



**ALASKA ECONOMIC**  
**TRENDS**  
**DECEMBER 2012**

# The Nome Census Area

## **WHAT'S INSIDE**

**Housing has become more affordable**  
**Girdwood carves its own identity**



**ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT**

**Sean Parnell, Governor**  
**Dianne Blumer, Commissioner**

# ALASKA ECONOMIC TRENDS



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Sean Parnell, Governor  
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**On the cover:** Viewed from East Front Street last December, Bering Sea ice dominates the marine landscape around Nome, complicating the final fuel delivery of the season. Photo by David Dodman, KNOM Radio Mission, Inc.

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# David Stone was a lifelong advocate for Alaska and its workers



By Dianne Blumer,  
Commissioner

We lost a member of our Alaska Department of Labor and Workforce Development family when Deputy Commissioner David G. Stone passed away on Tuesday, Nov. 20 in Juneau. David was a champion of preparing Alaska workers for a great future and served for 10 years on the Alaska Workforce Investment Board.

Raised in Juneau, David earned a bachelor of science in geology from the University of Alaska and was a noted historian who co-authored “Hard Rock Gold,” a book about Juneau’s mining past. He was a past president of the Alaska Miners Association and a trustee of the Alaska Mining Hall of Fame.

David was also elected to three terms on the City and Borough of Juneau Assembly and served as a director of the Southeast Conference. While David will be sorely missed, he will be remembered for his lifelong work helping Juneau, Southeast, and all of Alaska continue to be a great place to live and work.

## Nome Area and Girdwood

This month’s *Trends* provides snapshots of two very different parts of Alaska — the area surrounding Nome, known internationally as the finish line of the Iditarod sled dog race, and world-class recreation and ski destination Girdwood.

Encompassing an area as large as West Virginia, the Nome Census Area comprises 15 villages and Nome, its commercial and transportation hub. Nome is connected to Teller by road, but the other villages are accessible only by small plane, boat, or snow-machine. Ninety percent of the area’s jobs are in service industries.

Girdwood began as a supply camp for gold miners along Turnagain Arm. The 1950 Census reported only 79 residents. Today, more than 2,500 residents enjoy a small town with big year-round recreation opportunities.

## Homes in Alaska

Also in this issue is a look at Alaska’s hous-

ing market, which reached the decade’s most affordable level in 2011. Alaska avoided the severe collapse in the rest of the U.S. due in part to more conservative lenders and an overall stable labor market.

Training for construction and building maintenance is a vital part of a continued healthy housing market in Alaska. Home construction includes a wide range of jobs, from carpentry and plumbing to concrete and electrical work. Jobs are also available in the industries that help protect and maintain structures in Alaska’s severe climate.

The Denali Training Fund, a partnership of the Denali Commission and the Alaska Department of Labor and Workforce Development, is accepting proposals to continue training residents in rural Alaska for jobs in building maintenance and repair. The deadline to apply is Jan. 25. The training is for upgrading the skills of incumbent workers or training those new to building maintenance and repair.

The Rural Alaska Community Action Program, Inc. — known as RurAL CAP — received a Denali Training Fund award to support its Energy Wise program that serves residents. The program provides energy use assessments and supplies to help conserve energy.

The fund also supports training for weatherization technicians. Communities that are part of RurAL CAP’s 2012 weatherization program include Anchorage, Goodnews Bay, Juneau, Kotzebue, Lower Kalskag, Nome, Scammon Bay, Selawik, Shaktoolik, and Toksook Bay.

Alaska Works Partnership and the Alaska Housing Finance Corporation have partnered with the Alaska Department of Labor, the Alaska State Energy Partnership, and the Construction Education Foundation to focus on improving energy efficiency in residential and commercial facilities.

Since 2008, more than 1,700 Alaskans have been trained in courses taught in more than 40 communities across the state, from Barrow to Dutch Harbor to Hydaburg.

# The Nome Census Area

## From the gold rush to a service-based economy



**T**he Nome Census Area has fewer than 10,000 people and less than one person per square mile, but its presence is much larger.

People are often familiar with Nome as the finish line of the world-famous Iditarod sled dog race, and recently as the site of a Discovery Channel reality show called “Bering Sea Gold.” It’s also a stop along the well-known Iron Dog snowmachine race. In many ways, Nome reflects Alaska’s grandeur and many recreational opportunities.

Outside of the area’s fame, its population and economy resemble many rural places in Alaska. The Nome Census Area, whose land mass is almost as large as West Virginia, includes 16 communities with Nome as its transportation and economic center. (See Exhibit 1.)

Although a road connects Nome to Teller, the other villages are off the road system and only accessible by small plane, boat, or snowmachine. Commercial jets carry mail, passengers, and freight to Nome, where they are loaded into smaller aircraft destined for the villages.



Above, this T.A. Rickard photo shows early gold miners in Nome, circa 1909. At the top of the page, a sled dog awaits the start of the Iditarod in Willow. Photo by Frank Kovalchek

Traditional Native villages in the area were located near rivers with salmon, or on islands close to abundant supplies of marine mammals and birds. Today, six of the area’s villages are on islands and the rest are located on the coastline, mostly near rivers. White Mountain is the only inland village that’s still occupied.

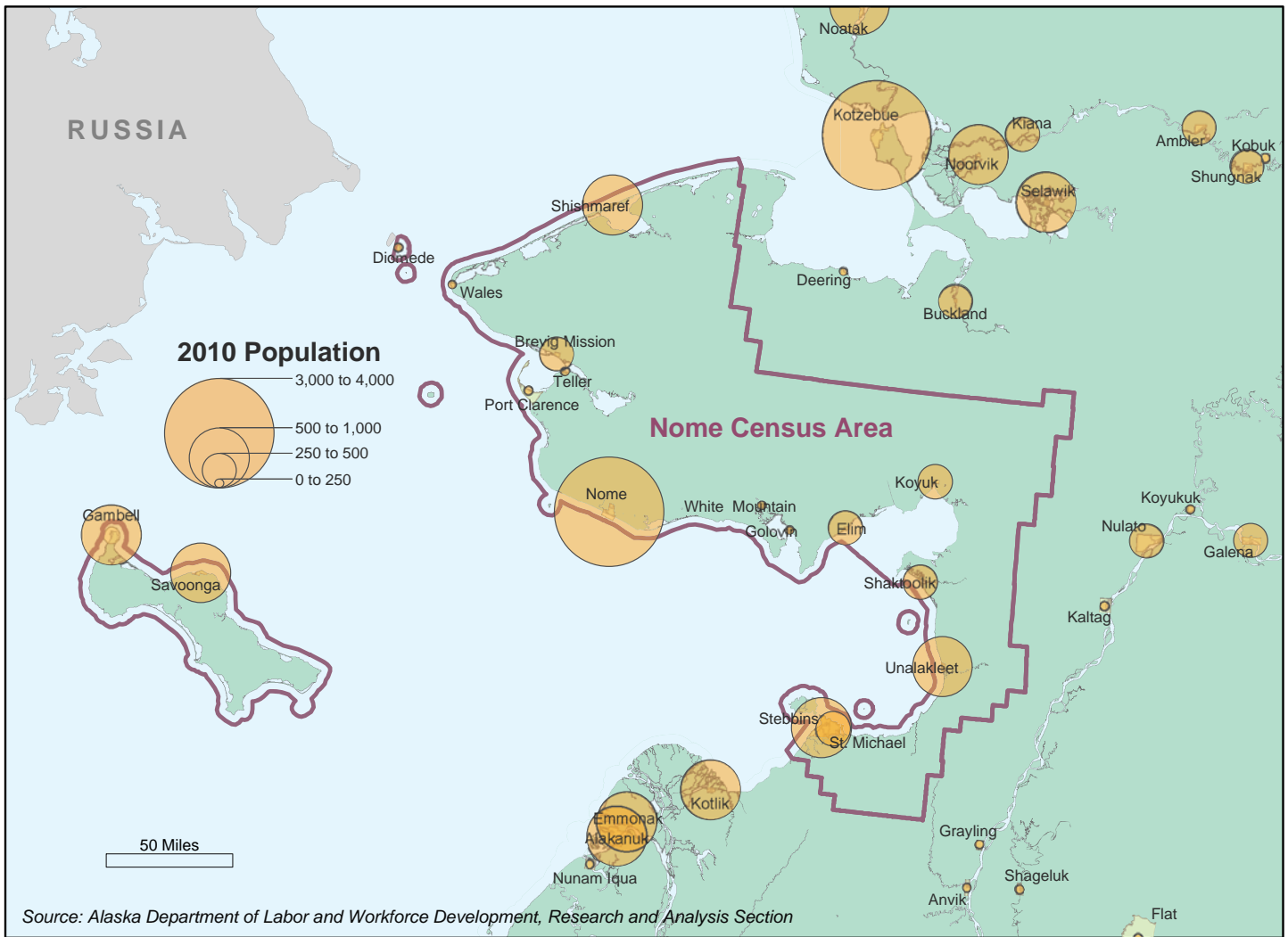
### Just 2.4 miles from Russia

Census area boundaries extend into the Pacific Ocean, and two of its islands are close to Russia. Little Diomed, with its 107 residents in Diomedede village, is just 2.4 miles from the Russian island of Big Diomedede. The Natives of the Diomedede Islands traded freely with each other before the establishment of the border between the United States and Russia in 1867.

The second island, St. Lawrence, is the area’s largest and was first settled at least 2,000 years ago. Gambell, a village on the northwestern tip, is just 36 miles from Russia. These residents also had family ties to the Russian Natives and traveled to Russia by boat, but the Cold War effectively closed the border in 1948, separating the families.



A bird's eye view of Nome. Photo by Sir Mildred Pierce



## A young Native population

Eighty-one percent of residents are Alaska Native, according to the 2010 Census. Specifically, the Natives are of three distinct groups: Inupiaq, Siberian Yupik, and Central Yupik.

More people are leaving the census area than staying, but the area is still growing due to a high rate of natural increase, or births minus deaths. Between 1991 and 2011, the population increased in 12 of 16 communities. (See Exhibit 1.)

The state's average birth rate in 2010–2011 was 1.6 per 100 people, but the Nome Census Area had a rate of 2.7. The area is also relatively young, with 38 percent of the population under age 19 at the time of the 2010 Census. The area's median age was 27.6, considerably younger than the statewide median of 33.8 years.

## Mining reshaped early economy

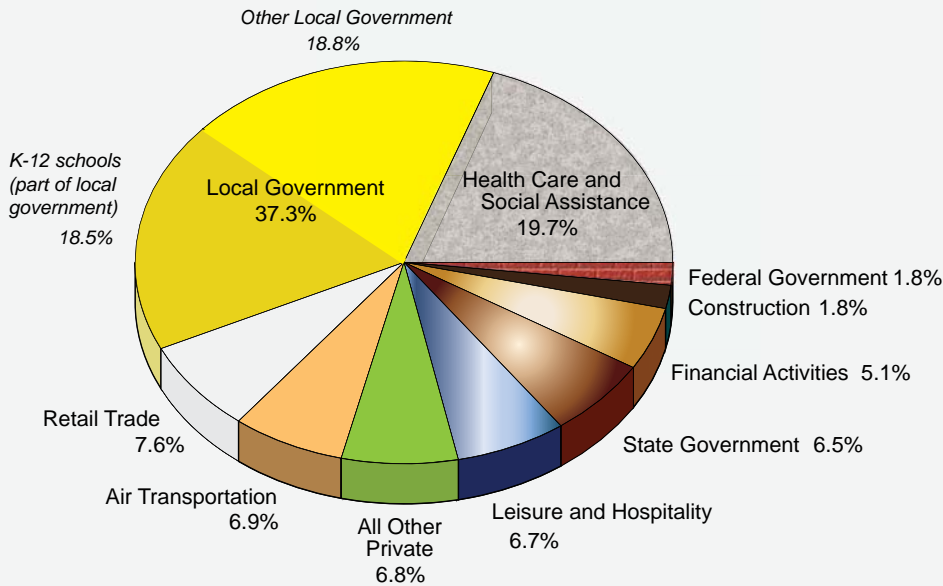
Before jobs and wages, residents relied on salmon, seal,

## Most Communities Have Grown **1** Nome Census Area, 1991 to 2011

| Community        | 1991  | 2011  | Change | Annual Growth |
|------------------|-------|-------|--------|---------------|
| Nome Census Area | 8,522 | 9,730 | 1,208  | 0.71%         |
| Brevig Mission   | 220   | 414   | 194    | 4.4%          |
| Savoonga         | 543   | 704   | 161    | 1.5%          |
| Nome             | 3,540 | 3,695 | 155    | 0.2%          |
| Stebbins         | 434   | 585   | 151    | 1.7%          |
| Gambell          | 551   | 677   | 126    | 1.1%          |
| St. Michael      | 298   | 411   | 113    | 1.9%          |
| Shishmaref       | 465   | 573   | 108    | 1.2%          |
| Koyuk            | 248   | 347   | 99     | 2.0%          |
| Shaktoolik       | 188   | 258   | 70     | 1.9%          |
| Elim             | 268   | 332   | 64     | 1.2%          |
| Golovin          | 145   | 171   | 26     | 0.9%          |
| White Mountain   | 180   | 199   | 19     | 0.5%          |
| Wales            | 158   | 154   | -4     | -0.1%         |
| Teller           | 256   | 245   | -11    | -0.2%         |
| Unalakleet       | 727   | 692   | -35    | -0.2%         |
| Diomedede        | 175   | 107   | -68    | -1.9%         |
| Balance          | 126   | 166   | 40     | 1.6%          |

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

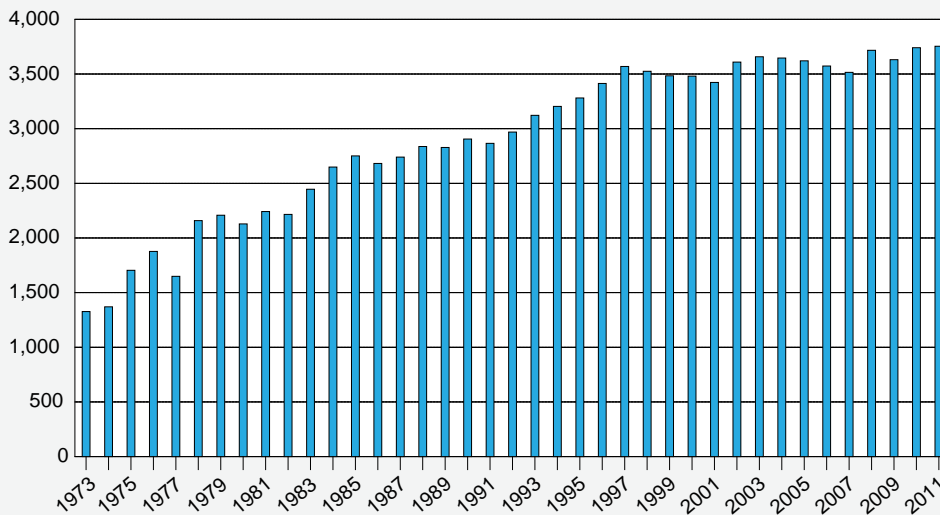
## 2 Local Government, Health Care Lead Industries Nome Census Area, 2011



Note: Percentages do not sum to 100 due to rounding.

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

## 3 Annual Employment Has Risen Steadily Nome Census Area, 1973 to 2011



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

whale, birds, walrus, and moose supplemented by berries and greens in the summer.

The area's subsistence economy began to change in the late 1800s with the gold rush. In 1898, three prospectors known as the Lucky Swedes found gold near the city of Nome, and people soon realized that gold could also be panned on the beaches.

The population swelled, and by the 1900 Census, Nome's population of 12,488 made it Alaska's largest city. Unofficial estimates were as high as 20,000 people during the summer of 1901.

Other population booms were recorded in the nearby villages of Teller and Council. With the prospectors came a flurry of construction and a market economy. Stores, saloons, churches, and schools sprang up, and gold remained the economic driver for decades.

It wouldn't last forever. By 1910, the census reflected a decrease of nearly 10,000 people, to 3,200. Ten years later, the population was just 852.

In 1925, remaining area miners discovered they could use steam to thaw the frozen ground. Mining then shifted to commercial-sized dredges that would eventually move inland, away from the beaches.

The last dredge ceased operations in 1962, but the remnants can still be seen today. More than 100 years after the gold rush, mining is no longer the area's main industry, but still a small and visible portion of the area's economy.

## Service industries paramount today

Today, the area's economy is mostly based on service industries, which provide more than 90 percent of jobs and wages. The majority of jobs are in local government, health care, and social services. (See Exhibit 2.)

Every village has a clinic and a public school, which provide employment opportunities where jobs are scarce. About half of local government employment is in the region's elementary and secondary schools, and the other half is in a variety of city and tribal agencies.

After local government, health care and social services is the area's second-largest sector. In 2011, it accounted for 20 percent of jobs, with average annual employment of 737.

Norton Sound Health Corporation operates a large hospital in Nome that supports 15 village clinics. The health care firm has actively promoted growth in the region, and in 2009 it secured funds to build a new 150,000-square-foot hospital in Nome, scheduled to open this year. Additional funds have helped upgrade village clinics.

Retail, leisure, and air transportation are the next-largest industries, a mix that provides some economic stability.

In 2008, Nome lost more than 100 high-paying jobs after the Rock Creek Mine closed, but by 2011, annual employment had rebounded to 3,755 jobs — the highest since 1973 when comparable data were first gathered. (See Exhibit 3.) The area's average annual employment grew overall between 2001 and 2011, gaining 332 jobs for a growth rate of 1 percent per year — slightly below the statewide average of 1.3 percent. Overall, most large industries gained jobs, except federal government and financial activities, which includes banking, real estate, and insurance. (See Exhibit 4.)

## Tourism and entertainment

A few cruise ships stop in Nome, though the num-



Gambell, a village on the northwestern tip of St. Lawrence Island. Siberia is visible on the horizon. Photo by K. Klunder

ber of annual passengers is small compared to other parts of the state. However, the area draws many independent visitors.

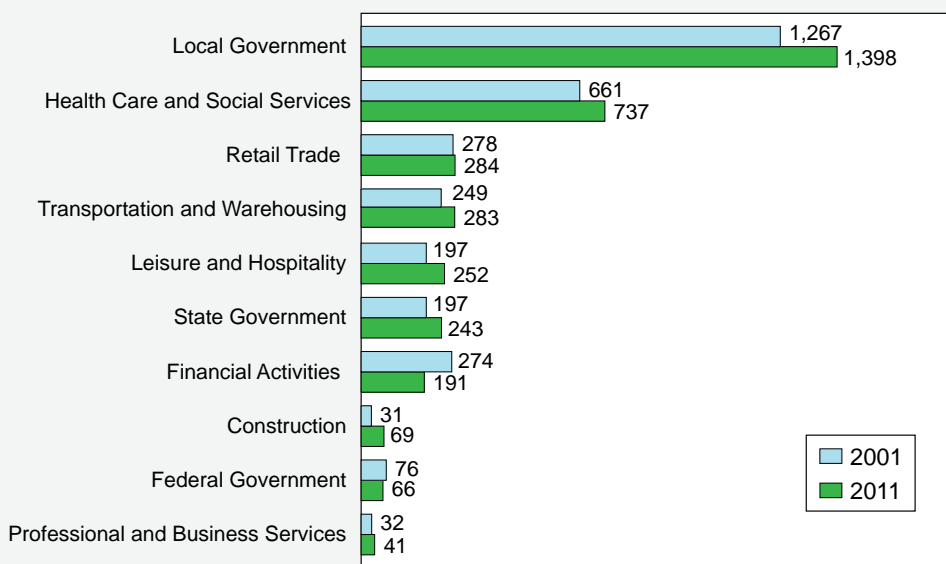
The Iditarod, which began in 1973, attracts tourists each year from all over the world to see the teams cross the finish line. Mushers and dog teams compete for more than \$500,000 in prizes, traveling more than 1,000 miles along the historic route taken by freight mushers carrying mail and supplies during the gold rush.

The Iron Dog, a long-distance snowmachine race, also stops in Nome and attracts visitors each year. Nome is the halfway point of the 2,000 mile race, and the town hosts an annual banquet. Snowmachine racing is also popular among locals — the treeless rolling tundra and frozen ground provide vast acreage for riding.

A number of tour operators cater to independent travelers and offer a variety of outdoor activities. These other popular tourist attractions include gold panning, hunting and fishing, and bird watching. The area's wetlands, ocean, and high alpine tundra are a stop for more than 150 species of migratory birds.

The leisure and hospitality industry, which includes many tourism-related jobs, increased by

## 4 Most Industries Have Gained Jobs Nome Census Area, 2001 to 2011



Note: A small number of construction jobs are classified under local government. Employment data for the mining industry is suppressed due to confidentiality laws that protect the privacy of individual employers.

Source: United States Department of Labor, Bureau of Labor Statistics

27.9 percent between 2001 and 2011. Most of the jobs were provided by hotels, restaurants, and bars, and these employers paid 85.7 percent of the industry's \$3.9 million in wages in 2011. The other 14.3 percent was mostly bingo and pull tab parlors and a few museums and tour operators.

### Nome's golden sands

Nome doesn't currently have a working commercial mine, but plenty of small-scale operations are under way. The Discovery Channel's reality television show "Bering Sea Gold," currently in its second season, showcases mining by small independent operators using a method called suction dredging.

Dredges of various sizes and shapes float on the surface of the ocean while a cold-water diver swims below and vacuums up sand and gravel from the ocean floor. Workers then sift the pay dirt for gold. It's a low cost form of placer mining that doesn't use chemicals to extract the gold, and dredges can be operated by just a few workers.

Though suction dredging has been used for years, the show's popularity has generated increased

interest. During the summer of 2012, 148 applicants were granted permits to suction dredge in Nome's public mining area, which is roughly 640 acres. Additional acreage is available only to those who have leased mineral rights from the state.

In 2011, the Alaska Department of Natural Resources' Division of Mining, Land, and Water held a public auction for 84 lease tracts near Nome. A company from South Africa spent \$5.5 million for the rights to develop 16,900 out of 23,500 total acres along 17 miles of coastline, and smaller operators purchased the rest of the tracts.

These ventures suggest mining will continue in some form, although the future of large-scale gold mining is uncertain. A

mining company called Nova Gold was awarded permits in 2006 for an open pit mine that it expected to provide 135 jobs for at least four years. Its Rock Creek Mine opened in September 2008 and closed in November of that year. According to news reports at the time, the mine closed because of permit violations, equipment problems, and budget overruns.

In November 2012, Bering Straits Native Corporation purchased the mine, all patented mining claims in the Rock Creek and Big Hurrah project areas, and gravel and sand resources in and around Nome. The local Native corporation will evaluate whether mining can resume at the site.

### Nome aims for a deep water port

The Port of Nome is a massive piece of infrastructure, with hundreds of large boulders stacked on top of each other to form a 2,982 foot causeway that extends into the Bering Sea. An additional 3,025 foot breakwater forms the entrance to the harbor.

Vessels carrying fuel, building supplies, vehicles, and equipment are offloaded at the port, which is used by fishing vessels as well as the mining in-



dustry. It's an economic asset that the city hopes to expand into a deep water port.

Arctic waters have less ice during the summer and remain open for long periods of time. A proposed port expansion into deeper waters would accommodate the increased number of mining-related vessels and make Nome a contender for future arctic commerce.

## Growing seafood industry

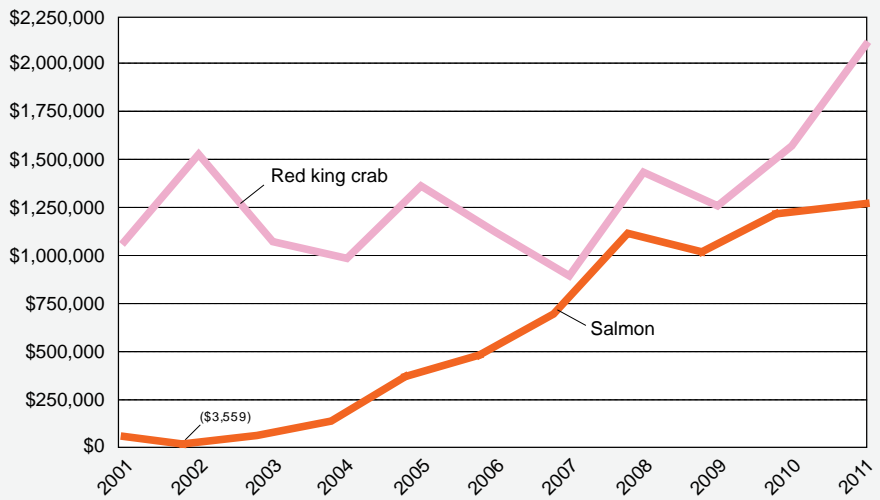
The Norton Sound salmon fishery is concentrated in waters near the villages of Golovin, Elim, Unalakleet, Koyuk, and Shaktoolik and is a significant source of jobs for census area residents. According to the Alaska Commercial Fisheries Entry Commission, 84 percent of area permit holders had a village mailing address, and 12 percent listed Nome or Anchorage.

Silver and chum salmon are the main species harvested, and a strong return and good prices resulted in a record-setting payout to salmon fishermen in 2011. (See Exhibit 5.)

The area's other major fishery, red king crab, is primarily a summer harvest restricted to smaller boats. In 2011, the ex-vessel price — the amount paid directly off the boat — was 5.23 cents per

## 5 Record Payouts for Salmon, Crab

Ex-vessel values, Norton Sound, 2001 to 2011



Source: Alaska Commercial Fisheries Entry Commission public database

pound for crab, resulting in another record payout that year. Many of these fishermen were locals — of the permit holders, 34 percent were from Nome and 64 percent lived in the surrounding villages.

Norton Sound also has a small herring fishery, which had an ex-vessel value of \$260,776 in 2011. Though the area's herring biomass is significant, the sea ice makes it hard to get to them during the fishing season.

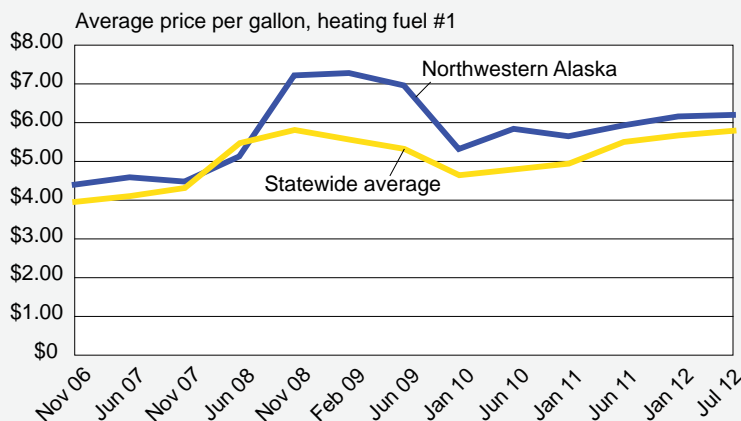
## Higher cost of living

Like many rural parts of the state, the cost of living in the Nome area is high. A major factor in the overall cost is heating fuel — northwestern Alaska communities pay some of the highest fuel prices in the state. Average prices in Nome topped \$6.00 per gallon in 2012. (See Exhibit 6.)

A 2008 cost-of-living study conducted for the Alaska Department of Administration showed that Nome also has higher housing and utility costs than the state's larger communities. With adjustments for the sizes

## 6 Rising Fuel Costs

Northwest Alaska, Nov. 2006 to July 2012



Source: Alaska Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

## 7 Living Costs Higher in Rural Alaska

Cost-of-living survey, March 2012

| Community      | Groceries<br>1 week <sup>1</sup> | Heating Oil<br>1 gallon | Gasoline<br>1 Gallon | Electricity<br>1,000 Kw/h |
|----------------|----------------------------------|-------------------------|----------------------|---------------------------|
| Dillingham     | \$360.74                         | \$5.22                  | \$7.29               |                           |
| <b>Nome</b>    | <b>\$283.19</b>                  | <b>\$6.00</b>           | <b>\$5.95</b>        | <b>\$175.75*</b>          |
| Bethel         | \$281.82                         | \$5.90                  | \$6.13               | \$337.79*                 |
| Cordova        | \$225.24                         | \$4.77                  | \$4.95               |                           |
| Haines         | \$207.61                         | \$4.72                  | \$4.97               | \$212.96*                 |
| Delta Junction | \$188.85                         | \$4.37                  | \$4.23               | \$233.30                  |
| Valdez         | \$184.22                         | \$4.50                  | \$4.69               | \$271.70                  |
| Ketchikan      | \$173.28                         | \$4.66                  | \$4.05               | \$102.20                  |
| Fairbanks      | \$158.83                         | \$4.34                  | \$4.16               | \$233.30                  |
| Palmer-Wasilla | \$157.71                         | \$4.40                  | \$4.21               |                           |
| Juneau         | \$153.45                         | \$4.42                  | \$4.34               | \$133.21                  |
| Kenai-Soldotna | \$152.62                         | \$3.90                  | \$4.52               | \$194.39                  |
| Anchorage      | \$146.62                         |                         |                      |                           |

Note: Not all categories were available for all participating communities.

<sup>1</sup>Weekly cost for a family of four with two children ages 6-11.

\*These communities participate in the state's power cost equalization program.

Source: University of Alaska Fairbanks, Cooperative Extension Service

of homes, Nome's combined cost for utilities and shelter was 24 percent more than Anchorage and 10 percent higher than Juneau.

A University of Alaska Fairbanks 2012 survey of select communities also showed Nome's living costs were some of the highest in the state. (See Exhibit 7.)

Although a permanent solution to the high cost of heating fuel has yet to be found, the census area has 34 installed wind turbines — 18 in Nome and 16 in the surrounding area — which reduce the amount of diesel required to generate electricity.

Another project that could lower the cost of living in Nome is a proposed 500-mile road that would connect the town to Fairbanks, following the north side of the Yukon River. In 2012, voters approved a bond package for statewide transportation projects that included \$6.5 million for the first 54 miles of

the road from Manley Hot Springs to Tanana.

If the road were built, it would become possible to move building materials, fuel, food, vehicles, equipment, and other large items by truck.

## Unemployment tends to be high

The Nome Census Area has higher-than-average unemployment, which is also typical of rural Alaska. The census area's overall unemployment rate was 12.3 percent in 2011 — considerably over the statewide average of 7.6 percent — and rates tend to be especially high in the smaller villages.

In 2012, 12 out of 16 census area communities were deemed distressed, according to criteria determined by the Denali Commission. One is "average market income," which divides commercial fishing and payroll income by the number of residents over age 16.

It's not considered a measurement of individual nor household income because it doesn't include earnings from self-employment, military, or federal jobs — however, it does suggest a significant income difference for those living in the distressed communities.

Nome's average market income was \$31,660 in 2011. In contrast, the average market income in Savoonga — the area's second largest village — was just \$8,298. Overall, the average market income for the 12 communities deemed distressed was \$16,120.

The three villages that did not meet the federal definition of distressed in 2012 were Unalakleet, Shaktoolik, and Golovin — all three had significant commercial fishing earnings. Unalakleet had the highest average market income of \$22,432 per year. It also had the highest number of permit holders for commercial salmon fishing, and the second highest for king crab.

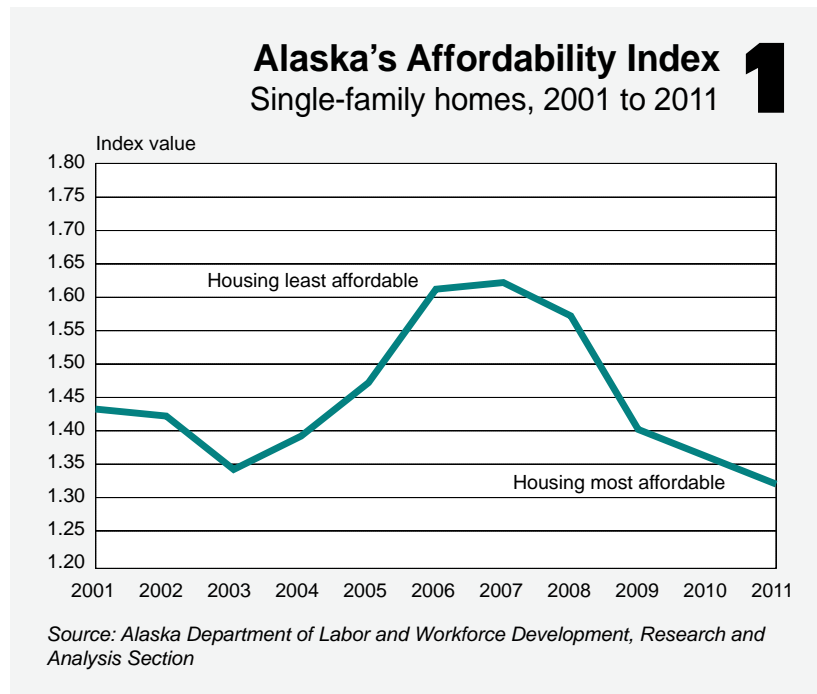
# Housing Has Become More Affordable

## But it's now harder to get a mortgage

The past decade was a volatile time for home affordability, both in Alaska and nationally. Easy access to credit and low interest rates spurred a run-up in average sales prices from 2003 to 2007, when housing reached its least affordable level. But then the tides turned — and by 2011, falling interest rates and lower home prices brought housing down to its most affordable level in the past decade.

However, home affordability is about more than just the relationship among prices, income, and interest rates. Though monthly payments have been reduced by the last decade's lower prices and rates and its marginally higher wages, today's housing market is considerably different from the heated environment of the mid-2000s. Housing may be more affordable by the numbers, but a new home can be harder to secure.

In the wake of the mortgage crisis that followed accelerated building and lending, access to credit has become tighter and many lenders now require larger down payments than in years past. Other costs, such as mortgage insurance premiums, have increased significantly for borrowers who



don't put down at least 20 percent. This tightening means that for those with poor credit or inadequate cash on hand, the costs of buying a home remain high and entry into homeownership is challenging.

## Factors that help determine housing affordability and how they're measured

Each quarter, the Alaska Department of Labor and Workforce Development compiles an index to monitor housing affordability across Alaska. This index, called the Alaska Affordability Index, measures a number of economic housing factors and how they interact, producing a single value.

Sales prices, loan amounts, income, and interest rates are the AAI's main components. The index value estimates how many wage earners it would take to afford a 30-year conventional mortgage for an average-priced home with 15 percent down, given the average interest rate and average income. Put another way, it tells you how many people have to bring in a paycheck to afford a home.

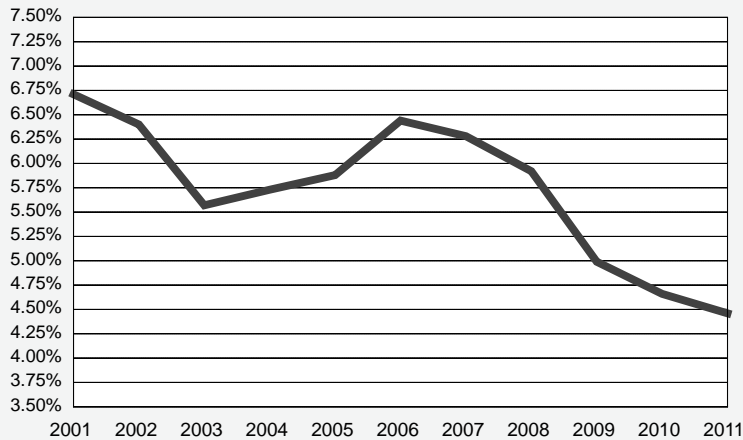
An index value of 1.0 means exactly one person's income is required to afford a typical home. An increasing number means additional income is necessary, making housing

less affordable. A value of less than 1.0 is typically considered more affordable.

However, the index is intended to monitor housing affordability based only on factors the Department of Labor and Workforce Development measures on a regular basis. Many other factors affect affordability, some of which are unique to homebuyers' situations and would be difficult to measure consistently. These factors include:

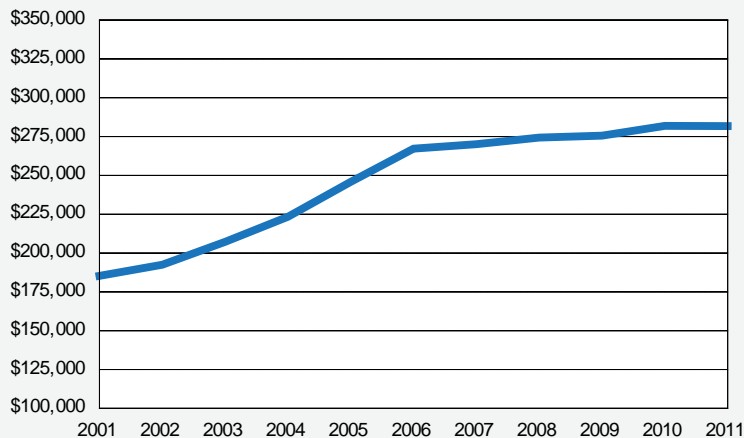
- Hazard insurance and mortgage insurance
- Property taxes, which vary by area and property size
- Utilities, which can be substantial and vary depending on energy type
- Adjustable rate mortgages, where monthly payments can change dramatically based on interest rate shifts

## 2 Interest Rates Continue to Fall Alaska, 1992 to 2011



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

## 3 Average Home Prices Level Out Alaska, 2001 to 2011



Note: Prices are for single-family homes.  
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

### How to judge affordability

The Alaska Department of Labor and Workforce Development produces the Alaska Affordability Index, or AAI, to track home affordability over time. The index considers several factors — including sales prices of single-family homes, average income, and interest rates — and creates a value that represents the number of wage earners it takes afford an average home.

An index value of 1.0, for example, means that one person's typical monthly paycheck is necessary to buy a home. A higher number means more wage earners are necessary, so housing is considered less affordable. For a more detailed discussion of the index, see the sidebar on page 11.

### What's behind the current trend

The AAI shows that the difference in affordability from 2007 to 2011 is primarily due to interest rates, which have fallen dramatically over the past four years. Rates in 2007 averaged nearly 2 percentage points higher than in 2011, when the average interest rate was 4.46 percent. (See Exhibit 2.)

Though average sales prices for single-family homes in Alaska increased significantly between 2003 and 2007, prices hovered near 2007 levels in the years that followed. (See Exhibit 3.)

Finally, average monthly wages have grown somewhat over the past decade, and when adjusted for inflation, have increased 5 percent since 2001.

### Regional differences in values

Though the statewide average shows housing is becoming more affordable, it's a different story for some individual markets within the state. Though low interest rates have generally made homes more affordable in most areas, other communities' housing remains significantly less affordable.

In 2011 for example, even with interest rates averaging below 4.5 percent, many parts of the state had index values exceeding 1.5, meaning it took a person's full monthly paycheck plus half of another to afford a home. (See Exhibit 4.)

Topping the list of the least affordable areas in 2011 were Juneau and Kodiak, each with an index value of over 1.6. Juneau and Kodiak have also been high historically, primarily due to higher sales prices and lower average wages.

Anchorage's average sales prices are just as high and in some years higher than Juneau and Kodiak, but Anchorage is considered more affordable because of its higher wages. Anchorage's index value was 1.45 in 2011, making it more affordable than

the Matanuska-Susitna Borough (1.47).

Index values can sometimes be misleading, though, because of the size of a market and variability in prices. For example, Bethel's 2011 index value was 1.49, making it appear more affordable than 1.54 in Ketchikan — but Bethel has a very small housing market and the sales price component of its index can swing significantly. At times, Bethel's index value has climbed as high as 2.0.

Mat-Su's higher-than-average index value, 1.47, is also complicated by its unique housing situation and proximity to Anchorage. Those who own a home in Mat-Su but work in Anchorage earn a higher Anchorage wage while benefitting from lower home costs. This arrangement produces a value of 1.07, the most affordable for any individual area.

It's important to note, however, that the index doesn't consider the cost of commuting. With high gasoline prices, the cost can be significant when considering the frequency and length of the drive between Mat-Su and Anchorage.

## National affordability trends

Alaska and the nation as a whole show similar affordability patterns. (See Exhibit 5.) Although the two indexes are calculated differently and aren't directly comparable, historical patterns show peaks and valleys at similar times over the past 10 years.

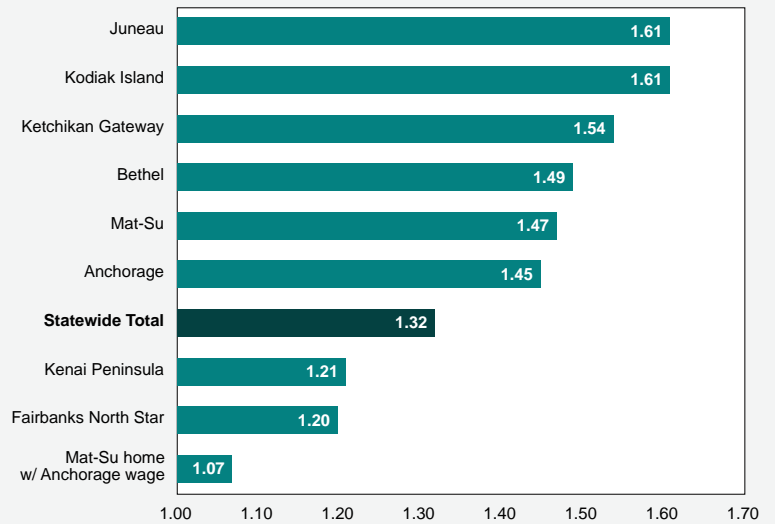
As in Alaska, U.S. housing became increasingly less affordable in the years leading up to the housing crisis, but was at its least affordable level a year earlier than in Alaska. In recent years, the national trajectory toward increasing affordability has been more pronounced, mainly because average U.S. sales prices had fallen farther and faster than in Alaska.

## Trend appears to continue

Data from the first two quarters of 2012 suggest interest rates are continuing to drop and reaching new lows. Continued falling rates combined with stability in prices and wages mean housing is likely to remain at its current level of affordability, and possibly become even more affordable in the near future.

## 4 Wage Earners Needed to Buy a Home

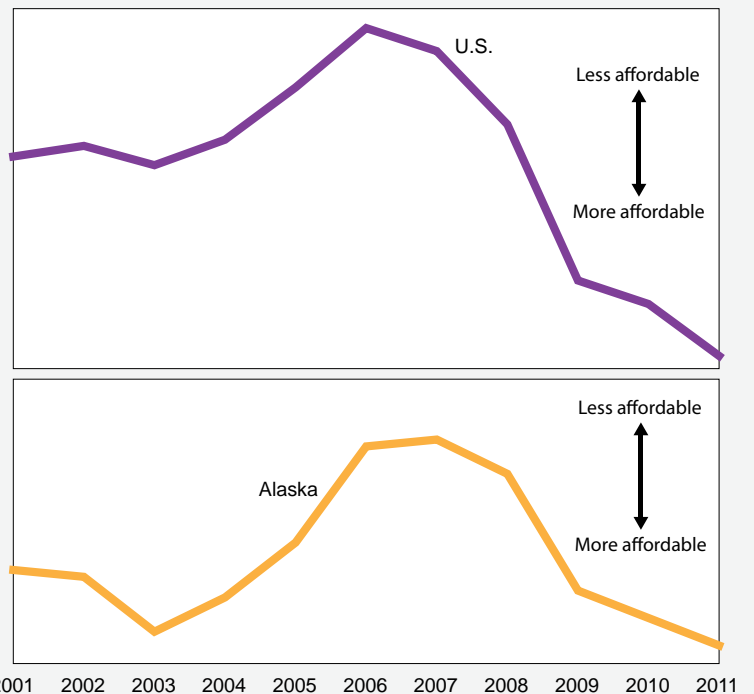
Regional affordability scores, 2011



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

## 5 Housing Affordability Patterns

Alaska and the United States, 2001 to 2011



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

# Girdwood Carves Its Own Identity

## Recreation defines the community's economy

**A**lthough Girdwood is technically part of Anchorage, the area has a unique economy and history. The small community 29 miles south of the Anchorage bowl was at one time an incorporated city, but in 1975 it was absorbed by Anchorage when the borough and municipality unified. However, the relatively isolated town has maintained its own identity.

Girdwood is best known for its large ski resort and the associated hotels and restaurants — three-quarters of its jobs are in leisure and hospitality, in stark contrast to 10 percent for Alaska as a whole.



Girdwood as seen from Mt. Alyeska. Photo by Nathan Searles

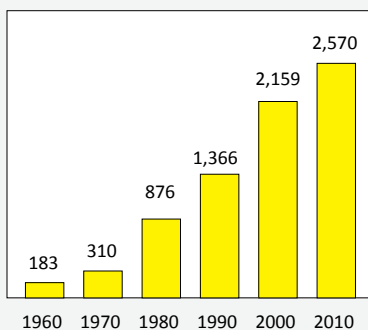
### Sprang to life in the '50s

Originally known as Glacier City, Girdwood came into being in 1896 as a supply camp for gold miners along Turnagain Arm. Construction of the Alaska Railroad in 1915 further fueled its growth. But with the completion of the railroad and the end of mining in the 1930s, Gird-

wood nearly became a ghost town.

During the late 1940s, construction of the Seward Highway breathed new life into the area. The Girdwood village population was just 79 at the 1950 Census, but by the late 1950s the first ski lift and lodge paved the way to what Girdwood is today: a

### 1 Girdwood Grows Population, 1960–2010



Note: Areas included in Girdwood counts changed over time.

Sources: Municipality of Anchorage Community Planning and Development Department; and U.S. Census Bureau

### Defining and measuring the Girdwood area

Because Girdwood is part of the Municipality of Anchorage, it's treated no differently than any other neighborhood in the city when it comes to the availability of economic and demographic data. As a result, data specific to Girdwood is produced less frequently and with less detail than for Anchorage as a whole.

The two main sources for these data are the U.S. Census Bureau's decennial census and the 2006–2010 American Community Survey, or ACS. The 2010 Census is limited to broad demographic

and housing data, and the ACS provides additional demographic and housing information as well as social and economic data. Because the ACS is sample-based and because Girdwood is small, the margins of error for some of the data can be large.

In this article, Girdwood refers to the community plus the population along Turnagain Arm south of the Anchorage bowl, along the Seward Highway to Portage, including such places as Indian and Bird Creek.

world-class ski resort and recreational area. It's also home to an ever-growing number of permanent residents and part-time "weekenders."

Since 1990, Girdwood's population has nearly doubled, to 2,242 in 2010 plus 328 in the outlying areas. (See the sidebar on page 14 and Exhibit 1.) It grew 19 percent between 2000 and 2010, topping Anchorage's 12.1 percent.

The reason is not completely clear, but there are several likely contributors. The 310-room Hotel Alyeska opened in 1994, and over time, significant improvements to the highway between Anchorage and Girdwood cut commuting times and improved safety. However, Girdwood may simply be a home more people want because it provides the lifestyle of a small town combined with a wealth of recreational opportunities in an incredible natural setting.

## Leisure the year-round driver

Leisure defines the area's economy, but unlike other tourist hot spots such as Denali or Skagway, tourism in Girdwood is year-round. (See Exhibit 2.) Wage and salary employment in 2011 peaked at 1,077 in March but wasn't far off in July, at 976. Girdwood is an attractive summer destination as well as a winter ski haven. And unlike the other visitor-dependent communities, its proximity to the state's largest city provides Girdwood with a steady flow of year-round customers.

A large slice of the area's workforce is missing from these numbers: commuters. An unknown but significant number of residents drive to Anchorage each day for work, evidenced by the average time Girdwood residents spend commuting, which is longer than the statewide and Anchorage averages. (See Exhibit 3.)

## 'Part-time' housing common

The Census Bureau identified nearly a third of Girdwood's housing units as "for seasonal, recreational, or occasional use," compared to 1 percent in Anchorage. Many people live elsewhere but own recreational property in Girdwood, one of the town's distinctive characteristics.

## A different age distribution

The differences between Girdwood and the rest of the state don't end at homes and jobs. Residents are

also a bit older, with a median age of 36.9 — that's not a dramatic departure from Anchorage's 32.9 years, but there are key differences.

Girdwood has proportionally fewer kids, which may be partially due to the lack of a high school, though Girdwood does have an elementary and junior high school. The area has the same proportion of 20-to-29-year-olds as the rest of the state, but it has a higher rate of those between 30 and 64. Girdwood also has fewer seniors.

## More men, less diverse

Another standout feature of Girdwood is how male it is — for every 124 men, there are 100 women. That's considerably higher than the 109-to-100 ratio for the state, which is the highest in the U.S. The ratio is more balanced in Anchorage, with 103 men for every 100 women.

Girdwood's high percentage of men isn't unusual in alpine skiing communities. Sixty-two percent of all skiers and 67 percent of snowboarders in the nation are male.

Girdwood is also considerably less diverse than the rest of Anchorage and most other places in Alaska. Its population was 91 percent white in 2010 versus 66 percent in Anchorage.

## 2 Jobs by Industry Girdwood area, 2011

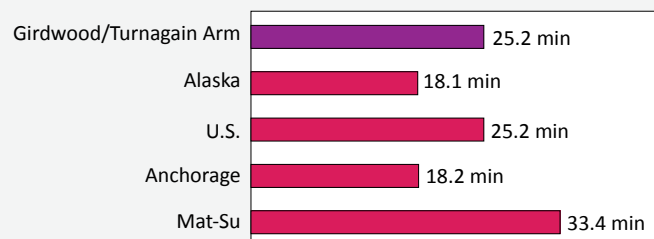
| Industry                           | Jobs |
|------------------------------------|------|
| Total                              | 976  |
| Construction                       | 48   |
| Retail Trade                       | 38   |
| Financial Activities               | 19   |
| Professional and Business Services | 49   |
| Education and Health Services      | 37   |
| Leisure and Hospitality            | 727  |
| Other Private Sector               | 40   |
| Government                         | 20   |

Notes: Because of the small size of Girdwood's workforce, much of its industry data are confidential and rolled into "Other Private Sector." Numbers do not sum to the total due to averaging. Girdwood numbers are a subset of Anchorage data, and therefore should be used only for general comparisons.

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

*Continued on page 18*

## 3 Residents Have Long Commutes Girdwood comparison, 2011



Source: U.S. Census Bureau, American Community Survey, 2006-2010

# Employment Scene

## How Alaska's industry mix compares to the U.S. as a whole



**A**laskans like to tout how exceptional we are — the state's geography, weather, size, and natural resources obviously set us apart from other states. But, how about where the "average" Alaskan works — is that also exceptional?

The answer is that it depends. Over time, Alaska's workforce has increasingly begun to resemble that of the nation. For example, the size of our retail and health care workforces are proportionally similar. In some areas, though, we still differ significantly.

Alaskans are much more likely to work in the oil industry, as fish processors, in government, or in transporting people or goods. However, in one area, we stand alone — nowhere else in the nation do people work in environments like Prudhoe Bay or Bristol Bay.

Here's a look at how industry employment stacks up in Alaska when compared to country as a whole.

- Nationally, you are more than twice as likely to work in **manufacturing** as you would be in Alaska. (See Exhibit 1.) Nine percent of U.S. workers are in manufacturing versus 4 percent in Alaska. The difference are even greater if you dig a bit deeper. For example, nearly three-quarters of Alaska's manufacturing industry is seafood processing versus less than 1 percent nationally.
- Nearly 6 percent of Alaska's private-sector workers are tied to **transportation** — double that of the national workforce. Geography is probably the biggest explanation for this disparity. What might involve a single delivery vehicle elsewhere often requires a truck, ship, airplane, and possibly a four-wheeler in Alaska.
- In 2011, the **oil industry** employed 4 percent of Alaska's wage and salary workers. Although this sounds small for one of the nation's largest oil producers, just 0.4 percent of U.S. workers are in the oil industry. Put differently, the likelihood of working in Alaska's oil industry was 10 times higher than for the nation as a whole.
- Although Alaska is home to plenty of **financial services** — such as real estate, title, and mortgage offices; banks; insurance companies; credit unions; and security firms — their presence in Alaska falls below the national average. One primary difference is that Alaska is not home to any of these firms' national or regional headquarters.
- **Health care** is still somewhat underrepresented in Alaska, but the gap is narrowing as it's growing much faster than in the rest of the country. In 1990, health care was just 4 percent of Alaska's jobs versus 7 percent for the U.S. Today, the difference is just over 1 percentage point.
- Alaska has a smaller percentage of **professional and business services** jobs overall than the nation, but the state has a similar percentage in several subcategories including engineering, legal, accounting, waste services, travel agencies, and landscaping services.
- A quarter of working Alaskans were employed by **government** in 2011 in contrast to 16 percent nationally. Alaskans are also more than twice as likely to work for federal or state government. The high share of federal jobs is due in part to the military presence in the state and its vast land holdings and other responsibilities. The state government also has a large land and natural resource base to manage. The state is involved in some unusual responsibilities, such as the Permanent Fund, the Alaska Railroad, Alaska Housing Finance Corporation, and many airports. Alaska's lo-



cal government presence, however, is just slightly higher than the national average.

- Both nationally and in Alaska, a little over 11 percent of the workforce are employed in **retail trade**. During the meteoric growth of new retailers that began in the early 1990s, Alaska caught up with the rest of the nation. On the other hand, at the wholesale trade level, the story is quite different — Alaska has half the representation of the rest of the country. Seattle and other places in the country continue to serve this function for Alaska.
- Given the size of the state’s visitor sector, it is not surprising that proportionately more jobs in Alaska are dedicated to the **accommodation** industry, despite the extreme seasonality of Alaska’s businesses. But when it comes to **food and drinking places**, it appears Alaska has a bit of catching up to do. Given the relatively strong growth in this sector, that could happen in the not-so-distant future.
- With all the public dollars flowing into Alaska for **construction** projects during the past decade and the beating this industry took nationally during the recent recession, one might expect Alaska’s construction workforce to be proportionately larger than the nation. However, the difference between the two is relatively small.
- The **information industry** is largely made up of the media, including television and radio stations, newspapers, cable companies, publishers, movie theaters, and telecommunications. Statewide and nationally, information represents roughly 2 percent of jobs.
- **Other services** include maintenance and repair shops; funeral homes; laundries; and civic, social, and political organizations. In both of these categories, Alaska and the rest of the nation appear to consume similar amounts of services.

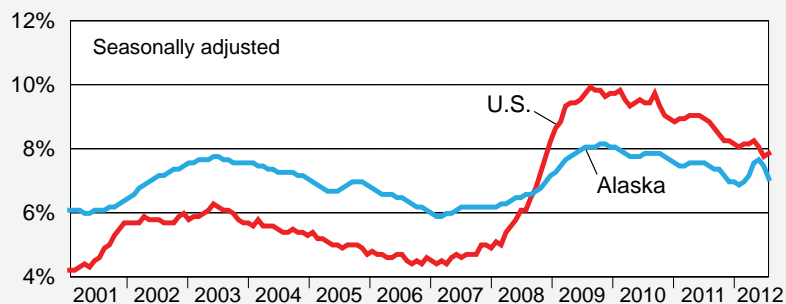
## 1 Comparison of Jobs by Industry Alaska vs. United States, 2011

| Industry                             | Alaska<br>Employment | % of<br>Alaska | U.S.<br>Employment | % of<br>U.S. |
|--------------------------------------|----------------------|----------------|--------------------|--------------|
| <b>Total</b>                         | <b>328,566</b>       |                | <b>129,411,095</b> |              |
| Natural Resources and Mining         | 16,943               | 5.2%           | 1,860,359          | 1.4%         |
| Mining                               | 15,698               | 4.8%           | 730,048            | 0.6%         |
| Oil and Gas Extraction               | 12,981               | 4.0%           | 499,507            | 0.4%         |
| Mining, except oil and gas           | 2,536                | 0.8%           | 214,270            | 0.2%         |
| Construction                         | 15,782               | 4.8%           | 5,473,045          | 4.2%         |
| Manufacturing                        | 13,686               | 4.2%           | 11,701,497         | 9.0%         |
| Seafood Processing                   | 10,130               | 3.1%           | 37,079             | 0.0%         |
| Wholesale Trade                      | 6,301                | 1.9%           | 5,545,802          | 4.3%         |
| Retail Trade                         | 35,718               | 10.9%          | 14,666,625         | 11.3%        |
| Transportation/Warehousing/Utilities | 19,270               | 5.9%           | 4,055,639          | 3.1%         |
| Air Transportation                   | 5,756                | 1.8%           | 455,112            | 0.4%         |
| Information                          | 6,316                | 1.9%           | 2,674,852          | 2.1%         |
| Financial Activities                 | 14,689               | 4.5%           | 7,416,409          | 5.7%         |
| Professional and Business Services   | 27,132               | 8.3%           | 17,298,233         | 13.4%        |
| Educational and Health Services      | 43,548               | 13.3%          | 19,035,334         | 14.7%        |
| Health Care                          | 31,467               | 9.6%           | 13,972,517         | 10.8%        |
| Social Assistance                    | 9,761                | 3.0%           | 2,516,877          | 1.9%         |
| Leisure and Hospitality              | 32,462               | 9.9%           | 13,294,603         | 10.3%        |
| Accommodation                        | 7,833                | 2.4%           | 1,784,558          | 1.4%         |
| Food Services and Drinking Places    | 19,895               | 6.1%           | 9,587,402          | 7.4%         |
| Other Services                       | 11,957               | 3.6%           | 4,408,735          | 3.4%         |
| Government                           | 82,431               | 25.1%          | 21,226,299         | 16.4%        |
| Federal Government                   | 17,037               | 5.2%           | 2,863,132          | 2.2%         |
| State Government                     | 25,961               | 7.9%           | 4,553,697          | 3.5%         |
| Local Government                     | 39,433               | 12.0%          | 13,809,471         | 10.7%        |

Sources: Quarterly Census of Employment and Wages; Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Department of Labor, Bureau of Labor Statistics

## 2 Unemployment Rates

January 2001 to October 2012



Source: Alaska Department of Labor and Workforce Development, Research and Analysis; and U.S. Bureau of Labor Statistics

## 4 Unemployment Rates

Boroughs and census areas

| SEASONALLY ADJUSTED                 | Prelim.     | Revised     |             |
|-------------------------------------|-------------|-------------|-------------|
|                                     | 10/12       | 9/12        | 10/11       |
| <b>United States</b>                | <b>7.9</b>  | <b>7.8</b>  | <b>8.9</b>  |
| <b>Alaska Statewide</b>             | <b>7.1</b>  | <b>7.5</b>  | <b>7.5</b>  |
| <b>NOT SEASONALLY ADJUSTED</b>      |             |             |             |
| <b>United States</b>                | <b>7.5</b>  | <b>7.6</b>  | <b>8.5</b>  |
| <b>Alaska Statewide</b>             | <b>6.0</b>  | <b>6.3</b>  | <b>6.9</b>  |
| <b>Anchorage/Mat-Su Region</b>      | <b>5.1</b>  | <b>5.6</b>  | <b>6.1</b>  |
| Municipality of Anchorage           | 4.7         | 5.2         | 5.6         |
| Matanuska-Susitna Borough           | 6.5         | 7.1         | 8.0         |
| <b>Gulf Coast Region</b>            | <b>7.0</b>  | <b>7.0</b>  | <b>8.1</b>  |
| Kenai Peninsula Borough             | 7.1         | 7.5         | 8.4         |
| Kodiak Island Borough               | 5.1         | 4.9         | 5.8         |
| Valdez-Cordova Census Area          | 9.1         | 6.9         | 9.7         |
| <b>Interior Region</b>              | <b>5.8</b>  | <b>6.1</b>  | <b>6.9</b>  |
| Denali Borough                      | 15.3        | 5.2         | 15.7        |
| Fairbanks North Star Borough        | 5.0         | 5.4         | 6.0         |
| Southeast Fairbanks Census Area     | 9.3         | 9.6         | 9.7         |
| Yukon-Koyukuk Census Area           | 12.2        | 13.2        | 13.8        |
| <b>Northern Region</b>              | <b>8.3</b>  | <b>9.7</b>  | <b>9.5</b>  |
| Nome Census Area                    | 9.9         | 11.2        | 11.1        |
| North Slope Borough                 | 4.8         | 5.6         | 5.8         |
| Northwest Arctic Borough            | 12.6        | 14.8        | 13.8        |
| <b>Southeast Region</b>             | <b>5.8</b>  | <b>5.5</b>  | <b>6.9</b>  |
| Haines Borough                      | 6.6         | 4.8         | 7.9         |
| Hoonah-Angoon Census Area           | 11.5        | 11.9        | 14.0        |
| Juneau, City and Borough of         | 4.3         | 4.3         | 5.1         |
| Ketchikan Gateway Borough           | 5.8         | 5.3         | 6.7         |
| Petersburg Census Area <sup>1</sup> | 8.4         | 7.0         | 8.5         |
| Prince of Wales-Hyder Census Area   | 10.4        | 12.5        | 13.4        |
| Sitka, City and Borough of          | 4.6         | 4.8         | 6.0         |
| Skagway, Municipality of            | 17.3        | 2.4         | 21.9        |
| Wrangell, City and Borough of       | 7.7         | 6.8         | 9.4         |
| Yakutat, City and Borough of        | 7.0         | 5.8         | 8.4         |
| <b>Southwest Region</b>             | <b>12.5</b> | <b>12.5</b> | <b>11.7</b> |
| Aleutians East Borough              | 11.2        | 11.1        | 10.5        |
| Aleutians West Census Area          | 10.3        | 7.7         | 7.2         |
| Bethel Census Area                  | 13.5        | 15.5        | 12.8        |
| Bristol Bay Borough                 | 6.0         | 3.0         | 7.1         |
| Dillingham Census Area              | 9.8         | 9.0         | 10.2        |
| Lake and Peninsula Borough          | 5.3         | 5.5         | 6.4         |
| Wade Hampton Census Area            | 19.2        | 20.6        | 17.4        |

### GIRDWOOD

Continued from page 15

### Lower income, more education

The estimated margin of error for median household income for the area is too large to draw firm conclusions, but income is somewhat lower than in Anchorage.

Girdwood residents are apparently more educated, though. The rate of those over age 25 with bachelor's degrees or higher, 49.9 percent, is measurably higher than both Anchorage (33.0 percent) and the state (27.0 percent).

## 3 Statewide Employment

Nonfarm wage and salary

| Alaska   | Preliminary |         | Revised |        | Year-Over-Year Change   |       |
|--|-------------|---------|---------|--------|-------------------------|-------|
|  | 10/12       | 9/12    | 10/11   | 10/11  | 90% Confidence Interval |       |
| <b>Total Nonfarm Wage and Salary<sup>1</sup></b>   | 325,800     | 342,000 | 325,700 | 100    | -5,977                  | 6,177 |
| Goods-Producing <sup>2</sup>                       | 41,200      | 46,200  | 42,000  | -800   | -3,766                  | 2,166 |
| Service-Providing <sup>3</sup>                     | 284,600     | 295,800 | 283,700 | 900    | -                       | -     |
| <b>Mining and Logging</b>                          | 16,800      | 17,100  | 16,200  | 600    | -635                    | 1,835 |
| Mining   | 16,700      | 17,000  | 16,000  | 700    | -                       | -     |
| Oil and Gas  | 13,400      | 13,600  | 13,200  | 200    | -                       | -     |
| <b>Construction</b>                                | 15,300      | 15,400  | 16,500  | -1,200 | -2,713                  | 313   |
| <b>Manufacturing</b>                               | 9,100       | 13,700  | 9,300   | -200   | -2,559                  | 2,159 |
| <b>Wholesale Trade</b>                             | 6,600       | 6,900   | 6,000   | 600    | 261                     | 939   |
| <b>Retail Trade</b>                                | 35,100      | 35,900  | 35,400  | -300   | -1,084                  | 484   |
| Food and Beverage Stores                           | 6,300       | 6,300   | 6,300   | 0      | -                       | -     |
| General Merchandise Stores                         | 9,900       | 9,900   | 10,100  | -200   | -                       | -     |
| <b>Transportation, Warehousing, Utilities</b>      | 21,100      | 23,600  | 20,800  | 300    | -534                    | 1,134 |
| Air Transportation                                 | 5,800       | 6,200   | 5,700   | 100    | -                       | -     |
| <b>Information</b>                                 | 6,300       | 6,300   | 6,400   | -100   | -375                    | 175   |
| Telecommunications                                 | 4,000       | 4,000   | 4,200   | -200   | -                       | -     |
| <b>Financial Activities</b>                        | 14,700      | 15,100  | 15,200  | -500   | -1,367                  | 367   |
| <b>Professional and Business Services</b>          | 27,500      | 28,700  | 27,400  | 100    | -1,256                  | 1,456 |
| <b>Educational<sup>4</sup> and Health Services</b> | 46,600      | 46,000  | 45,400  | 1,200  | 65                      | 2,335 |
| Health Care  | 32,600      | 32,400  | 31,800  | 800    | -                       | -     |
| <b>Leisure and Hospitality</b>                     | 29,100      | 36,100  | 29,700  | -600   | -3,269                  | 2,069 |
| <b>Other Services</b>                              | 11,400      | 11,000  | 10,700  | 700    | -121                    | 1,521 |
| <b>Government</b>                                  | 86,200      | 86,200  | 86,700  | -500   | -                       | -     |
| Federal Government <sup>5</sup>                    | 15,800      | 16,400  | 16,700  | -900   | -                       | -     |
| State Government <sup>6</sup>                      | 26,700      | 26,700  | 26,600  | 100    | -                       | -     |
| State Government Education <sup>7</sup>            | 8,600       | 8,400   | 8,600   | 0      | -                       | -     |
| Local Government                                   | 43,700      | 43,100  | 43,400  | 300    | -                       | -     |
| Local Government Education <sup>8</sup>            | 26,000      | 25,200  | 25,600  | 400    | -                       | -     |
| Tribal Government                                  | 4,100       | 4,300   | 3,900   | 200    | -                       | -     |

A dash means confidence intervals aren't available at this level.

<sup>1</sup>Excludes the self-employed, fishermen and other agricultural workers, and private household workers. For estimates of fish harvesting employment and other fisheries data, go to [labor.alaska.gov/research/seafood/seafood.htm](http://labor.alaska.gov/research/seafood/seafood.htm).

<sup>2</sup>Goods-producing sectors include natural resources and mining, construction, and manufacturing.

<sup>3</sup>Service-providing sectors include all others not listed as goods-producing sectors.

<sup>4</sup>Private education only

<sup>5</sup>Excludes uniformed military

<sup>6</sup>This number is not a count of state government positions, but the number of people who worked during any part of the pay period that included the 12<sup>th</sup> of the month (the same measure used for all employment numbers in this table). The numbers can vary significantly from month to month; when attempting to identify trends, annual averages are more useful.

<sup>7</sup>Includes the University of Alaska. Variations in academic calendars from year to year occasionally create temporarily large over-the-year changes.

<sup>8</sup>Includes public school systems. Variations in academic calendars from year to year occasionally create temporarily large over-the-year changes.

Sources for Exhibits 2, 3, and 4: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Department of Labor, Bureau of Labor Statistics

# Employer Resources

## Workers' comp insurance required for all with employees

The Alaska Workers' Compensation Act requires all employers with one or more employees in Alaska to have workers' compensation insurance, unless the employer has at least 100 employees and has been approved as a self-insurer.

Employers purchase workers' compensation insurance from commercial insurance carriers. Once employers have insurance, they're required to post in their workplaces an Employer's Notice of Insurance, which insurance companies provide. Employers must also submit proof of insurance to the Workers' Compensation Division, the administrative arm of the Workers' Compensation Board.

Executive officers of for-profit corporations are required to have workers' compensation insurance unless they

choose to waive coverage by filing a waiver with the division.

If employers are unable to obtain insurance coverage from a commercial carrier, they can purchase insurance through a state assigned risk pool. And if employers feel their insurance premium is too high, they can request arbitration.

For more information or forms, call the Workers' Compensation Division at (907) 465-2790 or visit the department's "Links for Employers" Web site at: [www.labor.alaska.gov/employer/employer.htm](http://www.labor.alaska.gov/employer/employer.htm) and click on "Workers' Compensation." On the Workers' Compensation page, the "Forms" and "Employer Information" links under "Quick Links" on the right are particularly helpful.

# Safety Minute

## Ice cleats a highly effective but overlooked guard against falls

Of all the items available for enhancing personal safety during winter months — such as hats, gloves, coats, and boots — ice cleats are probably the most overlooked. When used in the right situation, ice cleats bring a substantial amount of sure-footedness, nearly canceling out the slippery effect of an icy surface. However, people often avoid using ice cleats until they find themselves painfully on their backs.

Ice cleats have come a long way in ease of putting them on and taking them off. The newer styles also

typically don't scar or smudge your shoes. Though they'll wreak havoc on carpet and other indoor surfaces such as tile, no other product can match ice cleats for walking safely outside in the winter. If slips and falls are a winter risk for you, ice cleats are worth a second look.

For more information on this or other occupational safety issues, contact the Alaska Department of Labor and Workforce Development's Labor Standards and Safety Division at: (907) 269-4955.