

TRENDS



The *Trends* 100

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The
100
Private
Firms
with the
Largest
Number
of
Employees
in Alaska
in 1998

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ALASKA ECONOMIC **TRENDS**

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Department Name Changes

As part of the consolidation of departments, the Alaska Department of Labor is now called the Department of Labor and Workforce Development.

The Employment Security Division will encompass the job training programs formerly located in the Department of Community and Regional Affairs. The vocational rehabilitation programs formerly in the Department of Education are also being transferred to AKDOL.

The transfer of programs associated with department consolidation is taking effect gradually during a transition period now underway.

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Seasonal Hires Boost May Employment
Mining takes a downturn; annual gains small

Alaska's largest private employers –1998

For the eighth year in a row, Carr Gottstein Foods claimed the top spot on the list of largest Alaska employers for 1998. (See Exhibit 1.) This will be Carrs' last year at the top because its recent buyout by Safeway will mean all operations will move under the Safeway corporate umbrella. This practically insures that Safeway Stores, ranked 10th in 1998, will move to number one in 1999. Providence Alaska Medical Center is again the runner-up. Only two years ago, its workforce was 1,000 smaller than that of Carrs. But strong growth and acquisitions narrowed the difference. In 1998, employment at Providence grew by over 100 while employment at Carrs declined slightly. Before Safeway's buyout of Carrs, many assumed that Providence Alaska would soon pass up the grocery chain to become the state's largest employer. This is now a less likely prospect. Providence remains in the same league with Carrs. Providence's employment exceeds that of the third largest employer, Fred Meyer, by more than 1,000.

Three more join the 1,000 plus club

In 1988, there were just five employers with a workforce over 1,000. In 1998, there were 13. Three employers moved into the 1,000+ club, while one firm (VECO) dropped below 1,000. (See footnote in Exhibit 1.) Federal Express, Alaska Petroleum Contractors and BP Exploration all became new members of the 1,000+ club. The two latter employers reflected the comeback

of the oil patch in 1998. Alaska Petroleum Contractors, a subsidiary of Natchiq Inc., has enjoyed steady growth over the years, capturing a growing piece of the oil industry action. Although BP inched up to re-enter the 1,000+ club (it fell off in 1997), this was still a surprise considering that in 1992 the company entered a downsizing mode which continues to this day. Federal Express has been a real climber. Just 10 years ago it wasn't even on the *Trends* 100 list. But every year since then it has steadily moved up. Today, it is the 12th largest employer in the state and there is no evidence its position won't continue to ascend.

Five newcomers join *Trends* 100

Five employers joined the list of the state's largest employers—the smallest number since the newcomer list began in 1992. (See Exhibit 3.) There was no real pattern to these additions. Most firms simply grew enough to hit the threshold of 254 employees or larger. Carlile Enterprises, one of the state's largest trucking firms, enjoyed growth in 1998, some of it from the resurgence in the oil industry in 1998. Eastgate Theater's and Greens Creek's employment simply inched up enough to make the grade. Houston/NANA formed a joint venture which won the pipeline maintenance contract, thus propelling it onto the list. And the Alaska Club expanded rapidly by acquiring existing health clubs and building new facilities.

(continued page 6)

1 Alaska's 100 Largest Private Employers 1998

Rank	Firm Name	Employment	Business Activity	Headquarters or Largest Work Site
1	Carr Gottstein Foods	3,132	Grocery	Anchorage*
2	Providence Alaska Medical Center	2,971	Hospital/Medical Center	Anchorage*
3	Fred Meyer	1,933	Grocery/General Merchandise	Anchorage*
4	Alaska Airlines	1,556	Air Carrier	Anchorage*
5	ARCO Alaska	1,483	Oil & Gas Production	Anchorage*
6	Wal-Mart/Sam's Club	1,434	General Merchandise	Anchorage*
7	National Bank of Alaska	1,178	Banking	Anchorage*
8	Alaska Petroleum Contractors	1,110	Oil Field Services	Anchorage*
9	Lutheran Health Systems	1,090	Hospital/Medical Center	Fairbanks*
10	Safeway Stores	1,083	Grocery	Anchorage*
11	Trident Seafoods	1,048	Seafood Processing	Akutan*
12	Federal Express	1,035	Airfreight/Courier Service	Anchorage*
13	BP Exploration	1,011	Oil & Gas Production	Anchorage*
14	Alyeska Pipeline Service Company	872	Pipeline Transportation	Fairbanks*
15	Peak Oilfield Service Company	828	Oilfield Services	Anchorage*
16	Kmart	823	General Merchandise	Anchorage*
17	GCI Communications	794	Communications	Anchorage*
18	Alaska Regional Hospital	767	Hospital/Medical Center	Anchorage
19	Alaska USA Federal Credit Union	763	Credit Union	Anchorage*
20	Laidlaw Transit	736	School/Charter Bus Company	Anchorage*
21	First National Bank of Anchorage	734	Banking	Anchorage*
22	UniSea	696	Seafood Processing	Dutch Harbor*
23	Sears Roebuck	666	General Merchandise	Anchorage*
24	ERA Aviation	644	Air Carrier	Anchorage*
25	Spenard Builders Supply	626	Building Products	Anchorage*
26	Alaska Commercial Company	614	Grocery/General Merchandise	Anchorage*
27	Tanana Chiefs Conference	610	Social Services/Health Care	Fairbanks*
28	Union Oil of California (Unocal)	595	Petroleum Products	Anchorage*
29	Icicle Seafoods	577	Seafood Processing	Petersburg*
30	South East Alaska Regional Health Consortium	574	Health Care	Juneau*
31	Peter Pan Seafoods	565	Seafood Processing	King Cove*
32	North Pacific Processors	551	Seafood Processing	Kodiak*
33	Costco	546	General Merchandise	Anchorage*
34	Anchorage Daily News	537	Newspaper	Anchorage*
35	Westmark Hotels	535	Hotel	Anchorage*
36	VECO Operations**	521	Oilfield Services	Anchorage*
37	Nabors Alaska Drilling	519	Oilfield Services	Anchorage*
38	ATT/Alascom	510	Telephone Communications	Anchorage*
39	Alyeska Resort	494	Hotel/Resort	Girdwood/Anchorage
40	NANA/Marriott, Joint Venture	492	Catering/Hotels	Anchorage*
41	Yukon-Kuskokwim Health Corporation	489	Health Care	Bethel*
42	Tyson Seafood Company	473	Seafood Processing	Kodiak*
43	Pizza Hut	471	Eating Establishment	Anchorage*
44	Burger King	470	Eating Establishment	Anchorage*
45	Ogden Facility Management of Alaska	458	Facilities Management	Anchorage*
46	Valley Hospital	455	Hospital/Medical Center	Palmer*
47	JC Penney Company	447	Department Store	Anchorage*
48	Hope Cottages	429	Residential Care	Anchorage*
49	Norton Sound Health Corporation	420	Health Care	Nome*
50	Wards Cove Packing Company	420	Seafood Processing	Naknek*

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

(continued next page)

Alaska's 100 Largest Private Employers

1998 (continued)



Rank	Firm Name	Employment	Business Activity	Headquarters or Largest Work Site
51	United Parcel Service (UPS)	412	Airfreight/Courier Service	Anchorage*
52	Norquest Seafood Company	410	Seafood Processing	Ketchikan*
53	Doyon/Universal Ogden, Joint Venture	407	Catering/Security	Anchorage*
54	Denali Foods/Taco Bell	405	Eating Establishment	Anchorage*
55	Ocean Beauty Seafoods	402	Seafood Processing	Kodiak*
56	Maniilaq Association	397	Social Services/Health Care	Kotzebue*
57	Aramark Leisure Services	396	Catering/Concessionaire	Denali Park*
58	Cominco Alaska	396	Mining	Red Dog Mine*
59	VECO Construction**	393	Oilfield Services	North Slope*
60	Alaska Hotel Properties (Princess Hotels)	390	Hotel	Denali Park*
61	Anchorage Hilton Hotel	382	Hotel	Anchorage
62	Schlumberger Technologies	381	Oilfield Services	Anchorage*
63	Sea-Land Freight Service	377	Shipping and Warehouse	Anchorage*
64	Westward Seafood	377	Seafood Processing	Unalaska
65	Cook Inlet Processing	376	Seafood Processing	Nikiski*
66	Houston/NANA, Joint Venture	374	Oilfield Services	Anchorage*
67	Chugach Electric Association	369	Utility Company	Anchorage*
68	Mapco Express (now Williams Express)	364	Retail/Gas Stations	Anchorage*
69	Anchorage Cold Storage Company	355	Wholesale Grocery	Anchorage*
70	Peninsula Airways	354	Air Carrier	Anchorage*
71	Hotel Captain Cook	353	Hotel	Anchorage
72	Assets, Inc.	352	Employment/Residential Options	Anchorage
73	Northwest Airlines	350	Air Carrier	Anchorage*
74	Bristol Bay Area Health Corporation	349	Health Care	Dillingham*
75	Salvation Army - Alaska	349	Social Services	Anchorage*
76	Tesoro Northstore Company	349	Retail/Gas Stations	Anchorage*
77	Ketchikan General Hospital	346	Hospital/Medical Center	Ketchikan
78	McDonalds	346	Eating Establishment	Anchorage*
79	Reeve Aleutian Airways	342	Air Carrier	Anchorage*
80	LSG Skychefs	337	Catering	Anchorage
81	Lamonts Apparel	327	Apparel	Anchorage*
82	Chugach North Technical Services	323	Personnel Services	Anchorage*
83	Williams, Inc. (Alaskan and Proud)	320	Grocery	Ketchikan*
84	Matanuska Telephone Association	319	Telephone Communications	Palmer*
85	Nordstrom	315	Department Store	Anchorage
86	VECO Engineering**	315	Engineering Services	Anchorage*
87	Southcentral Foundation	308	Health Care Services	Anchorage
88	Ketchikan Pulp Company (pulp mill closed 3/97)	295	Lumber Products	Ketchikan*
89	Silver Bay Logging	295	Logging	Juneau*
90	Rural Alaska Community Action Program	293	Social Services	Anchorage*
91	Space Mark	292	Facilities Management	Anchorage*
92	Royal Highway Tours	291	Tour Buses	Anchorage*
93	Dynair Services	285	Airport Services	Anchorage
94	The Alaska Club	277	Health Club	Anchorage
95	Carlile Enterprises	275	Trucking/Warehousing	Anchorage*
96	Westours Motorcoaches	268	Tour Buses	Fairbanks*
97	Greens Creek Mining Company	264	Mining	Juneau
98	Eastgate Theater Company (Regal Theaters)	263	Movie Theaters	Anchorage*
99	Alaska Sales and Service	258	Auto Dealer	Anchorage
100	Fairbanks Gold Mining Company (Ft. Knox)	254	Mining	Fairbanks

* Work locations located in multiple communities.

** Prior to 1998, VECO was reported as one employer even though it reported its employment under more than one account number. To keep all data for the *Trends* 100 consistent, VECO employment numbers are now being reported by account number, like all others on this list.

2 Trends 100 by Industry 1998 Employment

MINING

Hard Rock Mining	
Cominco Alaska	396
Greens Creek Mining Company	264
Fairbanks Gold Mining Company (Ft. Knox)	254
Oil & Gas	
ARCO Alaska	1,483
Alaska Petroleum Contractors	1,110
BP Exploration	1,011
Peak Oilfield Service Company	828
VECO Operations	521
Nabors Alaska Drilling	519
VECO Construction	393
Schlumberger Technologies	381
Houston/NANA, Joint Venture	374

MANUFACTURING

Seafood Processing	
Trident Seafoods	1,048
UniSea	696
Icicle Seafoods	577
Peter Pan Seafoods	565
North Pacific Processors	551
Tyson Seafood Company	473
Wards Cove Packing Company	420
Norquest Seafood Company	410
Ocean Beauty Seafoods	402
Westward Seafood	377
Cook Inlet Processing	376
Wood Products	
Ketchikan Pulp Company (pulp mill closed 3/97)	295
Silver Bay Logging	295
Other Manufacturing	
Union Oil of California (Unocal)	595
Anchorage Daily News	537

TRANSPORTATION, COMMUNICATIONS, UTILITIES

Air Transportation	
Alaska Airlines	1,556
Federal Express	1,035
ERA Aviation	644
United Parcel Service (UPS)	412
Peninsula Airways	354
Northwest Airlines	350
Reeve Aleutian Airways	342
Dynair Services	285
Communications & Utilities	
GCI Communications	794
ATT/Alascom	510
Chugach Electric Association	369
Matanuska Telephone Association	319
Other Transportation	
Alyeska Pipeline Service Company	872
Laidlaw Transit	736
Sea-Land Freight Service	377
Royal Highway Tours	291
Carlile Enterprises	275
Westours Motorcoaches	268
TRADE	
Eating & Drinking	
NANA/Marriott, Joint Venture	492

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Nine firms leapfrog 10 or more rankings

Nine firms moved up 10 or more places in the 1998 rankings. (See Exhibit 4.) A third of these firms benefited from the previously mentioned strong comeback of activities in Alaska's oil patch in 1998. They include Doyon/Universal Services, Nabors Alaska Drilling and Schlumberger Technologies. Costco added no new stores in 1998, but it did add staff and services. In 1998, Mapco Express went through an aggressive expansion phase—its workforce grew by 11 percent. GCI has been a rapidly growing communications/technology company. Five years ago it had a staff of 257; by 1998 it had grown to 794. In 1998, it moved up 15 spots on the *Trends* lineup—the only firm to repeat this feat for two years. New technologies, services and customers continue to push its employment numbers upwards. Northwest Airlines moved because it expanded its workforce to accommodate growth in the air cargo business. Part of the explanation for Westward Seafood's rapid ascent was a strong king crab season. And Anchorage Cold Storage's employment grew because one of its subsidiaries was brought under its corporate umbrella.

The "Big 10" are a pretty durable group

To loyal *Trends* readers, many of the employers on the Top 10 list are familiar. Six of this year's 10 largest employers have graced this list for the past decade. (See Exhibit 5.) Included in the group are Carrs, Providence Alaska, ARCO, National Bank of Alaska, Lutheran Health Systems and Safeway. But perhaps even more important are the newcomers and departures from this group. The shuffling reflects some of the changes that have taken place in the economy over the past decade. For example, 10 years ago there were only two retailers among the Top 10 and today there are four. Fred Meyer and Wal-Mart/Sam's Club are

Trends 100 by Industry **2**

1998 Employment (continued)

the new additions. Wal-Mart did not even exist in Alaska 10 years ago. In 1988, the oil industry firms Alyeska Pipeline Company and BP Exploration were in the Top 10 category; neither appears on the list in 1998. Another oil industry employer, Alaska Petroleum Contractors, did secure a spot. Its position may reflect how the oil industry has changed the way it does business—contracting out more work and streamlining by working with fewer contractors. Alaska Airlines' presence as a new player on the list is an indicator of the growing importance of the visitor industry.

Native organizations' representation grows

Fourteen of the top 100 employers are either Native Alaskan nonprofit organizations or subsidiaries of one of Alaska's regional Native corporations. (See Exhibit 6.) They employ 12 percent of the *Trends* 100 workforce. The single largest group of these employers is nonprofit health and social services organizations. (See discussion on nonprofits.) Because this is a listing of individual firms without consideration for partial or full ownership, the impact of the regional Native corporations on the state's labor market is often masked. If subsidiaries of regional corporations were combined under parent corporations, most regional Native corporations would appear on the *Trends* 100 list. Despite this definitional limitation, their representation is significant. The largest firm in this grouping is Alaska Petroleum Contractors (APC), a subsidiary of Natchiq Inc., which, in turn, is a subsidiary of Arctic Slope Regional Corporation. APC is the eighth largest private sector employer in the state, with 1,110 employees. It has been on this list for over a decade. Two other oil field services companies are Houston/NANA, a joint venture between Natchiq and NANA, and Peak Oilfield Services, which is partially owned by Cook Inlet Region Incorporated. Houston/NANA is also a newcomer to the *Trends* 100 list. Two other companies are Doyon/Universal Ogden JV and NANA/Marriott JV which both provide services in

Pizza Hut	471
Burger King	470
Doyon/Universal Ogden, Joint Venture	407
Denali Foods/Taco Bell	405
Aramark Leisure Services	396
McDonalds	346
LSG Skychefs	337
Other Retail	
Carr Gottstein Foods	3,132
Fred Meyer	1,933
Wal-Mart/Sam's Club	1,434
Safeway Stores	1,083
Kmart	823
Sears Roebuck	666
Spenard Builders Supply	626
Alaska Commercial Company	614
Costco	546
JC Penney Company	447
Mapco Express (now Williams Express)	364
Tesoro Northstore Company	349
Lamonts Apparel	327
Williams, Inc. (Alaskan and Proud)	320
Nordstrom	315
Alaska Sales and Service	258
Wholesale	
Anchorage Cold Storage Company	355
FINANCE, INSURANCE & REAL ESTATE	
National Bank of Alaska	1,178
Alaska USA Federal Credit Union	763
First National Bank of Anchorage	734
SERVICES	
Hotels	
Westmark Hotels	535
Alyeska Resort	494
Alaska Hotel Properties (Princess Hotels)	390
Anchorage Hilton Hotel	382
Hotel Captain Cook	353
Personnel Services	
Chugach North Technical Services	323
Health Care	
Providence Alaska Medical Center	2,971
Lutheran Health System (was Fairbanks Memorial Hosp.)	1,090
Alaska Regional Hospital	767
South East Alaska Regional Health Consortium	574
Yukon-Kuskokwim Health Corporation	489
Valley Hospital	455
Norton Sound Health Corporation	420
Maniilaq Association	397
Bristol Bay Area Health Corporation	349
Ketchikan General Hospital	346
Southcentral Foundation	308
Other Services	
Tanana Chiefs Conference	610
Ogden Facility Management of Alaska	458
Hope Cottages	429
Assets, Inc.	352
Salvation Army - Alaska	349
VECO Engineering	315
Rural Alaska Community Action Program	293
Space Mark	292
The Alaska Club	277
Eastgate Theater Company (Regal Theaters)	263

Note: Based on 1998 average employment.

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

3 Newcomers to *Trends* 100 1998

The Alaska Club
Carlile Enterprises
Greens Creek Mining Company
Eastgate Theater Company (Regal Theaters)
Houston/NANA, Joint Venture

4 *Trends* 100 Movers Firms Moving up 10 or more ranks from 1997

Anchorage Cold Storage
Costco
Doyon/Universal Services, Joint Venture
GCI Communications
Mapco Express
Nabors Alaska Drilling
Northwest Airlines
Schlumberger Technologies
Westward Seafood

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

the oil fields and other locations.

A *Trends* 100 employer is big and the pay is good

Alaska's 100 largest employers employ nearly 59,000 wage and salary workers or 30 percent of all private sector wage and salary employment. In

1998, the state's largest employers paid out nearly \$2.2 billion in wages. The average annual wage paid by the *Trends* 100 was \$36,892 compared to the average annual wage for the entire private sector of \$31,855 or \$36,689 for the public sector. The strong presence of the oil industry and its high wages explains much of this higher average wage. The average wage for oil industry jobs among the *Trends* 100 employers was \$79,572. Approximately 11 percent of all the employment for the state's biggest employers is oil-industry related, whereas the oil industry only represents a little more than four percent of the entire private sector workforce.

The payroll impact of *Trends* 100 employers varies dramatically and often has little relationship with the number of employees the firm has. For example, there are employers among the Top 10 whose payroll is smaller than some of those ranked in the bottom half of the list.

Nonprofits are prominent

There are quite a few nonprofit organizations ranked among Alaska's largest employers. (See Exhibit 7.) In fact, 15 of the *Trends* 100 are nonprofits and they employ 16 percent of this workforce. Their representation remained unchanged from 1997. Most of these nonprofits either provide health care or a combination of health care and social services. Maniilaq Association, based in Kotzebue, is an example of this combination. A few are also advocacy organizations. And most of these nonprofits rely heavily on public sector revenues to operate.

Health care nonprofits are often the largest or second largest employers in their respective communities. Providence Medical Center, for example, is not only the second largest employer in the state but it is Anchorage's largest private sector employer. Other examples include the Norton Sound Health Corporation (Kotzebue), Bristol Bay Health Corporation (Dillingham),

Yukon-Kuskokwim Health Corporation (Bethel), Lutheran Health Systems (Fairbanks) and Valley Hospital (Mat-Su Borough). One of the reasons health care is so large is that it is a labor-intensive industry that provides service around-the-clock and year-round.

The prominence of nonprofits on this list will be heightened as the public sector increasingly turns to these organizations to provide public services. One example is the 1998 turnover of the Alaska Native Medical Center in Anchorage to the Alaska Native Health Consortium. At this time, most of the 1,400 workers at the Alaska Native Medical Center are federal government employees, but eventually, nearly all of them will be employees of the consortium. Southcentral Health Foundation's prominence has also grown because it has already taken over some of the responsibilities of the Alaska Native Medical Center.

The rest of the service companies

Nonprofit health care facilities account for about half of the *Trends* 100 companies belonging to the services industry. (See Exhibit 2.) Alaska Regional Hospital is the only for-profit company among health care providers listed in the *Trends* 100. Outside of health care, the other big players in services are hotels. Some of the half dozen hotels which have recently opened, or soon will, may find their way onto this list in the near future.

Trends 100 oil industry employers are many

Oil industry employers tend to be large. And therefore, unlike any other industry, most oil-industry employers in the state are on this list. In 1998, over 75 percent of all oil industry employees were working for one of the state's largest private sector employers. In 1998, these companies employed 6,620 workers. As a capital-intensive industry, it generally favors both large producer

Top 10 Compared over Decade

Trends 100



1988

Rank	Top 10 Employers	Employment
1	ARCO Alaska	2,774
2	Carr-Gottstein Foods	2,378
3	Providence Hospital (now Providence Alaska Medical Center)	1,650
4	BP Exploration	1,375
5	VECO	1,003
6	Safeway Stores	932
7	National Bank of Alaska	926
8	Lutheran Health Systems (formerly Fairbanks Memorial Hospital)	926
9	Alyeska Pipeline Service Company	891
10	Ketchikan Pulp Mill	862

1998

1	Carr Gottstein Foods	3,132
2	Providence Alaska Medical Center	2,971
3	Fred Meyer	1,933
4	Alaska Airlines	1,556
5	ARCO	1,483
6	Wal-Mart/Sam's Club	1,434
7	National Bank of Alaska	1,178
8	Alaska Petroleum Contractors	1,110
9	Lutheran Health Systems	1,090
10	Safeway Stores	1,083

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

and service companies. This trend is not expected to change.

There are lots of retailers on the list

In 1998, the state's retailers employed nearly 28 percent of all *Trends* 100 workers, providing the

6 Alaska Native Corporations/Organizations

Full or partial ownership of *Trends* 100 Firms

List grows to 14 firms

Alaska Petroleum Contractors	1,110
Peak Oilfield Service Company	828
Tanana Chiefs Conference	610
South East Alaska Regional Health Consortium	574
NANA/Marriott, Joint Venture	492
Yukon-Kuskokwim Health Corporation	489
Norton Sound Health Corporation	420
Doyon/Universal Ogden, Joint Venture	407
Maniilaq Association	397
Houston/NANA, Joint Venture	374
Bristol Bay Area Health Corporation	349
Chugach North Technical Services	323
Southcentral Foundation	308
Space Mark	292

single largest piece of the employment pie. The retail sector's representation in the *Trends* 100 did not grow—in fact, it declined slightly with the closure of Rite Aid (Payless) and the falling off of Omni Enterprises. Retail's impact on payroll is significantly smaller than its employment impact. Low wages and a preponderance of part-time employment reduce retail's contribution to payroll (retail includes eating establishments). Although retail employment represents a large slice of the *Trends* 100 workforce, its largest employers account for only slightly more than a third of overall retail employment. For example, in 1998 there were more than 3,500 retailers in the state that did not make this list, but they provided the bulk of jobs in the retail industry.

Manufacturing is well represented

Manufacturing is one of Alaska's smaller industries, employing seven percent of the state's private wage and salary workforce. However, 13 percent of the *Trends* 100 workforce is employed by manufacturers. Most of the manufacturing firms are seafood-processing companies. Timber's two firms on this list are unchanged from previous years. Ketchikan Pulp Company will not make the list next year because of the closure of its pulp operation and curtailment of its sawmill activity.

Employment at the airlines grew

Employment in nearly every airline on the *Trends* 100 list grew this year, which also meant that many of them moved up in ranking. Both Federal Express and Northwest Airlines were among the *Trends* 100 Movers—a testament to the dynamics of the air cargo industry. Moreover, as already mentioned, in 1998 Alaska Airlines became one of the Top 10 private sector employers.

***Trends* 100 employers can be found throughout the state**

7 Nonprofit Organizations

Employ 15 percent of *Trends* 100 workforce

Providence Alaska Medical Center	2,971
Lutheran Health Systems	1,090
Tanana Chiefs Conference	610
South East Alaska Regional Health Consortium	574
Yukon Kuskokwim Health Corporation	489
Valley Hospital	455
Hope Cottages	429
Norton Sound Health Corporation	420
Maniilaq Association	397
Assets, Inc.	352
Bristol Bay Area Health Corporation	349
Salvation Army—Alaska	349
Ketchikan General Hospital	346
Southcentral Foundation	308
Rural Alaska Community Action Program	293

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

Top 10 Employers with Public Sector Included

Alaska 1998



Rank	Name of Organization	1998 Employment	Headquarters or Largest Worksite
1	U.S. Military	18,020	Anchorage
2	U.S. Government (excluding uniformed military)	16,573	Anchorage
3	State of Alaska	15,948	Juneau
4	University of Alaska	5,635	Fairbanks
5	Anchorage School District	5,486	Anchorage
6	Municipality of Anchorage	3,561	Anchorage
7	Carr Gottstein Foods	3,132	Anchorage
8	Providence Alaska Medical Center	2,971	Anchorage
9	Fred Meyer	1,933	Anchorage
10	Fairbanks North Star Borough School District	1,769	Fairbanks

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

Although the majority of these employers are headquartered or have their largest work site in Anchorage, their employees are literally spread around the state. Every one of the Top 10 employers has employees outside of Anchorage. Only a handful of the *Trends* 100 firms have employees exclusively in Anchorage. One company that typifies this geographic dispersal is National Bank of Alaska, which is headquartered in Anchorage but has banks in 37 communities around the state.

Top 10 employers change when the public sector is added

When this list includes the public sector, rankings among the state's largest employers change dramatically. (See Exhibit 8.) Only three private sector employers would place among the Top 10 employers in the state, Carr Gottstein Foods, Providence Alaska Health Center and Fred Meyer. This should be no surprise since 31 percent of the state's wage and salary workforce is employed by

the public sector whose organizations tend to be large. Public sector employers, including the military, federal government, state government and the University of Alaska, take up the first six slots on this list. But over time, the role of private sector employers will continue to grow while the public sector's share of the wage and salary workforce continues to decline.

Many of Alaska's top employers are Fortune 500 companies

A little over a quarter of Alaska's largest employers are also in the rarefied company of the nation's Fortune 500 companies. (See Exhibit 9.) They vary from ATT/Alascom to Pizza Hut to Unocal to Safeway. In 1998, there were 26 of these versus 27 in 1997. Rite Aid closed its stores in 1998 and fell off the *Trends* 100 list.

Definitions and Explanations

Employment data were obtained from the Alaska Quarterly Unemployment Insurance Contribu-

9 Among America's Fortune 500 And on Alaska *Trends* 100 list

ARCO Alaska
ATT/Alascom
Anchorage Hilton Hotel
Aramark Leisure Services
Alaska Regional Hospital
Burger King
Costco
Federal Express
Fred Meyer
JC Penney Company
Kmart
Mapco Express (now Williams Express)
McDonalds
NANA/Marriott, Joint Venture
Nordstrom
Northwest Airlines
Pizza Hut
Safeway Stores
Sea-Land Freight Service
Sears Roebuck
Taco Bell
Tesoro Northstore Company
Tyson Seafood Company
Union Oil of California (Unocal)
United Parcel Service (UPS)
Wal-Mart/Sam's Club

tion Report, which every employer in the state with one or more employees must file. Employment figures reported are the total number of active jobs during the payroll period that included the 12th of each month.

Annual average employment is calculated by adding the 12 months of employment reported to the Alaska Department of Labor and Workforce Development and dividing it by 12.

Total employment of a parent company will not be captured, and therefore does not appear in the *Trends* 100, if subsidiaries file quarterly reports under separate employer account numbers.

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

Seasonal Hires Boost May Employment

Mining takes a downturn; annual gains small

Alaska Employment Scene

by
Brigitta Windisch-Cole
Labor Economist

May employment numbers showed a continuation of the seasonal upswing. Total wage and salary employment grew 10,200 jobs compared to April. (See Exhibit 1.) All of Alaska's seasonal industries helped to heat up this summer's labor market. The strongest boosts came from retail, services and transportation, which all cater to the visitor industry. Construction and seafood processing employment increased, as is typical for this time of year.

Some over-the-month job losses were typical and some were not. Contraction in state government employment merely signaled the beginning of the summer break at the University of Alaska. But job losses in mining exposed the downsizing trend in the oil industry and the difficulties brewing in the gold mining industry.

By May, job cuts in the oil industry had accumulated to produce a loss of 1,100 jobs compared to the year-ago level, and gold mining was down 200. These job declines have weakened Alaska's economic performance. For May, total employment netted an annual gain of only 2,500 jobs, and the pace of annual job growth fell below the one percent mark.

Mining employment is suffering

Since late last year, Alaska's primary resource industry, oil and gas, has been hit hard by

downsizing and the suspension of several development projects. It will shed more jobs if BP-Amoco merges with ARCO. The renewed start-up of the Northstar project, however, will fend off steeper declines in oil and gas employment which would have transpired in July when several projects, among them the modular construction phase for the Alpine oil field, reach their scheduled completion. There are hopes that the downturn in employment will last only a short time. Spokesmen for the proposed merger announced that the emerging new company plans to invest \$5 billion on exploration in the state, which is more than BP Amoco and ARCO had committed to as individual companies prior to merger talks.

Employment in gold mining has also suffered losses. The industry has been affected by the prolonged slump in gold prices. (See Exhibit 4.) Announced government sales of precious metal reserves in Britain and Switzerland are behind the slump. Three mines in Alaska fell victim to the market downturn: the Alaska Gold Mining Company, which shut down its operation in spring of 1998; the Illinois Creek Mine, which stopped mining last year; and the Nixon Fork Mine, which recently announced it will suspend its operation. Together, these three mines employed nearly 200 workers. Overall mining effort has diminished. Some placer mine operators have chosen to sit out the 1999 summer mining season because their operational costs would

(continued on page 16)

1 Nonagricultural Wage and Salary Employment by Place of Work

Alaska

	preliminary	revised	Changes from:		
	5/99	4/99	5/98	4/99	5/98
Total Nonag. Wage & Salary	280,700	270,500	278,200	10,200	2,500
Goods-producing	36,200	34,400	37,400	1,800	-1,200
Service-producing	244,500	236,100	240,800	8,400	3,700
Mining	9,000	9,200	10,300	-200	-1,300
Oil & Gas Extraction	7,500	7,700	8,600	-200	-1,100
Construction	13,500	11,900	13,500	1,600	0
Manufacturing	13,700	13,300	13,600	400	100
Durable Goods	2,800	2,700	2,900	100	-100
Lumber & Wood Products	1,600	1,600	1,700	0	-100
Nondurable Goods	10,900	10,600	10,700	300	200
Seafood Processing	8,200	7,900	8,000	300	200
Transportation/Comm/Utilities	26,400	24,700	26,300	1,700	100
Trucking & Warehousing	3,000	2,900	3,000	100	0
Water Transportation	2,000	1,700	2,000	300	0
Air Transportation	9,400	9,000	9,300	400	100
Communications	4,400	4,400	4,300	0	100
Electric, Gas & Sanitary Svcs.	2,500	2,500	2,600	0	-100
Trade	58,400	55,200	57,800	3,200	600
Wholesale Trade	9,200	8,800	9,200	400	0
Retail Trade	49,200	46,400	48,600	2,800	600
Gen. Merchandise & Apparel	9,100	8,800	8,900	300	200
Food Stores	7,100	6,900	7,200	200	-100
Eating & Drinking Places	17,300	15,900	16,900	1,400	400
Finance/Insurance/Real Estate	12,700	12,400	12,500	300	200
Services & Misc.	70,700	68,100	69,500	2,600	1,200
Hotels & Lodging Places	7,000	5,600	7,000	1,400	0
Business Services	8,800	8,600	8,800	200	0
Health Services	15,700	15,600	15,000	100	700
Legal Services	1,600	1,600	1,600	0	0
Social Services	7,800	7,700	7,600	100	200
Engineering & Mgmt. Svcs.	7,800	7,700	7,900	100	-100
Government	76,300	75,700	74,700	600	1,600
Federal	17,300	16,700	17,600	600	-300
State	22,400	22,600	20,900	-200	1,500
Local	36,600	36,400	36,200	200	400

Municipality of Anchorage

	preliminary	revised	Changes from:		
	5/99	4/99	5/98	4/99	5/98
Total Nonag. Wage & Salary	132,200	129,000	129,700	3,200	2,500
Goods-producing	11,600	10,600	11,700	1,000	-100
Service-producing	120,600	118,400	118,000	2,200	2,600
Mining	2,400	2,400	2,700	0	-300
Oil & Gas Extraction	2,200	2,200	2,500	0	-300
Construction	7,100	6,200	7,000	900	100
Manufacturing	2,100	2,000	2,000	100	100
Transportation/Comm/Utilities	13,700	13,200	13,400	500	300
Air Transportation	6,000	5,900	5,800	100	200
Communications	2,600	2,600	2,500	0	100
Trade	31,800	30,900	31,300	900	500
Wholesale Trade	6,600	6,400	6,600	200	0
Retail Trade	25,200	24,500	24,700	700	500
Gen. Merchandise & Apparel	4,500	4,500	4,400	0	100
Food Stores	3,000	2,900	2,900	100	100
Eating & Drinking Places	9,200	8,700	9,000	500	200
Finance/Insurance/Real Estate	7,600	7,400	7,500	200	100
Services & Misc.	38,000	37,400	37,000	600	1,000
Hotels & Lodging Places	2,600	2,500	2,600	100	0
Business Services	6,400	6,300	6,300	100	100
Health Services	8,200	8,200	7,800	0	400
Legal Services	1,200	1,200	1,200	0	0
Social Services	3,600	3,600	3,500	0	100
Engineering & Mgmt. Svcs.	5,600	5,500	5,700	100	-100
Government	29,500	29,500	28,800	0	700
Federal	10,100	9,900	10,300	200	-200
State	8,600	8,800	8,000	-200	600
Local	10,800	10,800	10,500	0	300

Notes to Exhibits 1, 2, & 3—Nonagricultural excludes self-employed workers, fishers, domestics, and unpaid family workers as well as agricultural workers. Government category includes employees of public school systems and the University of Alaska.

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

Exhibit 3—Prepared in part with funding from the Employment Security Division.

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

2 Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	preliminary 5/99	revised 4/99	5/98	preliminary 5/99	revised 4/99	5/98	preliminary 5/99	revised 4/99	5/98
Mining	\$1,221.45	\$1,261.66	\$1,228.92	47.9	48.6	46.2	\$25.50	\$25.96	\$26.60
Construction	1,219.34	1,195.19	1,134.34	46.1	46.2	43.0	26.45	25.87	26.38
Manufacturing	468.83	474.44	485.93	39.2	41.4	39.7	11.96	11.46	12.24
Seafood Processing	333.89	335.86	337.04	37.6	39.7	37.7	8.88	8.46	8.94
Transportation/Comm/Utilities	649.35	639.97	640.06	35.1	34.5	34.1	18.50	18.55	18.77
Trade	446.22	429.97	415.00	33.5	33.1	33.2	13.32	12.99	12.50
Wholesale Trade	668.54	625.00	627.86	38.4	36.7	37.8	17.41	17.03	16.61
Retail Trade	405.87	393.98	376.16	32.6	32.4	32.4	12.45	12.16	11.61
Finance/Insurance/Real Estate	604.26	575.43	541.97	36.8	36.1	35.4	16.42	15.94	15.31

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

Benchmark: March 1998

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

3 Nonagricultural Wage and Salary Employment by Place of Work

Fairbanks

	preliminary		Changes from:		
	5/99	4/99	5/98	4/99	5/98
North Star Borough					
Total Nonag. Wage & Salary	33,700	32,650	32,850	1,050	850
Goods-producing	3,200	2,850	3,100	350	100
Service-producing	30,500	29,800	29,750	700	750
Mining	750	750	750	0	0
Construction	1,850	1,550	1,750	300	100
Manufacturing	600	550	600	50	0
Transportation/Comm/Utilities	3,100	2,850	3,150	250	-50
Trucking & Warehousing	600	550	650	50	-50
Air Transportation	750	700	700	50	50
Communications	450	450	450	0	0
Trade	7,000	6,800	6,950	200	50
Wholesale Trade	900	900	900	0	0
Retail Trade	6,100	5,900	6,050	200	50
Gen. Merchandise & Apparel	1,200	1,100	1,250	100	-50
Food Stores	700	700	750	0	-50
Eating & Drinking Places	2,150	2,100	2,100	50	50
Finance/Insurance/Real Estate	1,150	1,100	1,100	50	50
Services & Misc.	8,100	7,900	8,250	200	-150
Hotels & Lodging Places	950	750	900	200	50
Health Services	1,900	1,900	1,900	0	0
Government	11,150	11,150	10,300	0	850
Federal	3,200	3,150	3,350	50	-150
State	4,850	4,900	4,000	-50	850
Local	3,100	3,100	2,950	0	150

Southeast Region

Total Nonag. Wage & Salary	36,400	34,200	36,400	2,200	0
Goods-producing	4,850	4,500	4,900	350	-50
Service-producing	31,550	29,700	31,500	1,850	50
Mining	350	350	350	0	0
Construction	1,650	1,400	1,800	250	-150
Manufacturing	2,850	2,750	2,750	100	100
Durable Goods	1,450	1,400	1,400	50	50
Lumber & Wood Products	1,250	1,150	1,200	100	50
Nondurable Goods	1,400	1,350	1,350	50	50
Seafood Processing	1,050	1,000	1,000	50	50
Transportation/Comm/Utilities	3,200	2,600	3,200	600	0
Trade	6,800	6,000	6,850	800	-50
Wholesale Trade	600	600	600	0	0
Retail Trade	6,200	5,400	6,250	800	-50
Food Stores	1,350	1,300	1,400	50	-50
Finance/Insurance/Real Estate	1,400	1,400	1,350	0	50
Services & Misc.	7,800	7,100	7,700	700	100
Health Services	1,700	1,700	1,650	0	50
Government	12,350	12,600	12,400	-250	-50
Federal	1,850	1,750	1,900	100	-50
State	5,250	5,500	5,300	-250	-50
Local	5,250	5,350	5,200	-100	50

Northern Region

Total Nonag. Wage & Salary	14,700	14,750	15,650	-50	-950
Goods-producing	4,700	4,750	5,600	-50	-900
Service-producing	10,000	10,000	10,050	0	-50
Mining	4,200	4,200	5,050	0	-850
Oil & Gas Extraction	3,800	3,800	4,600	0	-800
Government	4,450	4,400	4,550	50	-100
Federal	150	150	150	0	0
State	300	300	300	0	0
Local	4,000	3,950	4,100	50	-100

Interior Region

	preliminary		Changes from:		
	5/99	4/99	5/98	4/99	5/98
Total Nonag. Wage & Salary	39,950	38,050	39,250	1,900	700
Goods-producing	3,400	3,300	3,450	100	-50
Service-producing	36,550	34,750	35,800	1,800	750
Mining	900	1,000	1,000	-100	-100
Construction	1,900	1,700	1,850	200	50
Manufacturing	600	600	600	0	0
Transportation/Comm/Utilities	3,900	3,400	3,900	500	0
Trade	8,350	7,800	8,300	550	50
Finance/Insurance/Real Estate	1,200	1,150	1,200	50	0
Services & Misc.	9,400	8,900	9,550	500	-150
Hotels & Lodging Places	1,400	850	1,400	550	0
Government	13,700	13,500	12,850	200	850
Federal	3,950	3,750	4,050	200	-100
State	5,150	5,150	4,300	0	850
Local	4,600	4,600	4,500	0	100

Anchorage/Mat-Su Region

Total Nonag. Wage & Salary	145,000	140,850	142,050	4,150	2,950
Goods-producing	12,850	11,650	12,800	1,200	50
Service-producing	132,150	129,200	129,250	2,950	2,900
Mining	2,400	2,400	2,700	0	-300
Construction	8,200	7,100	7,900	1,100	300
Manufacturing	2,250	2,150	2,200	100	50
Transportation/Comm/Utilities	14,800	14,250	14,550	550	250
Trade	34,900	33,800	34,200	1,100	700
Finance/Insurance/Real Estate	8,100	7,950	8,050	150	50
Services & Misc.	41,600	40,600	40,400	1,000	1,200
Government	32,750	32,600	32,050	150	700
Federal	10,200	10,000	10,400	200	-200
State	9,550	9,600	8,850	-50	700
Local	13,000	13,000	12,800	0	200

Southwest Region

Total Nonag. Wage & Salary	17,100	17,250	17,300	-150	-200
Goods-producing	4,350	4,750	4,350	-400	0
Service-producing	12,750	12,500	12,950	250	-200
Seafood Processing	4,150	4,600	4,150	-450	0
Government	6,000	5,850	6,000	150	0
Federal	350	350	350	0	0
State	500	500	500	0	0
Local	5,150	5,000	5,150	150	0

Gulf Coast Region

Total Nonag. Wage & Salary	27,700	25,500	27,700	2,200	0
Goods-producing	6,250	5,350	6,250	900	0
Service-producing	21,450	20,150	21,450	1,300	0
Mining	1,150	1,200	1,150	-50	0
Oil & Gas Extraction	1,150	1,200	1,150	-50	0
Construction	1,250	1,000	1,300	250	-50
Manufacturing	3,850	3,150	3,800	700	50
Seafood Processing	2,900	2,200	2,800	700	100
Transportation/Comm/Utilities	2,450	2,250	2,500	200	-50
Trade	5,550	5,050	5,500	500	50
Wholesale Trade	600	550	600	50	0
Retail Trade	4,950	4,500	4,900	450	50
Eating & Drinking Places	1,700	1,450	1,700	250	0
Finance/Insurance/Real Estate	750	750	750	0	0
Services & Misc.	5,800	5,300	5,750	500	50
Health Services	1,100	1,050	1,050	50	50
Government	6,900	6,800	6,950	100	-50
Federal	700	650	750	50	-50
State	1,650	1,600	1,650	50	0
Local	4,550	4,550	4,550	0	0

(continued from page 13)

exceed earnings. So far, the large producers, the Fort Knox Mine and the Greens Creek Mine, operating with higher cost efficiencies, have been able to continue working. Despite good prospects for rich discoveries, the bleak outlook for a turnaround in prices could hamper exploration efforts.

Tourism spurs on employment

Services, retail and transportation industry employment showed increases compared to May 1998. Combined employment in these industries grew by 1,900 over last year's job tally. A good portion of the growth in these industries can be attributed to the expansion in the visitor industry. The marked seasonal upswing in specific retail, services and transportation employment categories shows tourism's strong influence.

The most visible signs of a growing visitor industry are the expansion of the hotel market and visitor attractions. The newest large-scale attractions are

the Sealife Center in Seward, which opened last year, and the Alaska Native Heritage Center, which opened this May in Anchorage. A hotel construction boom that started in 1996 in Anchorage has added about 10 hotels in less than three years. Two of these facilities, a Holiday Inn Express and a Residence Inn, opened in June. Anchorage's current hotel construction boom will probably wane with the finish of the Columbia Sussex, a 404 guest room facility that plans to open later this year. In other areas as well, hotel construction has added to and upgraded visitor infrastructure. Fairbanks, for example, has a 120 room hotel under construction. Tourism has become Alaska's most vibrant summer industry and has helped to spur on employment in the state. This May, employment at hotels was up over 10 percent from the 1996 season start-up level.

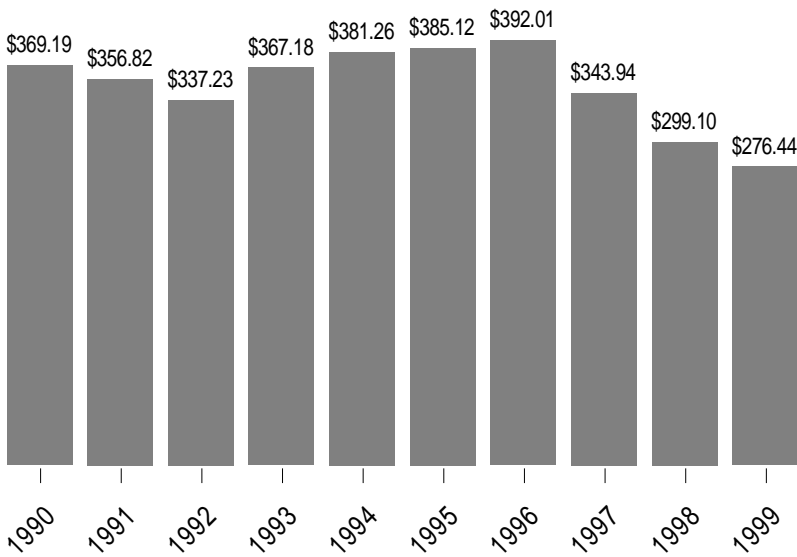
Seafood processing industry churns

This season's salmon fishery started on a positive note. Harvest prices in the Copper River area for sockeye and king salmon showed a considerable improvement over last year's opening prices. International fish markets, as studies indicated, were depleted of red salmon stocks. This was good news for Alaska's fleet as it began the fishing season. However, fishers may see fewer buyers on the fishing grounds this year than in previous seasons.

Consolidation during the winter brought about many changes in Alaska's fishing industry. Trident Seafoods, for example, purchased the Tyson fleet and its Kodiak plant. Several seafood companies have changed their way of doing business by keeping production sites dormant during the 1999 season. At least four plant sites will not operate this year: Port Bailey (Kodiak), two plants in the Kenai area, and another one in Bristol Bay. Icicle Seafoods did not rebuild its plant in Homer that burned down last year. Dagnet Seafoods, now operating as Cherrier, has limited its Kenai Peninsula operations to the

4 Gold Prices Have Been Falling Since 1996

May average prices per troy ounce (PM London fix)



Source: Kitco Inc. Gold and Precious Metal Dealers

(continued on page 18)

Employment and Unemployment 5 by Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	5/99	4/99	5/98	5/99	4/99	5/98	5/99	4/99	5/98	5/99	4/99	5/98
United States												
Alaska Statewide	317,396	310,037	317,376	20,293	18,680	17,860	6.4%	6.0%	5.6%	297,103	291,357	299,516
Anch/Mat-Su Region	171,366	168,729	170,281	8,741	8,159	7,521	5.1	4.8	4.4	162,625	160,570	162,760
Municipality of Anchorage	141,109	140,315	141,060	6,310	5,901	5,698	4.5	4.2	4.0	134,799	134,414	135,362
Mat-Su Borough	30,257	28,414	29,221	2,431	2,258	1,823	8.0	7.9	6.2	27,826	26,156	27,398
Gulf Coast Region	33,957	31,896	34,190	3,536	3,067	3,144	10.4	9.6	9.2	30,421	28,829	31,046
Kenai Peninsula Borough	21,234	20,377	21,346	2,136	2,278	1,855	10.1	11.2	8.7	19,098	18,099	19,491
Kodiak Island Borough	7,606	6,619	7,648	1,008	366	915	13.3	5.5	12.0	6,598	6,253	6,733
Valdez-Cordova	5,117	4,901	5,196	392	423	374	7.7	8.6	7.2	4,725	4,478	4,822
Interior Region	49,939	48,491	49,575	3,206	3,021	2,858	6.4	6.2	5.8	46,733	45,470	46,717
Denali Borough	1,216	1,201	1,201	77	92	62	6.3	7.7	5.2	1,139	1,109	1,139
Fairbanks North Star Bor.	44,130	42,817	43,890	2,566	2,377	2,340	5.8	5.6	5.3	41,564	40,440	41,550
Southeast Fairbanks	2,446	2,423	2,432	214	251	200	8.7	10.4	8.2	2,232	2,172	2,232
Yukon-Koyukuk	2,148	2,051	2,053	350	302	256	16.3	14.7	12.5	1,798	1,749	1,797
Northern Region	8,331	8,386	8,785	956	784	766	11.5	9.3	8.7	7,375	7,602	8,019
Nome	3,165	3,188	3,328	408	346	331	12.9	10.9	9.9	2,757	2,842	2,997
North Slope Borough	3,134	3,175	3,300	249	201	163	7.9	6.3	4.9	2,885	2,974	3,137
Northwest Arctic Borough	2,032	2,024	2,157	299	237	272	14.7	11.7	12.6	1,733	1,787	1,885
Southeast Region	39,344	37,892	39,916	2,440	2,493	2,384	6.2	6.6	6.0	36,904	35,399	37,532
Haines Borough	1,182	1,182	1,172	128	171	100	10.8	14.5	8.5	1,054	1,011	1,072
Juneau Borough	16,860	16,201	17,165	740	739	771	4.4	4.6	4.5	16,120	15,462	16,394
Ketchikan Gateway Borough	7,349	7,133	7,500	469	533	502	6.4	7.5	6.7	6,880	6,600	6,998
Prince of Wales-Outer Ketchikan	3,412	3,258	3,380	450	416	367	13.2	12.8	10.9	2,962	2,842	3,013
Sitka Borough	4,447	4,236	4,477	227	188	185	5.1	4.4	4.1	4,220	4,048	4,292
Skagway-Hoonah-Angoon	2,191	2,130	2,277	110	134	160	5.0	6.3	7.0	2,081	1,996	2,117
Wrangell-Petersburg	3,565	3,449	3,609	276	294	264	7.7	8.5	7.3	3,289	3,155	3,345
Yakutat Borough	337	304	338	39	18	35	11.6	5.9	10.4	298	286	303
Southwest Region	14,459	14,642	14,628	1,415	1,156	1,187	9.8	7.9	8.1	13,044	13,486	13,441
Aleutians East Borough	1,553	1,563	1,586	76	36	64	4.9	2.3	4.0	1,477	1,527	1,522
Aleutians West	2,229	2,269	2,286	131	100	124	5.9	4.4	5.4	2,098	2,169	2,162
Bethel	5,801	5,853	5,841	591	467	473	10.2	8.0	8.1	5,210	5,386	5,368
Bristol Bay Borough	562	600	566	31	51	19	5.5	8.5	3.4	531	549	547
Dillingham	1,668	1,701	1,691	156	138	133	9.4	8.1	7.9	1,512	1,563	1,558
Lake & Peninsula Borough	576	595	609	47	48	64	8.2	8.1	10.5	529	547	545
Wade Hampton	2,070	2,060	2,048	383	316	309	18.5	15.3	15.1	1,687	1,744	1,739

Benchmark March 1998 Comparisons between different time periods are not as meaningful as other time series produced by Research and Analysis. The official definition of unemployment currently in place excludes anyone who has not made an active attempt to find work in the four-week period up to and including the week that includes the 12th of the reference month. Due to the scarcity of employment opportunities in

rural Alaska, many individuals do not meet the official definition of unemployed because they have not conducted an active job search. They are considered not in the labor force.

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

(continued from page 16)

purchase of fish. Salamatof Seafoods will process its product.

The seafood industry, mainly salmon processors, has been plagued by low profit margins for several years. The industry is trying to find ways to lower production costs. Raising efficiencies and maximizing the utilization of existing plants are some of the strategies employed. However, this also means that fewer workers will be needed to process fish. But the industry is also gaining jobs and new production centers. One processing company has started processing on Adak, the former naval base. Port Graham has a plant again after the old one burned down. Also, the Alaska Seafood International processing plant in Anchorage is scheduled to open soon. When the new processing sites reach full capacity they will provide jobs for nearly 500 seafood industry workers. Moreover, Wards Cove Packing Co. has expressed interest in building a \$6 million processing plant at the site of the former Alaska Pulp Corp. mill in Sitka.

Overall employment, however, could decline in 1999. This does not mean that Alaska's seafood workers face unemployment or a lack of employment opportunities. In fact, this year could see a repeat of last year's labor shortage situation with many seafood processing companies scrambling for help during peak harvest times. It

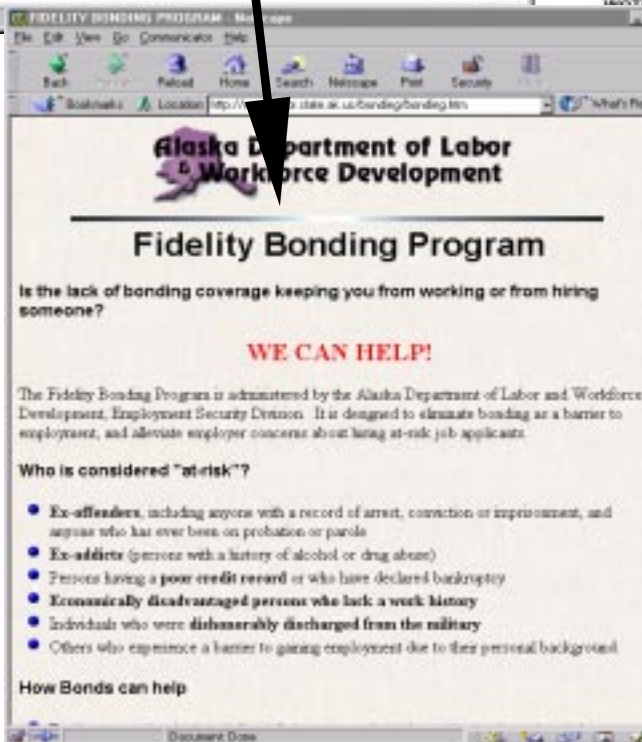
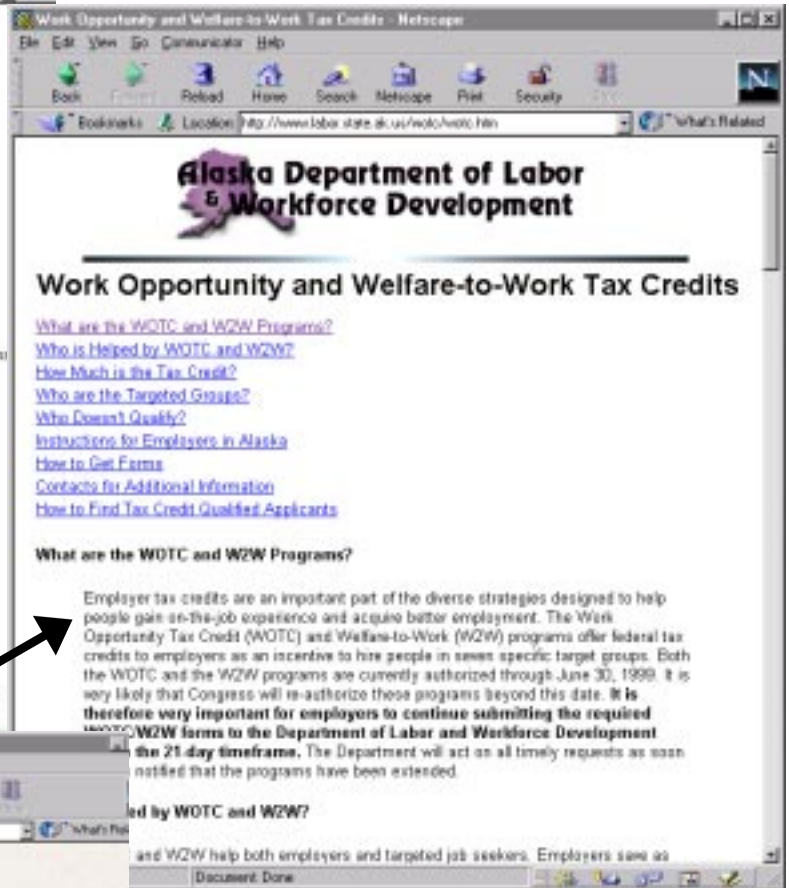
has become increasingly difficult to recruit processing workers from other states. This seasonal workforce is relied on heavily by Alaska's seafood industry.

The jobless rate still holds a runner-up position

The May unemployment rate has crept up eight-tenths of a percentage point above the prior year's level of 5.6%. (See Exhibit 5.) Nearly 20,300 workers were unemployed, compared to 17,860 in May of 1998. An increase in unemployment claims compared to 1998's levels, many stemming from the mining and related industries, has pushed up jobless numbers. Moreover, the oil industry layoffs, which have spread into other industries, have stunted employment growth in the state. In spite of this, May's jobless rate of 6.4% is still the second lowest rate for May in this decade.

From the previous month, the unemployment rate in May unexpectedly rose four-tenths of a percentage point, bucking a 20-year-old trend of falling or stable rates during the seasonal upswing in employment. Because wage and salary employment did rise, as is typical for the time of year, it is unlikely that the jobless rate will continue to depart from its long-established pattern.

Employer Resource Page



Two topics of much interest to employers are Work Opportunity and Welfare-to-Work Tax Credits, and Fidelity Bonding, featured on the web pages illustrated.

Either page is readily accessible from the Alaska Department of Labor and Workforce Development's *Employer* site at

<http://www.labor.state.ak.us/employer/employer.htm>