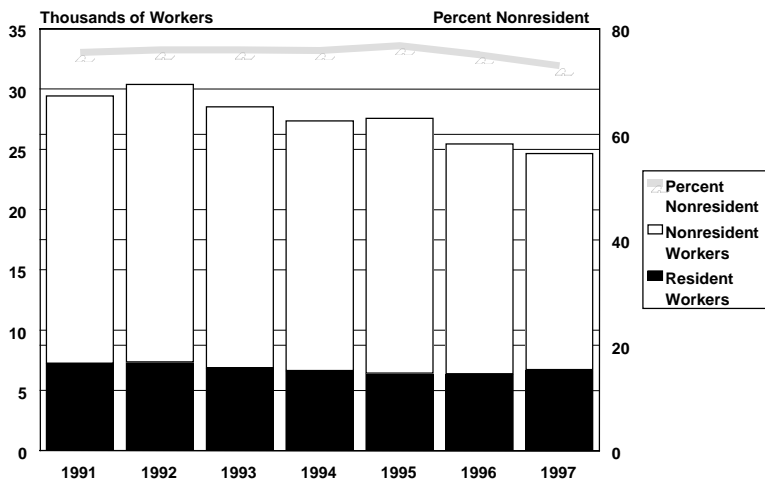
Alaska's oil industry paid about 11 percent of all private sector wage and salary earnings in 1997 and had average resident quarterly earnings about 2.4 times the Alaska private sector average. Average quarterly earnings (quarters in which the workers

Oil Industry Number and Percent Nonresident Workers-Alaska 1991 to 1997



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

Food Processing Number and Percent Nonresident Workers-Alaska 1991 to 1997



Source: Alaska Dept. of Labor, Research and Analysis Section

received earnings) for both resident and nonresident oil industry workers was in excess of \$17,000 with nonresidents having higher average quarterly earnings than residents in 1997.

Despite an overall decline of \$12.5 million in earnings and a loss of about 800 workers, the food processing industry showed a significant improvement in resident hire performance over 1996. The number of resident workers increased by more than 340 workers and resident earnings increased by about \$5.7 million. The number of nonresident workers declined by more than 1,100 between 1996 and 1997.

\$136.3 million was paid to nonresidents working in food processing in Alaska in 1997, about 60 percent of total earnings for that industry. The percentage of both nonresident workers and earnings declined from 1996 in response to increased Alaska recruiting efforts and an overall decline in the number of workers required. The food processing industry is relatively low paying with nonresident workers earning on average \$3,806 in each quarter that they worked

Alaska's construction industry paid approximately \$516 million to residents in 1997, up more than \$34 million from 1996. About \$78 million were paid to nonresidents in 1997, a big improvement over the 1996 earnings of nonresidents of \$90.3 million. About 13 percent of total earnings were paid to nonresidents, less than the private sector average. About 1,000 more resident construction workers were employed in 1997 over 1996, while the number of nonresident construction workers declined by 12.6 percent (or 700 workers) from 1996 to 1997.

Historically, Alaska's industry sectors dependent upon visitor spending (hotels, eating and drinking establishments, and tour operators) have higher than average nonresident worker and earnings percentages. Generally, there was improvement in visitor industry sectors with nonresidents in the hotel industry sector declining to 32.1% in 1997 from 32.8% in 1996.

Resident Hire Improves Over 1996

The total number of residents working in Alaska increased from 1996 to 1997 while the number of nonresidents working in the state declined during the same time period. The direction of employment change for nonresidents between 1996 and 1997 varied by industry, with most industry sectors showing a decline in the number of nonresident workers. The construction industry had the largest private sector percentage drop in nonresident workers, with a 12.6% decline. The private sector as a whole had a 4.6% decline in the number of nonresident workers.

Table 1
Alaska Resident and Nonresident Workers-1996 and 1997

	1996 Resident Workers	1997 Resident Workers	% Change 1996-1997	1996 Nonresident Workers	1997 Nonresident Workers	% Change 1996-1997
Ag., For., and Fishing	1,841	1,900	3.2	899	1,126	25.3
Mining	9,729	9,721	-0.1	4,015	3,795	-5.5
Construction	17,754	18,777	5.8	5,508	4,816	-12.6
Manufacturing	13,052	13,359	2.4	21,130	19,849	-6.1
Trans., Comm., Util.	24,840	25,930	4.4	5,269	5,174	-1.8
Wholesale Trade	9,468	9,624	1.6	1,800	1,793	-0.4
Retail Trade	54,599	56,267	3.1	14,830	13,755	-7.2
Finance, Ins. and R.E.	12,287	12,948	5.4	1,494	1,483	-0.7
Services	66,853	69,911	4.6	15,754	15,664	-0.6
Nonclassifiable	442	174	-60.6	208	203	-2.4
Total Private Sector	210,865	218,611	3.7	70,907	67,658	-4.6
Local Govt	38,692	39,280	1.5	2,425	2,447	0.9
State Govt	23,512	21,920	-6.8	1,429	1,128	-21.1
Total	273,069	279,811	2.5	74,761	71,233	-4.7

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

Table 2
Alaska Resident and Nonresident Wages-1996 and 1997

	1996 Resident Wages	1997 Resident Wages	Percent Change 1996 to 1997	1996 Nonresident Wages	1997 Nonresident Wages	Percent Change 1996 to 1997
Ag., For., and Fishing	28,689,831	29,344,444	2.3	\$8,624,044	\$13,394,012	55.3
Mining	577,614,268	579,472,969	0.3	192,742,350	181,898,158	-5.6
Construction	481,613,621	516,103,095	7.2	90,342,698	78,289,700	-13.3
Manufacturing	308,104,298	318,979,522	3.5	190,133,760	171,691,613	-9.7
Trans., Comm., Util.	789,398,752	841,184,371	6.6	110,096,216	127,891,516	16.2
Wholesale Trade	254,817,101	257,444,211	1.0	20,519,690	21,352,130	4.1
Retail Trade	748,060,373	785,826,930	5.0	80,735,750	75,836,862	-6.1
Finance, Ins. and R.E.	322,084,183	346,084,818	7.5	15,973,975	17,040,884	6.7
Services	1,326,824,277	1,415,848,740	6.7	146,892,608	152,836,015	4.0
Nonclassifiable	5,480,522	1,613,125	-70.6	1,283,090	10,498,884	718.3
Total Private Sector	4,842,687,226	5,091,902,225	5.1	857,344,181	850,729,774	-0.8
Local Govt	1,105,072,324	1,123,489,426	1.7	26,302,482	26,942,521	2.4
State Govt	740,997,328	736,565,255	-0.6	18,408,288	17,048,242	-7.4
Total	\$6,688,756,879	\$6,951,956,906	3.9	\$902,054,950	\$894,720,537	-0.8

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

The Economic Impact of Nonresidents

Generally, workers spend the bulk of their earnings where they reside. On average, nonresidents take a significant portion of their earnings to their home state, depriving Alaska of the full economic benefits of the employment created in the Alaska economy. This has a direct impact on the total growth rate and income of Alaska. This leakage of income out-of-state results in smaller indirect income and employment than would otherwise occur if workers lived in Alaska. Many nonresidents work a relatively short time in Alaska (often for just a quarter or two) and generally do not live in Alaska, own homes or consume the bulk of their earnings in the state.

Nonresidents take direct job opportunities away from Alaskans. In addition, they keep the overall economy, including retail sales, services and housing construction at a level less than would otherwise be the case. Not only is there a direct job loss and a direct loss of the income those jobs provide, the indirect effects associated with the respending of those dollars is lost as well. The U.S. Bureau of Economic Analysis estimates that Alaska has an economic multiplier of 1.4 to 1.8, depending on the industry⁴. This means that workers earning \$895 million in 1997 should generate an additional \$358 to \$716 million in Alaska as a result of the spending and

⁴ A User Handbook for the Regional Input-Output Modeling System (RIMS II), Bureau of Economic Analysis, May 1992.

responding of those dollars. Because nonresidents spend a greater portion of their earnings outside Alaska, a significant portion of the direct and indirect income amounting to hundreds of millions of dollars and thousands of jobs is lost from the Alaska economy.

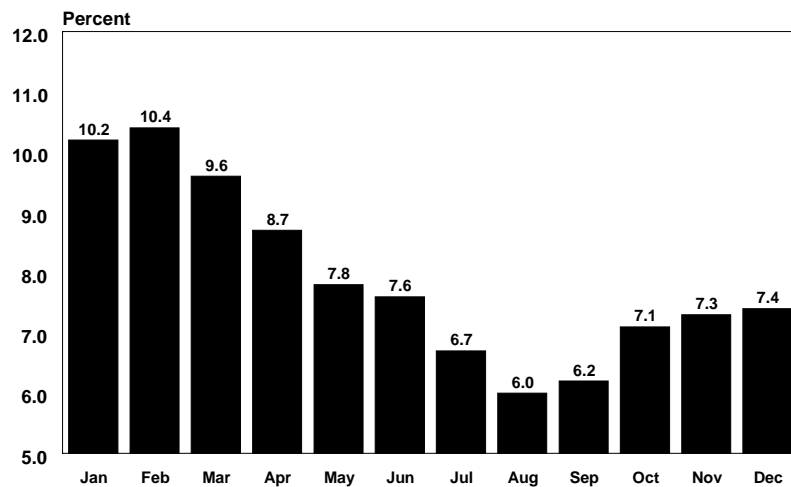
When nonresidents take jobs that Alaskans could fill, unemployed Alaskans draw upon unemployment insurance and other financial aid programs. Nonresident workers are also more likely to leave Alaska and draw unemployment insurance benefits while outside Alaska on earnings received in the state.

Do Nonresidents Take Jobs That Residents Could Fill?

Although detailed labor supply data by occupation is not available, in 1997, depending upon the month of the year, between 19,300 and 32,350 Alaskans were unemployed. This represented between 6.0 and 10.4 percent of the Alaska labor force. Many other Alaskans were underemployed and working in occupations for which they were overqualified. Still others were discouraged workers, many living in rural Alaska where very little opportunity for employment exists, who were not working and *not* counted as unemployed.

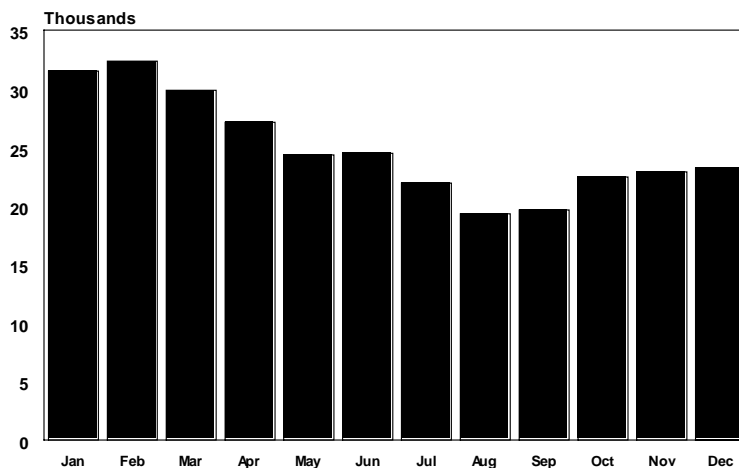
Once nonresidents are hired, it is not likely that residents can replace them in jobs, despite the fact that many of these unemployed, underemployed or discouraged workers were qualified for, or could quickly be trained

**Monthly Unemployment Rate
Alaska 1997**



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

**Number of Unemployed
Alaska 1997**



Source: Alaska Department of Labor, Research and Analysis Section.
Note: Includes private sector, state and local government workers.

for, many of the jobs held by nonresident new hires in 1997.

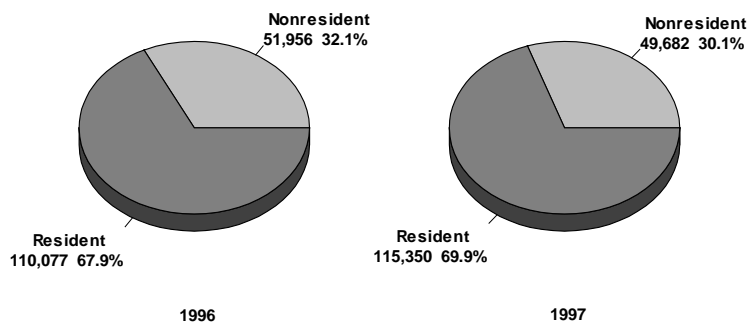
In a period of slow economic growth, employers may claim they have no new jobs to fill with Alaskans. However, every day employers hire new workers to fill jobs created by normal turnover. The Alaska Department of Labor estimates the number of “new hires”, defined as a new worker who was not employed by the same firm at any time during the previous four quarters. Each “new hire” represents an employment opportunity for an Alaskan who is out of work. Unfortunately, many of the “new hires” are nonresidents of Alaska. In 1997, approximately 49,700 nonresidents were new hires, more than 30 percent of all new hires.

These new hires represent a large base of employment opportunities for Alaskans. Many of these jobs require skills readily available in Alaska. Although many of these new hires are for seasonal or entry

level positions-- jobs needed by many unemployed and underemployed Alaskans--other positions have skilled workers readily available in Alaska.

Occupations for which there are not qualified Alaskans represent an opportunity for Alaska's education and training institutions.

**Total New Hires
Alaska 1996 and 1997**



Source: Alaska Department of Labor, Research and Analysis Section.
Note: Includes private sector, state and local government workers.

Table 3 shows the occupations with the largest total number of nonresident workers in 1997. Nonresidents were assigned an occupation code based upon the occupation in which they earned the most money. Nonresident workers were found in seafood processing related occupations, retail sales, eating and drinking occupations, general office occupations and construction occupations. Some of the occupations with large numbers of nonresidents require special training such as carpenters, airplane pilots, nurses, and electricians. These occupations have relatively high pay and may represent an opportunity for training programs in Alaska or a career path for an unemployed Alaskan. Some of the jobs with lower entry skill requirements may be suitable for those seeking their first job or trying to obtain work experience.

**Table 3
Private Sector Occupations with Largest Number of Nonresidents
Alaska 1997**

Occupation	Resident	Nonresident		Resident	Nonresident	
	Number of Workers	Number of Workers	Percent	Earnings	Earnings	Percent
Cannery Workers	4,477	13,940	75.7	\$40,175,555	\$89,008,387	68.9
Sales Clerks	8,623	1,840	17.6	83,529,048	8,578,834	9.3
Waiters & Waitresses	4,353	1,601	26.9	37,133,029	6,896,196	15.7
General Office Occup.	8,893	1,491	14.4	142,849,873	10,974,612	7.1
Manual Occup., Nec	4,358	1,442	24.9	47,400,570	8,984,343	15.9
Misc. Food & Beverage Prep.	2,717	1,017	27.2	25,915,986	4,924,266	16.0
Carpenters	4,181	994	19.2	88,842,187	10,439,243	10.5
Janitors & Cleaners	3,870	936	19.5	39,746,394	4,941,784	11.1
Misc. Hand Working Occup.	405	893	68.8	4,854,347	6,244,296	56.3
Fast Food	3,152	884	21.9	14,013,591	2,439,156	14.8
Construction Laborers	3,747	871	18.9	61,129,365	8,317,499	12.0
Maids	2,452	863	26.0	24,132,505	4,873,002	16.8
Airplane Pilots and Navigators	1,214	823	40.4	60,389,923	39,774,435	39.7
Cooks, Restaurant	1,421	794	35.8	17,509,134	5,421,404	23.6
Kitchen Workers, Food Prep.	2,291	768	25.1	24,647,276	4,450,332	15.3
Sailors & Deckhands	853	728	46.0	13,460,586	10,548,856	43.9
Guides	568	720	55.9	4,558,934	4,550,803	50.0
Cashiers	4,251	646	13.2	49,370,395	2,861,323	5.5
Registered Nurses	2,374	582	19.7	86,185,909	9,995,350	10.4
Child Care Workers	2,096	527	20.1	16,465,162	2,000,647	10.8
Food Counter, Fountain	1,836	495	21.2	11,924,767	1,619,873	12.0
Freight, Stock, and Material Movers	2,343	445	16.0	46,388,491	3,976,131	7.9
Salespersons	2,177	398	15.5	39,922,558	2,635,237	6.2
Receptionists	2,736	395	12.6	40,052,636	2,408,677	5.7
Stock Handlers and Baggers	2,781	387	12.2	33,498,598	1,805,429	5.1
Electricians	1,638	379	18.8	63,890,796	9,702,837	13.2
Bartenders	1,662	372	18.3	19,062,866	1,741,481	8.4
Engineers	1,245	364	22.6	70,221,310	30,511,970	30.3
Welders and Cutters	686	362	34.5	24,196,672	6,773,058	21.9
Truck Drivers, Light	1,915	361	15.9	38,389,077	3,010,140	7.3
Guards and Police, Except Public Service	1,462	358	19.7	30,113,850	4,526,594	13.1
Counter Clerks	1,857	326	14.9	21,998,939	1,801,033	7.6
General Managers and Other Executives	2,606	324	11.1	151,489,664	13,962,487	8.4
Maintenance Repairers, General Utility	1,110	324	22.6	28,519,324	5,055,306	15.1
Operating Engineers	1,176	324	21.6	44,055,501	10,815,175	19.7
Bookkeepers/Accounting	3,626	322	8.2	78,255,995	3,141,714	3.9

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

Nonresident Occupations by Industry

Although the total number of nonresident workers in an occupation or an industry provides a good understanding of where employment and training opportunities exist, training providers and industry groups often want to know where training dollars should be directed within an industry. Table 4 shows the top nonresident occupations for several major Alaska industry sectors with a large number of nonresident workers.

Industry	Occupational Title	Resident Workers	Nonresident		Resident Wages	Nonresident	
			Workers	Percent Nonres.		Wages	Percent Nonres.
Metal mining	Miners	107	54	33.5	\$4,996,471	\$1,540,662	23.6
Metal mining	Geologists	59	24	28.9	3,159,588	939,099	22.9
Metal mining	Mining Machine Oprs.	26	22	45.8	437,104	267,647	38.0
Metal mining	Millwrights	38	17	30.9	2,510,742	1,175,599	31.9
Oil and gas extraction	Extractive Occupations	584	218	27.2	25,160,638	6,789,120	21.2
Oil and gas extraction	Petroleum Technologists & Technicians	399	207	34.2	29,228,573	15,927,199	35.3
Oil and gas extraction	Welders & Cutters	232	191	45.2	9,356,409	4,249,239	31.2
Oil and gas extraction	Electricians	186	128	40.8	9,254,174	4,509,030	32.8
Building construction	Carpenters	2,271	512	18.4	55,336,792	5,339,933	8.8
Building construction	Construction Laborers	1,279	290	18.5	17,378,274	2,100,338	10.8
Building construction	Manual Occupations	185	66	26.3	3,568,420	592,791	14.2
Building construction	Helpers; Carpenters & Related Workers	182	47	20.5	2,626,442	310,647	10.6
Construction-special trade	Construction Laborers	1,030	303	22.7	15,106,060	2,502,826	14.2
Construction-special trade	Carpenters	564	239	29.8	10,404,783	1,785,349	14.6
Construction-special trade	Electricians	1,032	154	13.0	36,339,970	2,745,393	7.0
Construction-special trade	Painters (Construction & Maintenance)	404	151	27.2	6,687,660	1,433,610	17.7
Food and kindred products	Cannery Workers, Incl. Seafood Processing	4,191	13,396	76.2	38,381,921	82,432,583	68.2
Food and kindred products	Misc. Hand Working Occupations	306	855	73.6	3,492,498	5,968,827	63.1
Food and kindred products	Manual Occupations	43	320	88.2	395,952	1,992,867	83.4
Food and kindred products	Hand Cutting and Trimming	232	182	44.0	2,429,505	833,762	25.5
Local and suburban transp.	Bus Drivers	888	105	10.6	9,663,161	526,487	5.2
Local and suburban transp.	Taxicab Drivers	137	32	18.9	875,774	87,770	9.1
Local and suburban transp.	Guides	33	31	48.4	284,255	241,594	45.9
Local and suburban transp.	General Office Occup.	60	15	20.0	629,577	98,164	13.5
Water transportation	Sailors & Deckhands	329	217	39.7	6,367,983	4,314,687	40.4
Water transportation	Stevedores	871	191	18.0	14,028,647	1,208,961	7.9
Water transportation	Ship Captains & Mates	137	114	45.4	5,950,597	4,732,386	44.3
Water transportation	Marine Engineers	24	74	75.5	982,700	2,844,997	74.3
Transportation by air	Airplane Pilots/Navigators	1,091	737	40.3	52,098,618	36,472,419	41.2
Transportation by air	Engineers, other	718	215	23.0	34,534,320	24,075,345	41.1
Transportation by air	Reservation Agents	1,140	126	10.0	21,331,527	1,415,014	6.2
Transportation by air	Manual Occupations	417	107	20.4	5,024,765	780,470	13.4
Transportation services	Guides	54	76	58.5	428,037	381,938	47.2

Table 4
Largest Nonresident Occupations in Selected Industries
Alaska 1997

Industry	Occupational Title	Resident Workers	Nonresident		Resident Wages	Nonresident	
			Workers	Percent Nonres.		Wages	Percent Nonres.
Transportation services	Reservation Agents	379	50	11.7	6,483,028	465,027	6.7
Transportation services	Sales Occup.	236	24	9.2	5,087,702	276,069	5.1
Transportation services	General Managers & Other Top Executives	47	11	19.0	1,758,458	233,590	11.7
Communications	Communications Equipment Repairers	578	34	5.6	32,507,922	1,287,546	3.8
Communications	Radio, Television & Other Announcers	224	30	11.8	4,943,558	192,571	3.7
Communications	Telephone Install/Repair	212	21	9.0	10,637,985	642,808	5.7
Communications	General Office Occup.	130	17	11.6	2,933,855	94,650	3.1
Food stores	Stock Handlers/Baggers	1,843	215	10.4	23,041,502	962,300	4.0
Food stores	Sales Clerks	997	211	17.5	10,416,879	860,391	7.6
Food stores	Cashiers	1,412	196	12.2	23,055,480	1,027,417	4.3
Food stores	Misc. Food & Beverage	514	74	12.6	7,539,628	480,370	6.0
Eating & drinking places	Waiters & Waitresses	3,167	1,175	27.1	25,395,275	4,560,247	15.2
Eating & drinking places	Fast Food	2,959	828	21.9	12,532,421	2,160,737	14.7
Eating & drinking places	Misc. Food & Beverage	1,429	609	29.9	8,899,225	2,424,658	21.4
Eating & drinking places	Cooks, Restaurant	1,000	547	35.4	12,195,823	3,540,303	22.5
Hotels	Maids and Housemen	1,529	538	26.0	12,588,514	2,638,431	17.3
Hotels	Guides	94	266	73.9	973,364	1,995,617	67.2
Hotels	Waiters & Waitresses	594	248	29.5	6,212,081	1,213,034	16.3
Hotels	Hotel Clerks	509	181	26.2	5,715,778	1,070,143	15.8
Business services	Janitors & Cleaners	1,287	457	26.2	10,347,239	2,151,770	17.2
Business services	General Office Occup.	1,082	333	23.5	13,541,816	1,399,614	9.4
Business services	Guards & Police	855	217	20.2	18,671,690	2,995,458	13.8
Business services	Registered Nurses	39	124	76.1	1,088,498	1,560,914	58.9
Health services	Registered Nurses	2,158	428	16.6	80,523,974	7,825,815	8.9
Health services	Receptionists	1,036	124	10.7	17,949,896	907,456	4.8
Health services	Physicians	334	115	25.6	39,006,144	4,978,122	11.3
Health services	Nursing Aides	886	107	10.8	13,623,453	586,174	4.1
Engineering, accounting	Misc. Occup.	35	132	79.0	395,847	1,221,351	75.5
Engineering, accounting	General Office Occup.	608	127	17.3	10,620,486	1,267,551	10.7
Engineering, accounting	Engineers, Nec	210	85	28.8	11,741,343	2,852,750	19.5
Engineering, accounting	Civil Engineers	407	58	12.5	20,217,131	1,821,992	8.3

Source: Alaska Dept. of Labor, Research and Analysis Section.

Which Alaska Firms Hired the Largest Number of Nonresidents?

Each major industry sector was examined, and the firms that hired the most nonresidents in 1997 were identified. Table 5 shows the top five employers by industry, sorted by the total number of nonresident workers they employed. If two firms hired the same number of nonresident workers, more than five total firms may be displayed. *Although a firm may have hired a large number of nonresident workers, this may be due to the total size of the firm, rather than simply hiring a large percentage of nonresident workers. The percentage of nonresidents hired, along with the total number of nonresidents should be examined together. Complete resident hire data by firm is available in the report, Residency Analysis of Alaska's Workers by Firm-1997. The information is available also available in electronic format.*

Industry	Employer	Resident Workers	Nonresident Workers	Percent Nonresident
Mining	AK PETROLEUM CONTRACTORS INC	1,406	684	32.73
Mining	BP EXPLORATION ALASKA INC	781	484	38.3
Mining	VECO OPERATIONS INC	934	381	29.0
Mining	PEAK OILFIELD SVC CO	1,179	347	22.7
Mining	ARCO AK INC	1,353	308	18.5
Construction	H C PRICE CO	1,035	262	20.2
Construction	OSBORNE CONSTRUCTION	533	75	12.3
Construction	UDELHOVEN OILFIELD SYSTEM SVC	162	73	31.1
Construction	ALASKA INTERSTATE CONST LLC	310	72	18.8
Construction	RED SAMM CONSTRUCTION PTR	142	71	33.3
Manufacturing	TRIDENT SEAFOODS CORPORATION	211	2,967	93.4
Manufacturing	WARDS COVE PACKING CO INC	542	1,876	77.6
Manufacturing	UNISEA INC	277	1,341	82.9
Manufacturing	ICICLE SEAFOODS INC	442	1,289	74.5
Manufacturing	PETER PAN SEAFOODS INC	323	1,162	78.2
Trans., Comm., Util.	N STAR TERMINAL & STEVEDOR	574	261	31.3
Trans., Comm., Util.	CARGO SERVICES CO	181	253	58.3
Trans., Comm., Util.	FEDERAL EXPRESS CORP	886	250	22.0
Trans., Comm., Util.	NORTHWEST AIRLINES INC	170	238	58.3
Trans., Comm., Util.	WESTOURS MOTORCOACHES INC	563	204	26.6
Wholesale Trade	BAKER HUGHES OILFIELD OPERATIO	61	69	53.1
Wholesale Trade	OFFICEMAX	116	48	29.3
Wholesale Trade	N ALASKA FISHERIES INC	147	47	24.2
Wholesale Trade	AK PACIFIC POWDER COMPANY	109	44	28.8
Wholesale Trade	DRESSER INDUSTRIES INC	140	38	21.3
Retail Trade	ARAMARK LEISURE SVCS GROUP INC	265	966	78.5
Retail Trade	CARR GOTTSTEIN FOODS CO	4,679	579	11.0
Retail Trade	KMART CORP	1,652	483	22.6

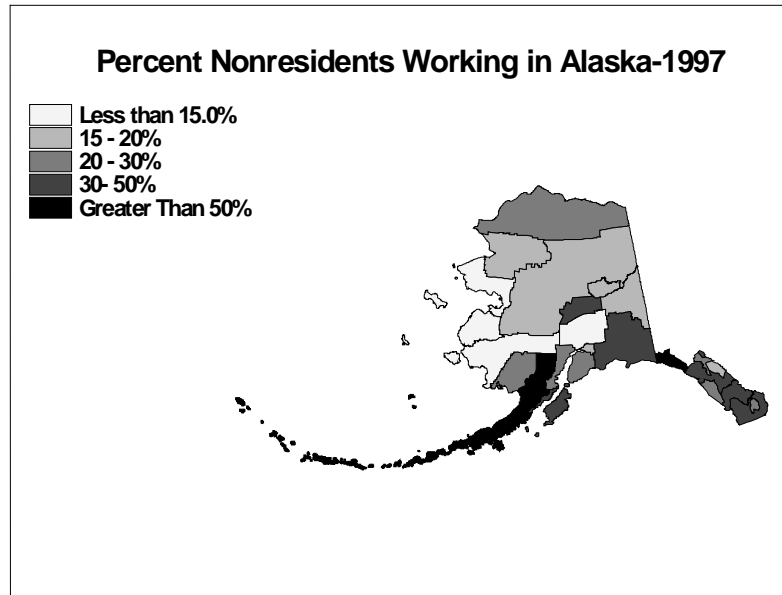
Table 5
Top Private Sector Employers of Nonresident Workers by Major Industry
Alaska 1997

Industry	Employer	Resident Workers	Nonresident Workers	Percent Nonresident
Retail Trade	FRED MEYER SHOPPING CENTERS	3,057	471	13.4
Retail Trade	WAL-MART ASSOCIATES INC	2,145	359	14.3
Finance, Ins. and R.E.	AK USA FEDERAL CREDIT UNION	897	120	11.8
Finance, Ins. and R.E.	KAKE TRIBAL CORP	232	101	30.3
Finance, Ins. and R.E.	NATIONAL BANK OF AK	1,484	101	6.4
Finance, Ins. and R.E.	1ST NATL BANK OF ANCHORAGE	995	67	6.3
Finance, Ins. and R.E.	CUSACK DEVELOPMENT INC	230	66	22.3
Services	AK HOTEL PROPERTIES INC	549	412	42.9
Services	PROVIDENCE HOSPITAL	3,158	357	10.2
Services	WESTMARK HOTELS INC	928	305	24.7
Services	OGDEN FACILITY MANAGEMENT OF A	1,074	261	19.6
Services	ALYESKA RESORT	756	235	23.7

Source: Alaska Dept. of Labor, Research and Analysis Section.

Geographic Areas of Alaska with High Numbers of Nonresident Workers

Based upon the employer's primary business location, the number of resident and nonresident workers were determined for each geographic area of the state. In table 6, the highest percent nonresident workers are found in the Southwest Region, primarily Aleutians East, Bristol Bay, Aleutians West and Lake and Peninsula census areas. These workers were engaged, primarily in seafood processing. Other areas with a high percentage of nonresident workers include Yakutat, Skagway/Angoon, Wrangell/Petersburg, and Kodiak.



**Table 6
Private Sector Workers and Earnings by Geographic Area
Alaska 1997**

	Resident	Nonresident		Resident	Nonresident	
	Workers	Workers	Percent	Wages	Wages	Percent
Anchorage-MatSu Region						
Anchorage	117,518	23,176	16.5	\$2,944,977,705	\$321,276,231	9.8
MatSu	8,647	1,404	14.0	153,011,183	10,650,346	6.5
Gulf Coast Region						
Kenai	12,175	4,372	26.4	239,614,520	33,159,139	12.2
Kodiak	3,636	2,495	40.7	65,431,145	27,680,154	29.7
Valdez-Cordova	3,408	2,152	38.7	58,571,200	19,886,478	25.3
Interior Region						
Denali Borough	1,189	873	42.3	20,638,652	6,095,488	22.8
Fairbanks	21,058	5,148	19.6	450,796,058	45,401,035	9.1
Southeast Fairbanks	1,097	225	17.0	12,478,184	1,059,225	7.8
Yukon-Koyukuk	1,024	182	15.1	14,356,224	2,500,887	14.8
Northern Region						
Nome	2,494	287	10.3	45,783,644	4,121,666	8.3
North Slope Borough	7,560	2,865	27.5	332,946,541	129,204,756	28.0
Northwest Arctic Borough	1,830	377	17.1	54,963,793	14,472,779	20.8
Southeast Region						
Haines	725	290	28.6	9,617,771	1,963,495	17.0
Juneau	9,360	2,249	19.4	206,480,626	22,269,372	9.7
Ketchikan	6,901	2,813	29.0	153,625,438	28,408,498	15.6
POW-Outer Ketchikan	1,077	500	31.7	18,508,194	5,412,963	22.6
Sitka	2,341	666	22.1	38,150,743	5,096,356	11.8

**Table 6
Private Sector Workers and Earnings by Geographic Area
Alaska 1997**

	Resident	Nonresident		Resident	Nonresident	
	Workers	Workers	Percent	Wages	Wages	Percent
Skagway-Angoon	1,120	1,066	48.8	22,395,190	16,212,286	42.0
Wrangell-Petersburg	1,909	1,635	46.1	30,150,275	11,498,966	27.6
Yakutat	229	275	54.6	3,860,394	2,726,893	41.4
Southwest Region						
Aleutians East	621	4,670	88.3	9,252,421	43,346,695	82.4
Aleutians West	1,643	3,507	68.1	45,340,722	37,720,350	45.4
Bethel	4,282	484	10.2	48,613,014	4,266,246	8.1
Bristol Bay Borough	695	2,530	78.4	10,370,804	15,518,542	59.9
Dillingham	1,346	523	28.0	26,504,472	4,513,399	14.6
Lake and Peninsula	350	723	67.4	3,337,613	5,205,788	60.9
Wade Hampton	861	116	11.9	7,888,670	1,160,700	12.8
Unknown	3,515	2,055	36.9	64,237,031	29,901,041	31.8
Total Private Sector	218,611	67,658	23.6	\$5,091,902,225	\$850,729,774	14.3

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

A Brief History of Resident Hire Statistics in Alaska

Historically, a significant percentage of Alaskan jobs have gone to nonresidents, leaving many residents unemployed. A goal of the Alaska Department of Labor is to convert more of Alaska's wealth to jobs filled by residents. In 1986, legislation was passed which established the collection and analysis of information on the impact of nonresidents working in Alaska. This information was intended to support resident hiring preference legislation and other measures to improve the chances for Alaskans to be employed. An available skilled work force serves to promote sound economic development.

In 1990, the Alaska Supreme Court declared the enforcement of resident hire, on a regional basis, unconstitutional. The information program which was used to analyze nonresident employment and earnings was shut down. Later that same year, a group of agencies decided they needed many of the data elements originally developed for resident hire analysis to target and evaluate the effectiveness of their training programs. The Department of Labor and several other participating agencies pooled resources to examine program outcomes for many training programs. Based upon information originally collected for analysis of resident hire, the statistical program called the Occupational Data Base was created and has been utilized to determine educational and training program outcomes as well as resident hire in Alaska since that time.

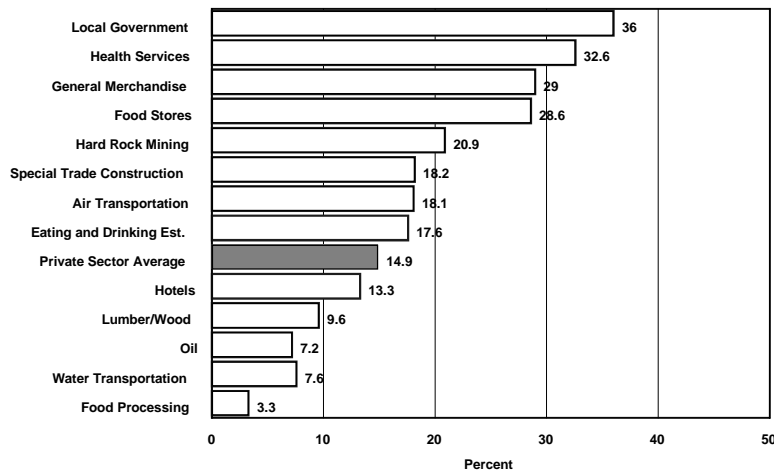
APPENDIX

Methodology

Alaska residency is determined by matching the Alaska Department of Revenue Permanent Fund Dividend (PFD) file with the Alaska Department of Labor wage file. The PFD file is a list of Alaskans who either applied for or received a PFD. The wage file contains quarterly earnings and industry information on workers covered by unemployment insurance within Alaska. Workers included in the wage file are considered Alaska residents if they either received a 1997 PFD or applied for a 1998 PFD.

For the purposes of this analysis, Alaska residency is determined by matching the worker's

Percent of Nonresident Workers in 1996 Who Became Residents in 1997-Selected Industries



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

information from both the 1997 and 1998 dividend years is used to improve the accuracy of the residency classification. Resident workers that left Alaska during 1997 would not be eligible for a 1998 PFD unless they had spent the entire year in the state. The 1997 PFD data match identifies these workers and they are counted as residents. *New workers that arrived in Alaska after January 1, 1997 would generally be counted as nonresidents.*

Limitations of the Data

The data have some limitations. Persons who did not provide a social security number on their permanent fund dividend application or who were eligible for a dividend but did not apply were not counted as residents. If certain ownership, industry or occupation codes were missing from the wage file, those records were excluded from the tally. Also excluded were persons who established residency during 1997 but did not meet eligibility requirements for the 1998 permanent fund dividend.

An analysis of worker information for 1996 shows 14.9% of those workers identified as nonresidents stayed in Alaska and ultimately became eligible for the 1997 permanent fund

social security number on the wage file with the social security number on the PFD file. For a match to occur, the worker's social security number must appear on both the PFD file and the wage file.

The small number of workers with missing social security numbers are excluded from the analysis.

Although most workers would have to be in Alaska all of 1997 in order to be considered residents for purposes of this report,

dividend. The likelihood that nonresidents will stay in Alaska and become eligible for a permanent fund dividend varies by industry with food processing and oil nonresident workers less likely to become residents, while local government workers and health workers are much more likely to become residents.

The Department of Labor wage file includes only those workers covered by Alaska unemployment insurance. Therefore, information is not available for self-employed individuals or federal government employees. Nevertheless, the workers covered by this analysis are representative of the Alaska workforce. The analysis offers a good approximation of the effect of nonresident workers on the Alaska economy.

Other Measures of Residency

The Alaska Department of Labor, along with industry representatives and other policymakers have examined alternative measures of residency. Overall, the Alaska Department of Labor believes that the Permanent Fund Dividend file provides the most reliable, consistent and comprehensive source of residency indicator data currently available. Voter registration, motor vehicle registration, driver's licenses, and fishing/hunting licenses all have significant definitional weaknesses in residency eligibility requirements, quality of data or percent of the working population contained on the file. The PFD has a monetary incentive to complete the form and a penalty for providing false information and is, overall, an excellent measure of residency.

Industry	1/ Total Workers	2/ Resident Workers	3/ Percent Resident	4/ Voter Reg	5/ Drivers License	6/ Fisher	7/ PFD+Voter	8/ PFD+Driver	9/ PFD+Fisher
Ag., For., and Fishing	3,026	1,900	62.8	1,403	2,067	1,089	2,035	2,212	1,961
Mining	13,516	9,721	71.9	8,560	11,597	7,136	10,656	11,875	10,211
Construction	23,593	18,777	79.6	14,591	20,202	12,466	19,725	21,010	19,439
Manufacturing	33,208	13,359	40.2	9,054	17,358	6,816	14,279	18,301	13,919
Trans., Comm., Util.	31,104	25,930	83.4	21,895	27,395	14,704	27,171	28,338	26,528
Wholesale Trade	11,417	9,624	84.3	7,544	10,000	5,790	10,029	10,425	9,839
Retail Trade	70,022	56,267	80.4	37,498	57,463	21,718	59,088	62,141	57,161
Finance, Ins. and R.E.	14,431	12,948	89.7	10,801	13,033	5,382	13,415	13,750	13,092
Services	85,575	69,911	81.7	56,533	72,041	29,359	73,588	76,439	71,077
Nonclassifiable	377	174	46.2	133	181	77	189	202	180
State Govt	23,048	21,920	95.1	20,415	22,205	11,749	22,381	22,621	22,083
Local Govt	41,727	39,280	94.1	34,760	38,337	16,274	40,284	40,675	39,481
Total	351,044	279,811	79.7	223,187	291,879	132,560	292,840	307,989	284,971

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

^{1/} All workers with wages in Alaska 1997.

^{2/} Workers receiving a PFD in 1997 or applying for a PFD in 1998.

^{3/} Percent nonresident workers based upon PFD definition.

^{4/} Number of workers registered to vote as of 12/31/97.

^{5/} Number of workers with an Alaska driver's license as of 12/31/97.

^{6/} Number of workers with an Alaska driver's license and a resident fishing or hunting license in 1997.

^{7/} Workers receiving a PFD in 1997 or applying for a PFD in 1998 PFD and/or a registered voter.

^{8/} Workers receiving a PFD in 1997 or applying for a PFD in 1998 and/or having an Alaska driver's license.

^{9/} Workers receiving a PFD in 1997 or applying for a PFD in 1998 and/or an Alaska resident fishing or hunting license.

Resident Employment Preference

Pursuant to AS 36.10.150 and 8 AAC 30.064, Labor Commissioner Tom Cashen has determined, upon an analysis of the most recent detailed employment and labor supply data available, that the state of Alaska remains a "zone of underemployment" with regard to the construction industry. The commissioner has determined that twenty (20) occupational categories in the industry will continue to qualify for 90% resident employment preference on publicly funded construction projects:

Boilermakers	Foremen and	Piledrivers
Bricklayers	Superintendents	Plumbers/Pipefitters
Carpenters	Insulation Workers	Roofers
Cement Masons	Ironworkers	Sheet Metal Workers
Culinary Workers	Laborers	Surveyors
Electricians	Mechanics	Truck Drivers
Equipment Operators	Painters	Welders

This determination became effective July 1, 1997 through June 30, 1999.

For additional information, contact the Labor Standards and Safety Division in Anchorage (269-4900), Juneau (465-4842), or Fairbanks (451-2886).

**Table A-2
Resident and Nonresident Workers and Earnings-Alaska 1997
Private Sector, State and Local Government Workers**

Industry	Resident Workers	Nonresident Workers	Percent Nonresident	Resident Wages	Nonresident Wages	Percent Nonresident	Resident \$/Qtr	Nonresident \$/Qtr
Agriculture, Forestry, Fisheries								
Agricultural Production-Crops	294	98	25.0	\$1,860,299	\$426,643	18.7	\$2,628	\$2,410
Agriculture Production Livestock	6	3	33.3	108,768	32,872	23.2	6,043	5,479
Agricultural Services	1,054	268	20.3	13,791,921	1,797,210	11.5	4,413	3,423
Forestry	76	91	54.5	3,487,636	911,128	20.7	13,571	5,878
Fishing/Hunting/Trapping (Excl. Fish Harvesting)	470	666	58.6	10,095,820	10,226,159	50.3	7,332	7,800
Mining								
Metal Mining	1,278	402	23.9	61,760,282	15,584,090	20.1	13,423	14,103
Coal Mining	*	*	*	*	*	*	*	*
Oil and Gas Extraction	7,918	3,235	29.0	495,433,030	163,268,721	24.8	17,299	17,896
Mining and Quarrying of Nonmetallic Minerals	400	156	28.1	12,579,750	2,931,619	18.9	9,610	9,307
Construction								
Building Construction	5,833	1,403	19.4	140,509,344	17,072,946	10.8	8,024	6,447
Heavy Construction	4,365	1,194	21.5	152,583,426	31,327,162	17.0	10,999	11,338
Special Trade Contractors	8,579	2,219	20.6	223,010,326	29,889,593	11.8	8,260	6,898
Manufacturing								
Food and Seafood Processing	6,679	18,021	73.0	89,060,465	136,280,301	60.5	4,578	3,806
Textiles	*	*	*	*	*	*	*	*
Apparel	47	11	19.0	669,364	41,530	5.8	4,263	1,978
Lumber and Wood Products	1,702	1,141	40.1	43,964,985	25,305,513	36.5	8,097	9,348
Furniture and Fixtures	*	*	*	*	*	*	*	*
Pulp/Paper	723	76	9.5	28,119,928	1,441,490	4.9	12,317	9,674
Printing, Publishing	1,703	237	12.2	37,132,539	2,004,259	5.1	6,322	4,090
Chemicals and Allied Products	*	*	*	*	*	*	*	*
Petroleum Refining	427	17	3.8	30,727,142	693,701	2.2	18,488	16,517
Rubber and Miscellaneous Plastics	51	8	13.6	1,122,367	96,959	8.0	6,450	4,216
Leather and Leather Products	*	*	*	*	*	*	*	*
Stone, Clay, Glass and Concrete Products	330	62	15.8	7,099,185	591,700	7.7	6,913	4,734
Primary Metal Industries	14	0	0.0	703,587	0	0.0	13,029	0
Fabricated Metal Products	217	47	17.8	5,848,097	488,905	7.7	8,033	4,938
Industrial and Commercial Machinery	108	23	17.6	3,627,907	362,416	9.1	10,395	7,711
Electronic and Electrical Equip.	19	6	24.0	336,693	47,706	12.4	6,122	5,963
Transportation Equipment	*	*	*	*	*	*	*	*
Measuring, Analyzing & Controlling Instruments	78	14	15.2	2,475,307	311,615	11.2	9,669	11,541
Misc. Manufacturing Industries	76	29	27.6	1,076,754	211,457	16.4	4,764	3,467
Transportation, Comm., Public Utilities								
Local & Suburban Transit	2,365	574	19.5	25,772,574	3,902,653	13.2	3,363	2,912
Motor Freight Transportation & Warehousing	3,259	490	13.1	94,958,972	5,056,073	5.1	8,521	4,972
Water Transportation	2,337	911	28.0	57,854,612	18,866,105	24.6	7,887	8,568
Transportation by Air	8,244	2,138	20.6	240,741,546	77,229,257	24.3	8,170	14,555
Pipelines, Except Natural Gas	*	*	*	*	*	*	*	*
Transportation Services	1,915	399	17.2	36,707,452	3,749,550	9.3	5,615	3,985
Communications	4,160	354	7.8	175,695,561	8,213,679	4.5	11,514	9,732
Electric, Gas & Sanitary Services	2,658	213	7.4	117,038,837	4,294,813	3.5	12,434	9,377
Wholesale Trade								
Wholesale Trade-Durable Goods	4,538	676	13.0	137,517,678	12,500,382	8.3	8,594	8,192
Wholesale trade-Nondurable Goods	5,086	1,117	18.0	119,926,532	8,851,748	6.9	7,216	4,615

**Table A-2
Resident and Nonresident Workers and Earnings-Alaska 1997
Private Sector, State and Local Government Workers**

Industry	Resident Workers	Nonresident Workers	Percent Nonresident	Resident Wages	Nonresident Wages	Percent Nonresident	Resident \$/Qtr	Nonresident \$/Qtr
Retail Trade								
Building Materials, Hardware, Garden Supply	2,362	351	12.9	52,049,793	3,063,638	5.6	6,480	4,267
General Merchandise Stores	10,011	1,751	14.9	135,550,594	10,214,482	7.0	4,361	2,949
Food Stores	8,508	1,247	12.8	144,229,827	6,742,154	4.5	5,187	2,773
Automotive Dealers & Gasoline Service Stations	6,093	954	13.5	136,093,999	8,481,647	5.9	6,635	4,241
Apparel & Accessory Stores	1,706	386	18.5	15,355,654	1,735,799	10.2	3,062	2,346
Home Furniture, Furnishings & Equipment	1,634	323	16.5	28,997,657	2,030,157	6.5	5,437	3,306
Eating & Drinking Places	18,739	7,095	27.5	169,939,432	32,802,577	16.2	3,126	2,303
Miscellaneous Retail	7,214	1,648	18.6	103,609,975	10,766,409	9.4	4,608	3,183
Finance, Insurance and Real Estate								
Depository Institutions	4,309	416	8.8	117,853,870	4,405,514	3.6	7,431	4,523
Nondepository Credit Institutions	467	50	9.7	18,751,453	1,094,018	5.5	10,852	10,037
Security & Commodity Brokers	328	36	9.9	23,221,765	807,814	3.4	19,192	9,180
Insurance Carriers	893	49	5.2	38,575,829	1,025,691	2.6	11,588	8,997
Insurance Agents, Brokers & Service	1,001	108	9.7	29,822,641	1,523,872	4.9	8,289	6,773
Real Estate	3,331	482	12.6	54,380,922	3,516,522	6.1	5,315	3,725
Holding & Other Investment Offices	2,619	342	11.6	63,478,337	4,667,453	6.8	7,486	6,658
Services								
Hotels,	6,770	3,198	32.1	82,970,497	21,262,010	20.4	3,999	3,168
Personal Services	2,188	416	16.0	25,818,178	2,133,934	7.6	3,791	2,671
Business Services	9,628	2,691	21.8	177,247,211	25,312,602	12.5	5,989	4,705
Automotive Repair, Services & Parking	2,723	607	18.2	46,148,963	4,071,292	8.1	5,431	3,525
Miscellaneous Repair Services	945	254	21.2	21,320,515	2,787,486	11.6	6,867	5,597
Motion Pictures	1,096	337	23.5	6,739,252	907,926	11.9	2,193	1,432
Amusement & Recreation Services	4,127	1,566	27.5	37,412,926	7,625,862	16.9	3,300	2,616
Health Services	15,144	2,016	11.7	437,405,077	30,231,134	6.5	8,195	6,908
Legal Services	1,782	199	10.0	58,190,334	2,493,552	4.1	9,197	6,023
Educational Services	1,373	338	19.8	28,875,876	2,650,761	8.4	6,353	4,129
Social Services	8,010	1,172	12.8	123,176,671	7,446,519	5.7	4,720	3,180
Museums, Art Galleries	133	16	10.7	1,618,826	85,834	5.0	4,027	2,525
Membership Organizations	7,596	713	8.6	112,059,314	5,988,768	5.1	4,937	4,365
Engineering, Accounting Research Mgmt	7,716	1,897	19.7	243,401,007	37,065,014	13.2	9,367	8,878
Private Households	272	73	21.2	2,797,091	385,303	12.1	3,350	2,639
Miscellaneous Services	408	171	29.5	10,667,002	2,388,018	18.3	8,180	6,689
Nonclassifiable Establishments	174	203	53.8	1,613,125	10,498,884	86.7	3,859	33,758
Total Private Sector	218,611	67,658	23.6	5,091,902,225	850,729,774	14.3	7,188	6,024
State Government	21,920	1,128	4.9	736,565,255	17,048,242	2.3	9,191	7,019
Local Government	39,280	2,447	5.9	1,123,489,426	26,942,521	2.3	8,358	5,651
Total	279,811	71,233	20.3	6,951,956,906	894,720,537	11.4	7,532	6,028

Source: Alaska Department of Labor, Research and Analysis Section

Northstar Resident Hire Reporting

Alaskan hire in the oil industry remains a priority with the administration, the legislature, and the industry. Detailed reporting of residency data for all contractors on the Northstar project is provided to the department quarterly in accordance with the Northstar legislation. A broader baseline report for all major oil and gas industry employers in 1997 has been developed and is included as Table A-3. Employers with 30 or more total North Slope workers or 50 or more total Alaska workers were included in the list of major oil industry employers.

Detailed wage records for North Slope oil, oilfield service and construction employers were extracted from the Department of Labor wage file. The place of work of employees was identified based upon the geographic area in which they had the most earnings for that employer in 1997. Place of residence of workers was determined based upon the zip code provided on their most recent of the last two PFD applications.

**Table A-3
Residency Status and Place of Alaska Residency of Workers Employed in the Oil Industry-North Slope and Statewide
Alaska 1997**

(Note:Regional place of work data not available for all employers)

Employer	Work Location	Total Workers	Resident Workers (PFD)	Nonresident Workers (PFD)	Other Residency Indicators			Resident Workers by AK Region of Residence ^{1/}					
					Voter Reg.	Driver's License	Hunt/Fish License	Anc/Mat-Su	Gulf Coast	Interior	Northern	Southeast	SW
AK PETROLEUM CONTRACTORS INC	All AK	2,090	1,406	684	1,153	1,757	1,099	815	436	104	35	8	3
AK PETROLEUM CONTRACTORS INC	NS Only	1,724	1,070	654	904	1,403	843	658	264	104	30	8	3
ALASKA INTERSTATE CONST	All AK	382	310	72	259	358	180	149	29	89	34	8	1
ALASKA INTERSTATE CONST	NS ONLY	244	204	40	169	229	117	104	17	53	23	6	1
ARCO AK	All AK	1,661	1,353	308	1,409	1,566	1,002	1,129	194	22	0	2	1
ARCO AK	NS ONLY	582	453	129	478	558	357	323	117	13	0	0	0
ARCTIC CAMPS & EQUIPMENT	All AK	245	183	62	126	199	103	120	35	5	18	2	0
ARCTIC CAMPS & EQUIPMENT	NS ONLY	65	42	23	32	46	20	21	3	0	17	1	0
ARCTIC SLOPE INSPECTION SVCS	All AK	57	45	12	40	48	31	18	7	19	0	0	0
ATLANTIC RICHFIELD COMPANY	All AK	131	106	25	109	116	65	102	2	1	0	0	0
ATLANTIC RICHFIELD COMPANY	NS ONLY	2	2	0	1	2	1	1	1	0	0	0	0
BAROID DRILLING FLUIDS INC	All AK	96	62	34	53	64	46	51	11	0	0	0	0
BP EXPLORATION ALASKA INC ^{2/}	All AK	1,265	781	484	903	1,153	629	644	95	36	0	1	3
BP EXPLORATION ALASKA INC ^{2/}	NS ONLY	402	247	155	284	382	193	156	66	22	0	0	2
CCI INC	All AK	217	174	43	132	191	108	66	15	60	0	1	31
CCI INC	NS ONLY	205	162	43	122	180	102	61	14	55	0	1	31
DOYON DRILLING INC	All AK	349	289	60	221	330	205	155	41	89	0	0	3
DOYON DRILLING INC	NS ONLY	331	271	60	207	312	194	138	41	88	0	0	3
DOYON/UNIVERSAL SERVICES J/V	All AK	569	504	65	388	539	223	352	38	103	1	5	2
DOYON/UNIVERSAL SERVICES J/V	NS ONLY	408	355	53	275	386	160	240	34	76	0	2	1
FAIRWEATHER E&P SERVICES INC	All AK	49	15	34	24	34	13	10	5	0	0	0	0
FAIRWEATHER E&P SERVICES INC	NS ONLY	33	6	27	16	21	6	3	3	0	0	0	0
FLOWLINE AK	All AK	118	105	13	91	108	66	1	0	102	1	0	1
G B R EQUIPMENT INC	All AK	87	69	18	47	77	52	52	12	3	2	0	0
G B R EQUIPMENT INC	NS ONLY	67	50	17	35	59	40	36	9	3	2	0	0
GLOBAL MARINE DRILLING COMPANY	All AK	97	1	96	2	1	1	1	0	0	0	0	0
H C PRICE CO	All AK	1,297	1,035	262	970	1,161	701	293	224	498	4	12	3
H C PRICE CO	NS ONLY	62	51	11	41	57	35	7	1	43	0	0	0
HALLIBURTON ENERGY SERV INC	All AK	257	220	37	186	247	172	146	65	8	1	0	0
HALLIBURTON ENERGY SERV INC	NS ONLY	251	216	35	181	242	168	146	64	5	1	0	0

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Alaska 1997**

(Note:Regional place of work data not available for all employers)

Employer	Work Location	Total Workers	Resident Workers (PFD)	Nonresident Workers (PFD)	Other Residency Indicators			Resident Workers by AK Region of Residence ^{1/}					
					Voter Reg.	Driver's License	Hunt/Fish License	Anc/Mat-Su	Gulf Coast	Interior	Northern	Southeast	SW
HOUSTON CONTRACTING CO-AK	All AK	229	187	42	176	213	129	77	10	96	2	1	1
HOUSTON CONTRACTING CO-AK LT	NS ONLY	96	75	21	72	87	50	19	4	51	1	0	0
HOUSTON/NANA JV	All AK	164	147	17	130	163	107	23	27	94	0	1	1
MARATHON OIL CO	All AK	54	50	4	45	48	36	28	22	0	0	0	0
MI DRILLING FLUIDS	All AK	59	49	10	43	58	31	43	3	3	0	0	0
NABORS AK DRILLING INC	All AK	621	442	179	340	531	365	328	105	3	0	1	2
NABORS AK DRILLING INC	NS ONLY	508	349	159	274	426	298	266	74	3	0	1	2
NORCON INC	All AK	470	403	67	351	444	288	258	31	105	3	5	1
NORCON INC	NS ONLY	99	70	29	67	87	58	13	5	48	3	0	1
NORDIC-CALISTA SERVICES	All AK	75	68	7	52	71	59	32	35	0	0	0	1
NORDIC-CALISTA SERVICES	NS ONLY	72	65	7	50	69	57	29	35	0	0	0	1
PARKER DRILLING CO	All AK	83	48	35	33	64	41	34	12	0	1	1	0
PARKER DRILLING CO	NS ONLY	79	44	35	30	61	38	30	12	0	1	1	0
PEAK OILFIELD SVC CO	All AK	1,526	1,179	347	893	1,375	914	355	741	45	21	8	3
PEAK OILFIELD SVC CO	NS ONLY	694	483	211	406	613	370	280	131	39	21	7	2
PHILLIPS PETROLEUM CO	All AK	57	55	2	53	57	45	0	55	0	0	0	0
POOL ARCTIC ALASKA INC	All AK	370	302	68	220	340	234	214	77	4	2	0	3
POOL ARCTIC ALASKA INC	NS ONLY	153	115	38	89	138	85	84	24	3	1	0	3
QWICK CONSTRUCTION CO INC	All AK	110	101	9	63	101	67	2	97	2	0	0	0
R&K INDUSTRIAL INC	All AK	134	118	16	73	124	90	7	106	2	2	1	0
RAVEN CONTRACTORS INC	All AK	86	75	11	53	80	49	3	72	0	0	0	0
SCHLUMBERGER TECHNOLOGY CORP	All AK	424	297	127	276	359	240	227	60	6	1	1	0
SCHLUMBERGER TECHNOLOGY CORP	NS ONLY	255	172	83	166	209	138	133	32	3	1	1	0
SPERRY SUN DRILLING SVC INC	All AK	106	92	14	79	96	70	87	4	1	0	0	0
UDELHOVEN OILFIELD SYSTEM SVC	All AK	235	162	73	140	194	134	112	45	3	0	2	0
UDELHOVEN OILFIELD SYSTEM SVC	NS ONLY	74	30	44	35	51	24	20	7	3	0	0	0
VECO CONSTRUCTION INC	All AK	647	465	182	374	549	324	321	48	28	53	13	1
VECO CONSTRUCTION INC	NS ONLY	86	48	38	32	63	38	36	5	6	0	1	0
VECO ENGINEERING INC	All AK	404	320	84	294	341	217	264	37	16	0	0	1
VECO ENGINEERING INC	NS ONLY	77	35	42	35	49	19	30	1	2	0	0	1

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Alaska 1997**

(Note:Regional place of work data not available for all employers)

Employer	Work Location	Total Workers	Resident Workers (PFD)	Nonresident Workers (PFD)	Other Residency Indicators			Resident Workers by AK Region of Residence ^{1/}					
					Voter Reg.	Driver's License	Hunt/Fish License	Anc/Mat-Su	Gulf Coast	Interior	Northern	Southeast	SW
VECO OPERATIONS INC	All AK	1,315	934	381	756	1,127	708	452	452	23	0	2	1
VECO OPERATIONS INC	NS ONLY	796	533	263	472	682	422	393	115	22	0	2	0
WSTN ATLAS INTERNATIONAL IN	All AK	274	220	54	175	238	154	170	19	24	2	4	0
WSTN ATLAS INTERNATIONAL IN	NS ONLY	237	191	46	152	204	136	152	13	22	1	3	0

1/ Alaska regions include the following census areas:

- Anc/Mat-Su: Anchorage and Mat-Su
- Gulf Coast: Kenai, Kodiak and Valdez-Cordova
- Interior: Denali, Fairbanks, Southeast Fairbanks, Yukon-Koyukuk
- Northern: Nome, North Slope, Northwest Arctic
- Southeast : Haines, Juneau, Ketchikan, POW-Outer Ketchikan, Sitka, Skagway-Hoonah-Angoon, Wrangell-Petersburg, Yakutat
- SW: Aleutians East, Aleutians West, Bethel, Bristol Bay, Dillingham, Lake & Peninsula, Wade Hampton

^{2/} BP Exploration estimates that in 1997 approximately 180 of their staff that live and work in Alaska were ineligible for the Alaska Permanent Fund Dividend due to temporary overseas work assignments or because the workers were foreign nationals on Alaska assignment. See: *1998 Report to the Governor-Alaska Hire and Purchasing*, September 30, 1998, BP

NS Only=Number of workers reported as employed on the North Slope.
All AK=Number of workers reported as employed in Alaska.

Notes:

- Employers include all oil industry employers with 30 or more workers employed on the North Slope or 50 or more workers statewide in 1997.
- Total worker counts are counts of unique social security numbers for the firm in 1997. Workers may be employed by more than one firm during the year.
- Fishing license match is based upon a driver's license number match and includes all resident fishing licenseholders for 1996 or 1997.
- Alaska region of residence is based upon the most recent zip code provided on the 1997 or 1998 PFD application. Not all residents provided a zip code so regional totals will not equal the total resident worker count.
- The employed worker location is based upon information provided by employers. Workers employed in more than one area during the year were counted in the area for the quarter in which they had the highest earnings.

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