ALASKA ECONOMIC TRENDS

MAY 2014

The Copper River Basin

WHAT'S INSIDE

The growth in older workers
Unemployment tax changes

ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT
Sean Parnell, Governor
Dianne Blumer, Commissioner

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On the cover:
A first view of the Kennecott Copper Mines, photo courtesy of Flickr user Mark Stevens

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Future retirements, projects will create job opportunities

By Dianne Blumer, Commissioner

This month's *Trends* focuses on Alaska's Copper River Basin. The basin is about the size of West Virginia and home to Wrangell-St. Elias National Park. At 13.2 million acres, Wrangell-St. Elias is the largest among national parks.

The area comprises 20 small communities without legally defined boundaries. Most of the population lives on the western bank of the Copper River, which runs through the basin. In 30 years, the number of basin residents has increased by only 231.

The basin is home to a population whose median age of 42.2 is higher than the state's median of 33.8.

Like the inhabitants of the Copper River Basin, Alaska's workforce is aging. Also in this issue we report that over the past 10 years, the number of Alaska workers who are 55 or older has more than doubled to 60,000. That means roughly one in five resident Alaskans in our workforce most likely will retire in the next decade.

While employers will need to ensure that institutional knowledge and experience don't walk out the door all at once, the opportunity will come when businesses take a look at how they operate, and find ways to streamline and adapt. The wave of Alaskans retiring will also provide an avenue for meaningful advancement for younger workers.

The need to replace 18 percent of our workforce as they retire comes at a time when the Parnell Administration is ready to move forward on an Alaska gasline.

For the first time in Alaska's history, we have the producers, a preeminent pipeline builder, and authorization from the Alaska Legislature to proceed into the early engineering and design phase — a clear path forward on an 800-mile Alaska LNG Project from the North Slope to Nikiski.

Gov. Sean Parnell's legislation was passed in time for a summer field season to refine the cost and engineering needs of the project. The state and producers will also begin exploring markets for North Slope gas for Alaskans and beyond.

A gas pipeline means affordable energy and more jobs for Alaskans. The Alaska Department of Labor and Workforce Development is committed to ensuring Alaskans are ready for pipeline construction that will create upwards of 9,000 jobs.

Everybody loves a comeback story, and Alaska's is just beginning. Through the More Alaska Production Act, our oil and gas industry is undergoing a renaissance. Favorable market conditions, well-timed and properly structured incentives, and a fair tax structure focused on new production are all encouraging investments in Alaska.

That new exploration and development is evident in BP's investment of an additional $1 billion on Alaska's North Slope, plans to reinvest 90 cents of every dollar it makes in Alaska back into Alaska, and additional drill rigs that will produce 30 to 40 new wells and 200 new jobs. Adding two rigs in the field by 2016 will bring BP's rig count to nine, the highest in more than seven years.

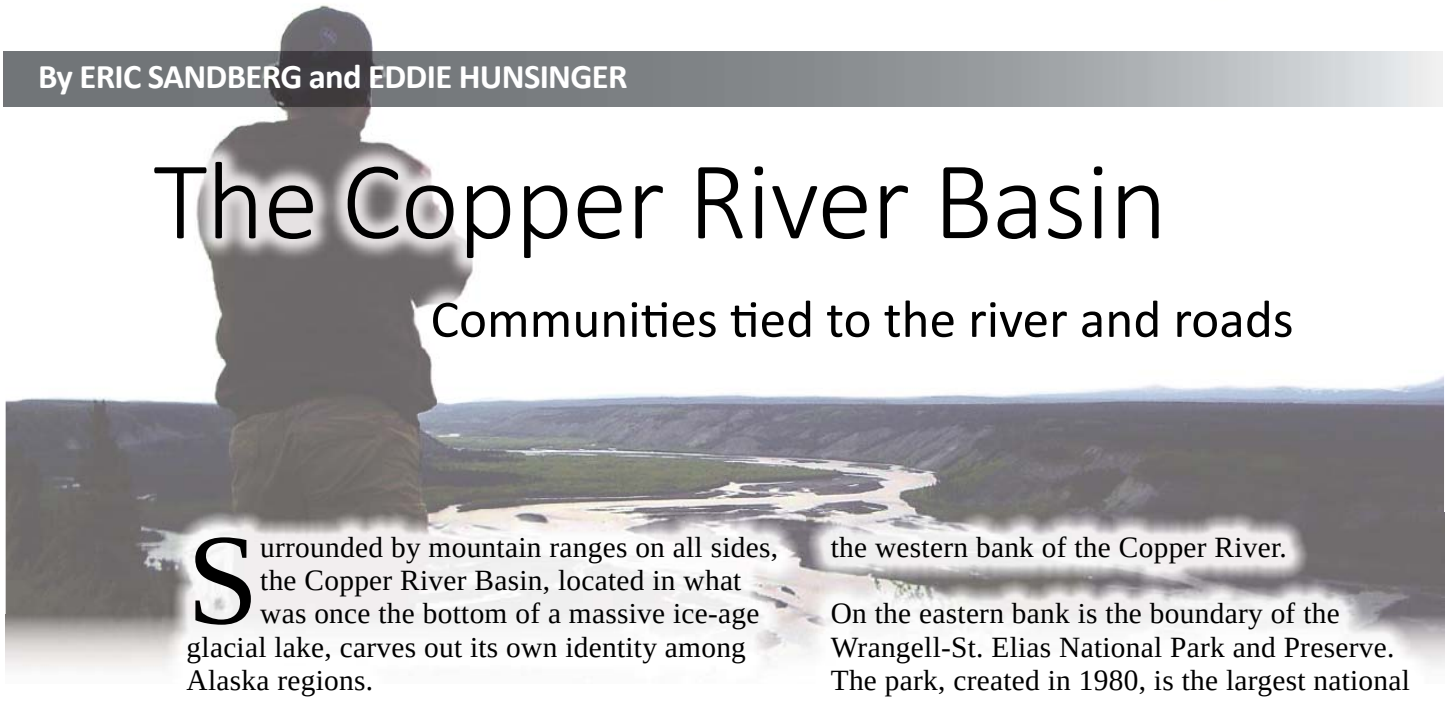
Additional efforts are coming from other major producers ConocoPhillips and ExxonMobil, and from emerging companies such as Hilcorp, Repsol, Brooks Range Petroleum, and Caelus Energy Alaska.

Alaska has an unprecedented portfolio of opportunity with thousands of new jobs in the making with any one project. Combined, these will build the foundation for Alaska's economic future.

By ERIC SANDBERG and EDDIE HUNSINGER

The Copper River Basin

Communities tied to the river and roads



Surrounded by mountain ranges on all sides, the Copper River Basin, located in what was once the bottom of a massive ice-age glacial lake, carves out its own identity among Alaska regions.

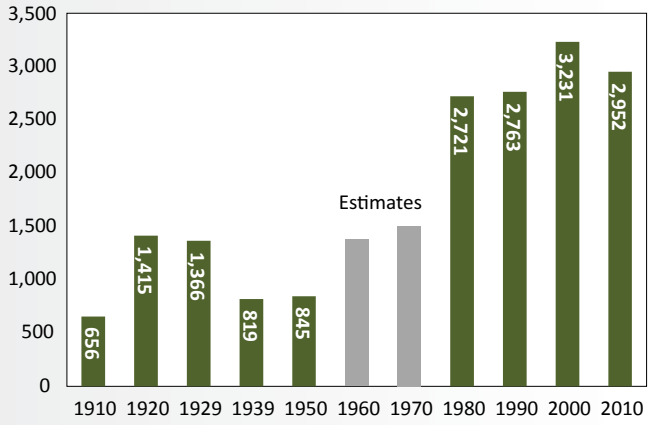
One of Alaska's major waterways, the Copper River descends from the Wrangell Mountains and heads north before taking a counterclockwise turn through the basin, the Chugach Mountains, and finally empties into the Gulf of Alaska.

With about the same amount of land area as West Virginia, the region is dotted with houses and communities stretched mostly along the highway system. Most of the region's population lives on the western bank of the Copper River.

On the eastern bank is the boundary of the Wrangell-St. Elias National Park and Preserve. The park, created in 1980, is the largest national park in the United States.

The Copper River Basin is the only region of the state that has neither a borough-level government nor any city-level governments. The state manages the Copper River School District. Seven villages have tribal councils (Chistochina, Chitina, Copper Center, Gakona, Gulkana, Mentasta, and Tazlina), and these are the region's only local governments.

1 **Copper River Basin Population**
1910 to 2010



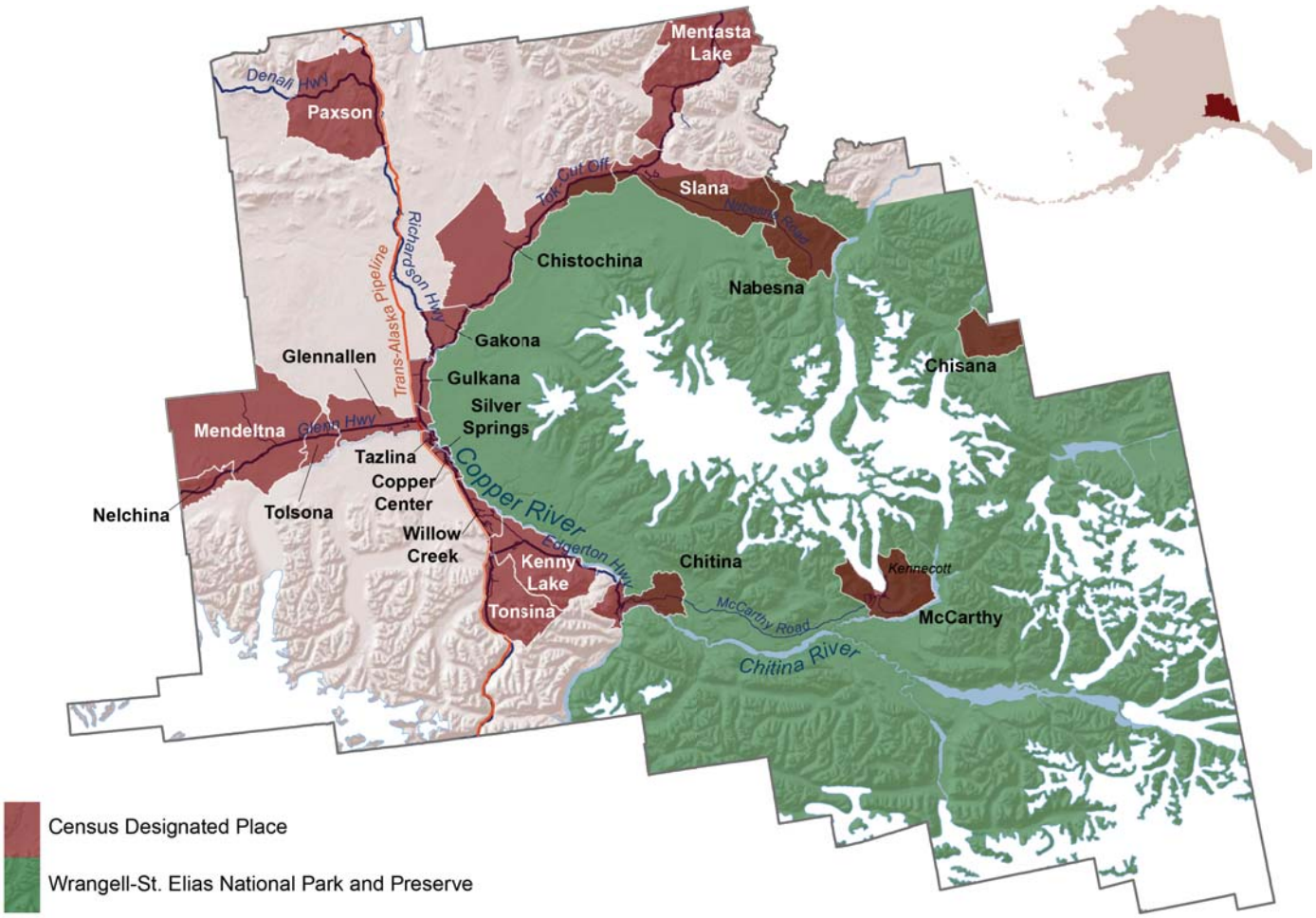
Note: In this article, the area that makes up "Copper River Basin" is equivalent to the Copper River Census Subarea (2010 Census geography).
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

River and passages populated the basin

The Copper River's original inhabitants, the Ahtna Athabascans, spoke a unique language and lived off the river's rich salmon runs as well the available game. There were multiple clans, each with its own fishing, hunting, and berry picking areas. Before contact with Europeans, the population was estimated at 1,000.

In the Klondike era, desire for a good overland passage between the Pacific Ocean and the gold fields of Interior Alaska and the Yukon brought the basin to the U.S. Army's attention. The army created a pack trail through the basin, connecting Valdez and Eagle to the north on the Yukon River.

Roadhouses sprang up along the route to lodge travelers along the trail, and many of the basin's communities trace their origins to this era's roadhouses. Alaska's first major road, the Richardson



Note: In this article, the area that makes up "Copper River Basin" is equivalent to the Copper River Census Subarea (2010 Census geography).
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Highway, was soon built along much of the pack trails' route, though instead of Eagle it headed toward Fairbanks, by then the main Interior city.

Copper brought a mining period

Copper is a long-known resource in the basin, used by the Ahtna for tools and trading. In 1900, one of the richest concentrations of copper in the world was found in the Wrangell Mountains. With the backing of mining industrialist Daniel Guggenheim, the large Kennecott Copper Mine was developed along with the Copper River and Northwestern Railroad to bring the ore to the seaport of Cordova. From 1911 to the mine's closure in 1938, the mine produced $200 million worth of copper.

Today, Kennecott is a ghost town popular with tourists, and though the railroad itself has faded into history, the route and bridges make up parts of the Copper River Highway and the McCarthy Road.

Route development for population and oil

During World War II, the desire for road links into and within Alaska led to the building of several additional highway links through the Copper River Basin.

With the new Alaska Highway to the north connecting the territory with the rest of the United States, the Glenn Highway was extended to Glennallen to establish a connection between Anchorage and the Richardson Highway. The Tok Cutoff, a shortcut between the Alaska Highway and

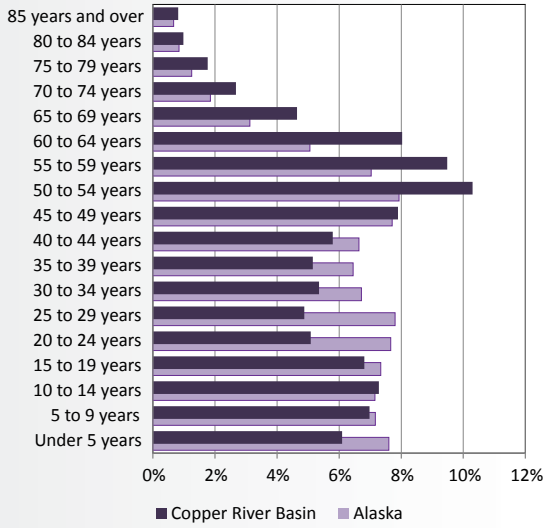
2 Copper River Basin Population and Demographics
By town, 2000 and 2010

			Age and Sex, 2010					Race, 2010		
	2000 Population	2010 Population	Under 18	18 to 64	65+	Median age	Male-to-female ratio	Native alone	White alone	Another race or 2+ races
Copper River Basin	**3,231**	**2,952**	**24%**	**65%**	**11%**	**42.2**	**1.13**	**23%**	**69%**	**8%**
Chistochina	93	93	22%	61%	17%	43.5	1.07	54%	37%	10%
Chitina	123	126	38%	57%	5%	28.0	0.94	20%	64%	16%
Copper Center	362	328	31%	62%	7%	35.3	1.07	48%	46%	6%
Gakona	215	218	26%	62%	12%	40.7	1.10	20%	79%	1%
Glennallen	554	483	24%	66%	10%	35.8	1.03	8%	77%	15%
Gulkana	88	119	39%	52%	9%	26.3	1.05	76%	24%	0%
Kenny Lake	410	355	25%	61%	13%	44.5	1.10	8%	83%	8%
McCarthy	42	28	7%	82%	11%	48.0	2.50	0%	96%	4%
Mendeltna	63	39	5%	92%	3%	54.8	1.44	0%	87%	13%
Mentasta Lake	142	112	28%	60%	13%	34.0	1.60	76%	23%	1%
Nabesna	16	5	0%	80%	20%	55.8	0.67	0%	100%	0%
Nelchina	71	59	12%	73%	15%	55.3	0.97	8%	86%	5%
Paxson	43	40	10%	85%	5%	54.0	2.08	0%	93%	8%
Silver Springs	130	114	26%	69%	4%	41.0	1.28	8%	87%	5%
Slana	124	147	20%	67%	13%	53.1	1.37	13%	83%	4%
Tazlina	328	297	27%	62%	12%	38.5	1.01	34%	55%	11%
Tolsona	27	30	7%	87%	7%	52.3	1.14	0%	97%	3%
Tonsina	92	78	15%	76%	9%	49.3	1.29	9%	87%	4%
Willow Creek	201	191	18%	65%	17%	49.3	1.15	10%	82%	8%
Balance of area	107	90	13%	68%	19%	54.3	1.37	0%	87%	13%
Valdez	**4,036**	**3,976**	**25%**	**69%**	**6%**	**36.7**	**1.14**	**8%**	**82%**	**10%**
Anchorage	**260,283**	**291,826**	**26%**	**67%**	**7%**	**32.9**	**1.03**	**8%**	**66%**	**26%**
Alaska	**626,932**	**710,231**	**26%**	**66%**	**8%**	**33.8**	**1.08**	**15%**	**67%**	**19%**

Notes: All listed areas in the Copper River Basin are census designated places. Chisana CDP, which had no population in the 2000 or 2010 Census, is not listed here.

Sources: U.S. Census Bureau, 2000 and 2010 censuses

3 An Older Population
Copper River vs. Alaska, 2010



Sources: U.S. Census Bureau, 2010 Census; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

Anchorage, was also built during those years.

With the discovery of oil in Prudhoe Bay in 1968 and construction of the Trans-Alaska Oil Pipeline between 1974 and 1977, the Copper River Basin again became a key route from the Interior to the sea. Several pipeline construction camps sprang up in the basin along with many new housing subdivisions.

During the 1970s, the population of the Copper River Basin jumped to around its current level of 3,000, where it has more or less stayed. In the 30 years between the first post-pipeline census of 1980 and 2010, the population of the basin only grew by 231 people. (See Exhibit 1.)

Many small communities

The Copper River Basin has no communities with legally defined boundaries. Instead it has census-designated places, or CDPs, which are

closely settled communities with boundaries delineated by the U.S. Census Bureau for statistical purposes.

The basin has 20 established CDPs that are home to around 97 percent of the area's population. Every CDP is on Alaska's road system — though some of the roads are seasonal — with the exception of Chisana, which hasn't had any population counted in the last two censuses. McCarthy and Nabesna are accessible by seasonally open roads. (See Exhibit 2.)

Glennallen, located around the junction of the Glenn and Richardson highways, is the largest community, with 483 people in 2010. It serves as the region's hub, and many of the larger businesses and services are located there.

Much of the basin's population is within easy driving distance of Glennallen. Seventy percent of the area's population lives between Kenny Lake and Gakona along the western bank of the Copper River, a roughly 55-mile stretch of road.

Many residents are Alaska Native

Nearly everyone within the Copper River Basin is white or Alaska Native. About 23 percent of the population is Alaska Native alone, and 30 percent is Native alone or in combination with another race. Four communities are majority Alaska Native: Gulkana, Mentasta Lake, Chistochina, and Copper Center. Tazlina is about 44 percent Alaska Native.

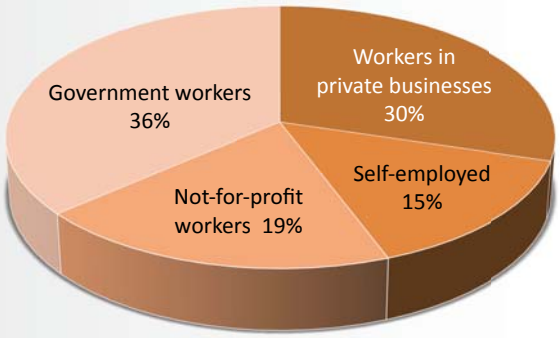
Many of the basin's Native people are shareholders in Ahtna Incorporated, an Alaska Native Regional Corporation. Ahtna Inc. was created under the Alaska Native Claims Settlement Act to manage Native-owned land and provide dividends to shareholders. Headquartered in Glennallen, the corporation manages about 1.7 million acres in the region.

An aging population

Though the Copper River Basin's population count hasn't changed much in recent decades, its residents have aged. As of the 2010 Census its median age was 42.2, considerably older than the statewide median of 33.8.

A large share of the residents who moved to the Copper River Basin in the 1970s were baby boomers (born between 1946 and 1964), and many of their children left after high school while the parents remained. (See Exhibit 3.) In 1980, the basin's median age was just 28.2.

4 Classifications of Workers
Copper River Basin, 2008 to 2012



Note: Includes civilian working population age 16 or older.
Sources: U.S. Census Bureau, 2008 to 2012 American Community Survey; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

5 Copper River Workers, by Industry
2008 to 2012

	Estimate	Margin of error
Total civilian employed population 16 years and older	1,244	±194
Agriculture, forestry, fishing and hunting, and mining	5%	±3%
Construction	11%	±5%
Manufacturing	0%	0
Wholesale trade	1%	±1%
Retail trade	11%	±5%
Transportation and warehousing, and utilities	5%	±3%
Information	2%	±2%
Finance and insurance, and real estate and rental and leasing	5%	±3%
Professional, scientific, and management services*	5%	±4%
Educational services, and health care and social assistance	32%	±8%
Arts, entertainment, and recreation, and accommodation and food services	8%	±4%
Other services, except public administration	4%	±2%
Public administration	11%	±3%

Notes: These industry classifications are from the U.S. Census Bureau's American Community Survey, and differ from other sources.
*Including administrative and waste management services.
Sources: U.S. Census Bureau, 2008 to 2012 American Community Survey; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

6 How Earnings and Income Compare to Anchorage and Valdez

Copper River Basin, 2008 to 2012

	Copper River Basin		Anchorage		Valdez	
	Estimate	Margin of error	Estimate	Margin of error	Estimate	Margin of error
Total households	1,189	±132	105,517	±758	1,458	±147
Households with earnings	84%	±5%	89%	±1%	94%	±5%
Mean earnings	$51,814	±$5,958	$90,237	±$2,032	$86,357	±$10,598
Households with Social Security	26%	±6%	17%	±1%	9%	±5%
Mean Social Security income	$14,931	±$2,862	$15,439	±$463	$17,495	±$6,556
Households with retirement income	21%	±5%	16%	±1%	13%	±6%
Mean retirement income	$26,820	±$6,893	$30,200	±$2,028	$26,442	±$6,786
Households with Supplemental Security Income	5%	±3%	4%	0	3%	±4%
Mean Supplemental Security Income	$7,993	±$1,670	$9,083	±$700	$4,790	±$180
Households with cash public assistance income	5%	±4%	6%	±1%	2%	±2%
Mean cash public assistance income	$2,625	±$1,112	$3,832	±$238	$1,918	±$1,763
Households with food stamp/SNAP* benefits	14%	±6%	8%	±1%	3%	±3%
Median household income	$50,060	±$8,242	$76,495	±$1,213	$80,476	±$20,152
Per capita income	$24,540	±$2,552	$36,145	±$756	$36,609	±$6,029

Note: All earnings and income are in 2012 dollars.
*SNAP stands for Supplemental Nutrition Assistance Program.
Sources: U.S. Census Bureau, 2008-2012 American Community Survey; and Alaska Department of Labor and Workforce Development, Research and Analysis Section

Six Copper River Basin communities had median ages over 50 in the 2010 Census, including Nabesna, Nelchina, Mendeltna, Paxson, Slana, and Tolsona. Two places, Chitina and Gulkana, had median ages below the state as a whole, and nearly 40 percent of those areas' populations were below age 18. Youth and population increase are generally associated, and Gulkana stands out for growing the most between 2000 and 2010, with a gain of 30 people.

Decreasing male-to-female ratio

The region has 1.13 males for every female, which is a bit higher than the statewide ratio of 1.08. Remote areas and areas with younger populations tend to have higher male-to-female ratios, and with population aging, the basin's ratio has decreased steadily since 1980, when it was 1.25.

McCarthy and Paxson are outliers with particularly high male-to-female ratios in 2010 — more than two men for every woman — but both places had fewer than 50 residents.

Government, nonprofit agencies

More than 50 percent of the area's workers report working for government or a nonprofit organization, compared to 36 percent of the state as a whole, 32 percent for Anchorage, and 37 percent in nearby Valdez.

Though the basin has no city or borough governments, many residents work for the state in education and health services or for federal, tribal, or nonprofit agencies. Regions with smaller populations often have a larger share of government employment to provide basic services. (See Exhibits 4 and 5.)

Estimated self-employment is comparatively high as well, at 15 percent in contrast to 9 percent for Anchorage and 6 percent for Valdez. Many of these workers are in retail, hospitality, recreation/sport fishing, and other industries tied to seasonal tourism, which is an essential piece of the economy for most of the roadside communities.

Large share not in labor force

With many residents over age 60 and subsistence a central part of life, labor force participation is relatively low. Based on the American Community Survey for 2008 through 2012, 63 percent of the population aged 16 or older was in the labor

The Glenn Highway descends into the Copper River Basin, with the Wrangell Mountains in the distance. Photo courtesy of Flickr user Jeremy Taylor

force — either working or seeking work — compared to 71 percent for the state, 76 percent for Anchorage, and 76 percent for Valdez.

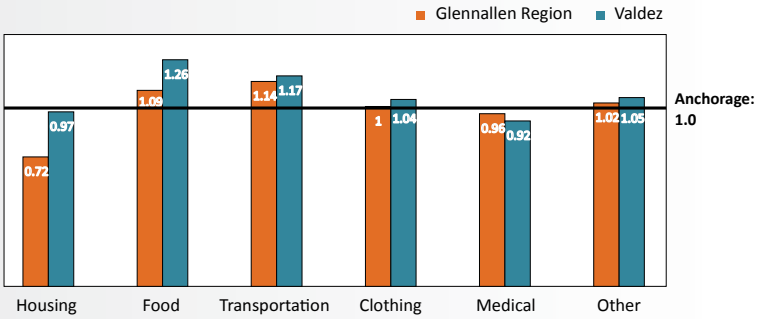
The basin's unemployment is relatively high at around 7 percent, compared to roughly 4 percent for Valdez and 5 percent for Anchorage.

Incomes are relatively low

Median household income in the Copper River Basin was low between 2008 and 2012 at just over $50,000 compared to roughly $70,000 for the state and more than $75,000 for Anchorage. The median household income for Valdez was estimated at just over $80,000, but that figure has a very large margin of error. (See Exhibit 6.) With an older population, household sizes in the Copper River Basin are smaller (2.4 people in 2010 and 2.7 for the state), and the gap in per capita income between the areas is somewhat less.

An estimated 26 percent of households in the basin receive Social Security income, compared to 17 percent for Anchorage and around 9 percent for Valdez. Social Security benefits are typically around $15,000 per year, representing a large part of overall income for many households. About 21 percent of Copper River Basin households receive some form of retirement income, averaging roughly $27,000 per year.

7 How the Area's Cost of Living Compares
Glennallen area, Valdez, and Anchorage, 2008



Notes: 2008 data are the most recent available for this area. For this study, the Glennallen region includes Glennallen, Chitina, Paxson, Slana, and Tazlina.
Sources: McDowell Group, "Alaska Geographic Differential Study" report for the Alaska Department of Administration

Housing costs less, transportation costs more

Housing costs, including utilities, for selected communities were around 25 percent less than those in nearby Valdez in 2008 and 28 percent less than in Anchorage. (See Exhibit 7.)

Utility costs by themselves were just 1 percent higher than Valdez but 219 percent higher than

Continued on page 23

By ROB KREIGER

A Growing Number of Older Workers

Where upcoming retirements could come from

Alaska has a sizable share of workers at or close to retirement age, many of whom hold high-level management positions or jobs that require years of education and experience. An increase in retirements could have a number of economic and policy implications, but one growing concern is there might not be enough experienced workers to fill these vacancies.

Though this article can't predict how retirements will affect the workforce and the economy, looking at the current composition of the workforce and jobs with high numbers of older workers can help identify occupations most likely to be affected by an increase in retirements.

A growing share of workers

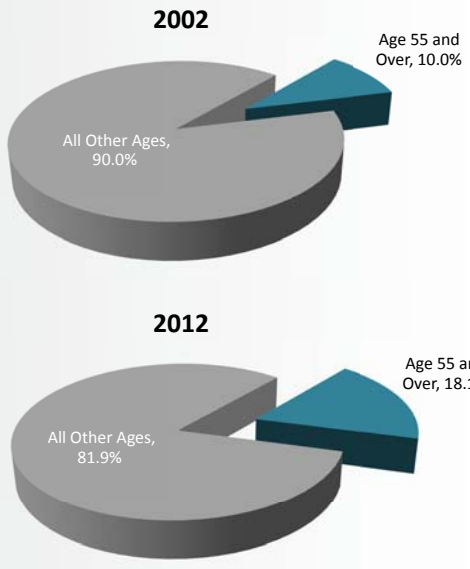
In 2012, 18 percent of Alaska's resident workforce was 55 and older — that's more than 60,000 workers. Ten years ago, 30,648 workers were in this age group, or 10 percent. (See Exhibit 1.)

In addition to the increase in both the number and percentage of older workers, this age group earns a much larger percentage of total wages than they did a decade ago. In 2012, 22 percent of all resident wages, or nearly $3 billion, went to workers 55 and older. In 2002, it was just 12 percent.

Breaking out workers by age reveals a distribution with two distinct peaks: one for workers in their early-to-mid-50s and another for workers in their early-to-mid-20s. The older peak includes the wave of baby boomers entering their retirement years, and the younger peak encompasses their children's generation. (See Exhibit 2.)

There appears to be a trough between those two peaks, which on its surface could imply a labor shortage but doesn't take into account a number of factors that could change this scenario in the future,

1 A Growing Share Over 55
Alaska workers, 2002 vs. 2012



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

including restructuring of organizations and people moving in and out of the state. Future in- and out-migration and how that could affect Alaska's age structure are uncertain.

Many in state, local government

In Alaska's workforce overall, 71 percent are privately employed, or about 42,000 workers. State and local government combined employ 29 percent, or more than 17,500.[1] (See Exhibit 3.)

Because the private sector is so large, it's not sur-

[1]This figure and the data in this article do not include federal workers, military, or the self-employed, including most fishermen. It also includes only residents.

prising that it employs the highest number of older workers; however, in terms of a percentage, a much larger share of older workers are in state and local government. Just 16 percent of private sector workers are 55 or older, while those percentages are 25.2 and 23.2 respectively for state and local government.

The private sector has a much lower median age, and as Exhibit 4 shows, the percentage of workers in the private sector decreases with age and the percentage of workers in government increases with age. The private sector's median age is 36, nearly 10 years younger than state and local government at 45 and 44 years old respectively.

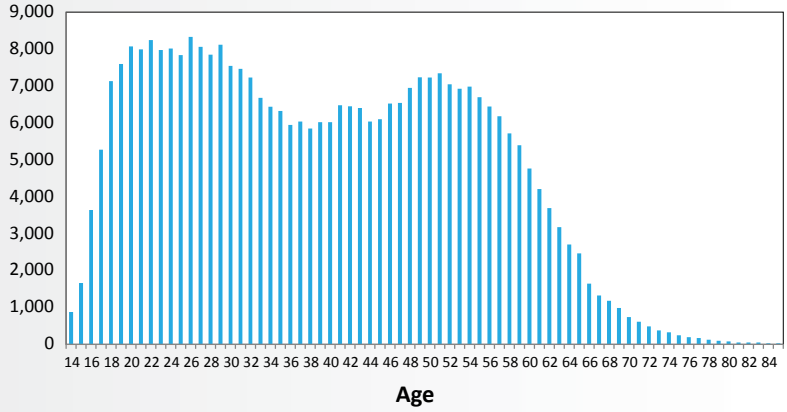
Many young people begin their working lives in the private sector, often working part-time jobs. These workers in their teens and early 20s tend to work mostly in retail or accommodations.

Which occupations have the most workers age 55 and older

Though the overall workforce shows an increasing share of older workers, they aren't evenly spread among occupations. The jobs with large numbers of older workers as well as high median wages will probably be the hardest to fill after retirements.

In the private sector, these occupations include a combination of highly skilled, highly technical, and top-level management positions. Physicians and surgeons, architectural and engineering managers, and chief executives topped this list. (See Exhibit 5.) What these occupations have in common is their requirement for extensive education and experience.

2 Age Structure of Alaska's Workforce
2012



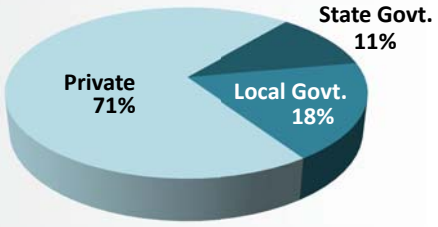
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

State government has a large percentage of older workers, and many of them are retiring now. In fiscal year 2013, the Department of Administration's Retirement and Benefits Division processed a record 2,242 retirements, and it's a trend that's likely to continue with the high percentage of older state workers, many of whom are eligible for full retirement at age 55.

The occupational mix in the public sector looks somewhat different than the private sector. Al-

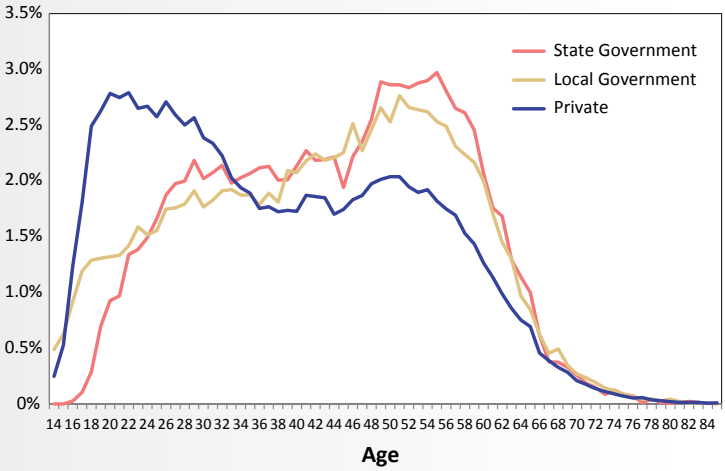
Continued on page 13

3 Most Workers Are Private
All Alaska age groups, 2012



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

4 With Age, Fewer Privately Employed
Alaska workers, 2012



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

5 Older Workers in the Private Sector

And wages, by Alaska occupation, 2012

Occupation	Total resident workers	Workers age 55+	Median annual wages	Percent age 55+
Physicians and Surgeons, All Other	247	76	$212,619	30.8%
Architectural and Engineering Managers	309	94	$139,195	30.4%
Chief Executives	1,197	506	$115,045	42.3%
Designers, All Other	154	47	$111,767	30.5%
Pharmacists	295	76	$109,557	25.8%
Occupational Health and Safety Specialists	224	56	$102,567	25.0%
Construction Managers	930	274	$96,084	29.5%
Supervisors of Construction and Extraction Workers	816	238	$93,209	29.2%
Personal Financial Advisors	157	45	$91,142	28.7%
Dentists, General	162	47	$88,714	29.0%
Electrical Engineers	230	59	$86,750	25.7%
Crane and Tower Operators	99	28	$83,764	28.3%
Labor Relations Specialists	90	25	$83,018	27.8%
Physician Assistants	366	106	$79,712	29.0%
Cost Estimators	219	56	$79,075	25.6%
Human Resources Managers	248	70	$77,902	28.2%
Purchasing Managers	146	44	$76,933	30.1%
Financial Managers	933	240	$76,615	25.7%
First-Line Supervisors of Mechanics, Installers, and Repairers	503	138	$76,383	27.4%
Nurse Practitioners	197	52	$75,992	26.4%
Telecommunications Equipment Installers and Repairers, Except Line Installers	780	195	$75,940	25.0%
First-Line Supervisors of Production and Operating Workers	443	129	$75,357	29.1%
Construction and Building Inspectors	132	56	$74,076	42.4%
Commercial Pilots	605	164	$71,568	27.1%
First-Line Supervisors of Transportation and Material-Moving Machine and Vehicle Operators	177	45	$70,756	25.4%
Medical and Health Services Managers	820	241	$70,731	29.4%
Managers, All Other	2,138	603	$67,445	28.2%
Management Analysts	170	59	$66,476	34.7%
Purchasing Agents, Except Wholesale, Retail, and Farm Products	320	86	$62,501	26.9%
General and Operations Managers	3,672	997	$62,500	27.2%
Registered Nurses	4,023	1,020	$61,816	25.4%
Tank Car, Truck, and Ship Loaders	225	92	$61,212	40.9%
Respiratory Therapists	136	42	$60,301	30.9%
Medical and Clinical Laboratory Technologists	209	56	$57,229	26.8%
Public Relations and Fundraising Managers	181	48	$54,977	26.5%
Training and Development Specialists	182	52	$54,540	28.6%
Wholesale and Retail Buyers, Except Farm Products	73	25	$50,357	34.2%
Machinists	151	39	$49,773	25.8%
Atmospheric and Space Scientists	62	33	$49,425	53.2%
Social and Community Service Managers	292	100	$46,165	34.2%
Paralegals and Legal Assistants	286	78	$45,480	27.3%
Legal Secretaries	331	96	$43,418	29.0%
Instructional Coordinators	112	32	$43,270	28.6%
Editors	76	25	$42,669	32.9%
Printing Press Operators	99	27	$42,363	27.3%
Lodging Managers	214	54	$41,589	25.2%
Vocational Education Teachers, Postsecondary	74	31	$41,490	41.9%
Licensed Practical and Licensed Vocational Nurses	413	117	$41,005	28.3%
Mental Health Counselors	285	74	$39,552	26.0%

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

5 Older Workers in the Private Sector, continued

And wages, by Alaska occupation, 2012

Occupation	Total resident workers	Workers age 55+	Median annual wages	Percent age 55+
Property, Real Estate, and Community Association Managers	370	106	$36,570	28.6%
Captains, Mates, and Pilots of Water Vessels	358	109	$35,982	30.4%
Legal Support Workers, All Other	111	39	$35,940	35.1%
Community and Social Service Specialists, All Other	646	174	$35,890	26.9%
Substance Abuse and Behavioral Disorder Counselors	313	93	$35,644	29.7%
Medical Transcriptionists	109	28	$30,035	25.7%
Directors, Religious Activities and Education	57	26	$29,217	45.6%
Adult Basic and Secondary Education and Literacy Teachers and Instructors	154	49	$27,554	31.8%
Residential Advisors	98	34	$21,450	34.7%
Laundry and Dry-Cleaning Workers	386	99	$20,927	25.6%
Interviewers, Except Eligibility and Loan	113	31	$20,829	27.4%
Bus Drivers, School or Special Client	923	374	$19,667	40.5%
Postsecondary Teachers, All Other	99	42	$18,400	42.4%
Motor Vehicle Operators, All Other	157	48	$16,419	30.6%
Transportation Attendants, Except Flight Attendants	466	132	$15,870	28.3%
Taxi Drivers and Chauffeurs	256	67	$15,662	26.2%
Bus Drivers, Transit and Intercity	373	144	$14,538	38.6%
Tax Preparers	222	69	$9,481	31.1%
Self-Enrichment Education Teachers	100	40	$7,677	40.0%

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

though the top occupations within state and local government also include a number of technical and specialized positions, management and teaching jobs are more prevalent.

In state government, ship engineers topped the list of high-paying occupations with a large share of older workers, followed by postsecondary education administrators and postsecondary engineering teachers. In local government, elementary and postsecondary education administrators, medical and health services managers, and financial managers ranked high. (See Exhibits 6 and 7.)

More factors than just retirements

How the labor market will respond to vacancies left by retirees will vary across the public and private sector and industries. Many organizations are already facing an increase in retirements as the first wave of baby boomers reach that age, and how they'll respond depends on their size and structure as well as the complexity of their occupations.

One major factor in determining the effects of vacancies will be the rate at which these workers retire. Not all who are eligible will retire at once; many will continue to work, whether out of necessity or a desire for more years.

When people haven't saved sufficiently for retirement or have otherwise come up short, maintaining their full-time job or re-entering on a part-time basis could be necessary to maintain a certain standard of living. In other cases, workers eligible to retire may stay on the job because they love what they do or want to supplement their retirement incomes.

Some employers, facing a loss of institutional knowledge, will encourage or entice older workers to stay or come back on a contract basis. Another possibility is that employers will be forced to promote much younger workers who wouldn't have been considered fully qualified under other circumstances.

However, filling all the high-paying positions left by retirees with younger workers would assume staffing patterns and structures would remain the same, which is unlikely. Employers facing many vacancies may streamline, for example, by asking whether they really need that many managers. Some may determine they can get by with less, shift responsibilities, and rely on restructuring rather than refilling. The combination of answers to these questions will be specific to each employer.

6 State Government's Older Workers

And wages, by Alaska occupation, 2012

Occupation	Total resident workers	Workers age 55+	Median annual wages	Percent age 55+
Ship Engineers	108	38	$93,588	35.2%
Education Administrators, Postsecondary	145	62	$90,533	42.8%
Engineering Teachers, Postsecondary	104	37	$89,388	35.6%
Computer and Information Systems Managers	121	34	$83,424	28.1%
Agricultural Sciences Teachers, Postsecondary	49	26	$83,183	53.1%
General and Operations Managers	148	55	$80,635	37.2%
Financial Managers	97	25	$73,578	25.8%
Natural Sciences Managers	163	62	$67,620	38.0%
Health Specialties Teachers, Postsecondary	47	27	$67,587	57.4%
Registered Nurses	329	126	$65,314	38.3%
Administrative Law Judges, Adjudicators, and Hearing Officers	64	30	$61,386	46.9%
Administrative Services Managers	392	115	$60,686	29.3%
Psychiatric Technicians	83	31	$59,501	37.3%
Vocational Education Teachers, Postsecondary	110	50	$59,014	45.5%
Urban and Regional Planners	80	29	$58,878	36.3%
Medical and Health Services Managers	133	55	$58,682	41.4%
Legal Support Workers, All Other	115	38	$58,237	33.0%
Education Teachers, Postsecondary	97	43	$56,535	44.3%
Sailors and Marine Oilers	191	63	$55,803	33.0%
Managers, All Other	148	38	$55,574	25.7%
Instructional Coordinators	123	39	$54,337	31.7%
Detectives and Criminal Investigators	140	44	$53,726	31.4%
English Language and Literature Teachers, Postsecondary	96	38	$53,662	39.6%
Art, Drama, and Music Teachers, Postsecondary	66	30	$52,904	45.5%
First-Line Supervisors of Office and Administrative Support Workers	224	59	$51,676	26.3%
Mathematical Science Teachers, Postsecondary	121	47	$50,832	38.8%
Compliance Officers	205	64	$47,991	31.2%
Business Operations Specialists, All Other	436	123	$47,952	28.2%
Maintenance and Repair Workers, General	542	188	$46,848	34.7%
Procurement Clerks	147	43	$41,172	29.3%
Eligibility Interviewers, Government Programs	595	162	$38,599	27.2%
Community and Social Service Specialists, All Other	156	39	$37,531	25.0%
Food Preparation Workers	162	49	$33,131	30.2%
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	401	108	$33,008	26.9%
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	187	76	$31,451	40.6%
Education, Training, and Library Workers, All Other	83	29	$25,276	34.9%
Business Teachers, Postsecondary	244	102	$21,560	41.8%
Computer Science Teachers, Postsecondary	84	48	$16,130	57.1%
Postsecondary Teachers, All Other	464	220	$13,735	47.4%
Political Science Teachers, Postsecondary	74	34	$12,915	45.9%
Office and Administrative Support Workers, All Other	880	238	$7,567	27.0%

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

7 Local Government's Older Workers

And wages, by Alaska occupation, 2012

Occupation	Total resident workers	Workers age 55+	Median annual wages	Percent age 55+
Education Administrators, Elementary and Secondary School	562	164	$88,789	29.2%
Medical and Health Services Managers	92	38	$81,528	41.3%
Financial Managers	131	50	$74,613	38.2%
Education Administrators, All Other	94	35	$74,062	37.2%
Managers, All Other	360	124	$70,601	34.4%
Construction Managers	91	35	$64,816	38.5%
General and Operations Managers	403	157	$63,963	39.0%
Appraisers and Assessors of Real Estate	89	38	$62,951	42.7%
Career/Technical Education Teachers, Secondary School	136	42	$62,655	30.9%
Urban and Regional Planners	86	30	$62,459	34.9%
Speech-Language Pathologists	169	50	$61,472	29.6%
Chief Executives	191	92	$61,424	48.2%
First-Line Supervisors of Mechanics, Installers, and Repairers	83	26	$61,073	31.3%
Business Operations Specialists, All Other	234	84	$60,085	35.9%
Teachers and Instructors, all other Multi-level except post-secondary	156	51	$59,935	32.7%
Special Education Teachers, Secondary School	224	61	$57,663	27.2%
Bus and Truck Mechanics and Diesel Engine Specialists	102	27	$57,329	26.5%
Instructional Coordinators	191	48	$56,987	25.1%
Special Education Teachers, Kindergarten and Elementary School	378	103	$56,119	27.2%
Teachers and Instructors, All Other	1,424	385	$54,424	27.0%
Operating Engineers and Other Construction Equipment Operators	293	76	$54,290	25.9%
Registered Nurses	469	185	$54,214	39.4%
Librarians	247	92	$52,960	37.2%
Bus Drivers, Transit and Intercity	199	81	$49,804	40.7%
Installation, Maintenance, and Repair Workers, All Other	127	41	$47,001	32.3%
Executive Secretaries and Executive Administrative Assistants	663	207	$36,905	31.2%
Administrative Services Managers	160	43	$31,325	26.9%
Information and Record Clerks, All Other	142	47	$29,357	33.1%
Bus Drivers, School or Special Client	184	71	$23,881	38.6%
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	1,957	551	$22,447	28.2%
Social and Human Service Assistants	106	27	$22,116	25.5%
Special Education Teacher Assistants	1,567	428	$21,935	27.3%
Library Assistants, Clerical	344	118	$20,904	34.3%
Library Technicians	105	43	$20,897	41.0%
Cooks, Institution and Cafeteria	243	63	$19,056	25.9%
First-Line Supervisors of Food Preparation and Serving Workers	149	46	$18,174	30.9%
Combined Food Preparation and Serving Workers, Including Fast Food	126	38	$13,729	30.2%
Cooks, All Other	214	56	$13,290	26.2%
Substitutes, Teachers and Instructors, Multi-level except postsecondary	1,897	767	$4,950	40.4%
Legislators	158	84	$1,475	53.2%

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

By LENNON WELLER

Unemployment Tax Changes

About the year's lower rates and tweaks to the system

States' unemployment insurance systems provide temporary payments to people who, having paid into the system, lose their jobs. In Alaska, both earnings and working duration determine how much people can draw in benefits and for how long.

In addition to providing payments to displaced workers, the system is designed to stabilize economies during downturns, partly by replacing some of those workers' income in the local economy and partly by making it possible for workers to remain in their area and be available for future work.

Every state is different

States administer unemployment insurance programs with federal oversight and financial support. It's not an exaggeration to say there are 50 combinations of eligibility requirements, benefit amounts, and systems for collecting taxes to pay benefits.

Alaska is one of three states where employees pay a portion of the total tax. (See Exhibit 1.) Alaska's system also self-adjusts, meaning taxes are mostly set automatically by formulas meant to keep the system prepared to weather a recession.

Alaska was one of only about a dozen states whose UI systems didn't become insolvent during the recession of the late 2000s. The recession didn't hit Alaska as hard, and Alaska's unemployment insurance system had sufficient reserves to get through several years of benefit costs exceeding the tax revenue it brought in.

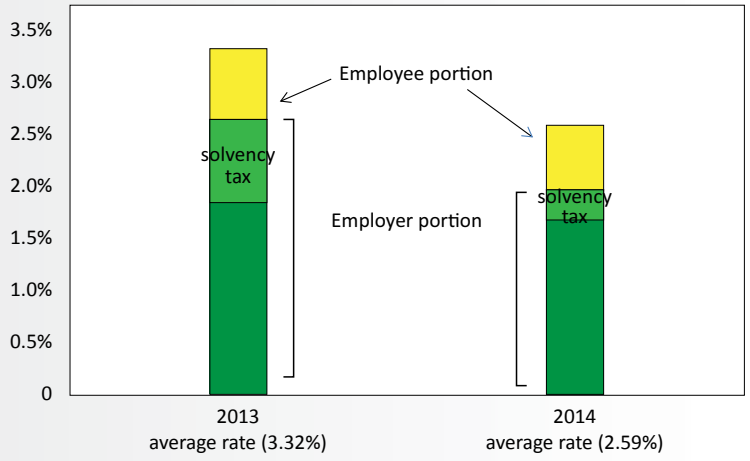
Alaska's UI tax rates adjust to demands on the system. For example, if more people suddenly file claims for benefits, those extra costs would create a need for extra revenue, and UI tax rates would rise to replenish the fund — though not immediately and not all at once.

Exhibits 2 and 3 show Alaska's overall trust fund balance and how "solvent" the fund has been over time. It's important to understand that solvency is more complicated than just the amount of money in reserve. The fund is considered fully solvent when it has enough funds to cover a certain percentage of wages in the state — known as the "reserve ratio" — currently between 3.0 and 3.3 percent, by statute.

Alaska's rates rose, then fell

Alaska recently had four consecutive years of rising unemployment insurance taxes due to the after-effects of the national recession, which technically ended in 2009. Because of increased costs and a reserve depleted by an increased claims load, taxes rose to replenish the fund. (See

1 Employer, Employee Shares of Tax Rate
Alaska UI, 2013 and 2014



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

Exhibit 4.)

Those four years of higher rates allowed the fund to regain some lost ground, building the reserve by $65 million over the last federal fiscal year. This brought the total fund to $329.5 million by September 2013.

Because of this recovery in the trust fund and falling benefit costs, tax rates fell for 2014. This year's average total tax rate, which combines employee and employer contributions, is 2.59 percent — a 22 percent reduction from 2013's rate of 3.32 percent.

The final tax rates are based on two factors: first, how much is in the fund at the end of each fiscal year, and second, what's necessary to recapture costs. If the fund is at a lower level than its statutory target, employers pay an additional "solvency tax" to bring the fund up to its target range, or reserve ratio. (For more on the calculations and factors that help determine these rates, see the box on page 19.) The final tax is a combination of the cost-recovery rate and any additional solvency adjustment. The solvency adjustment can also be a credit rather than a tax if the reserve ratio is above its target level.

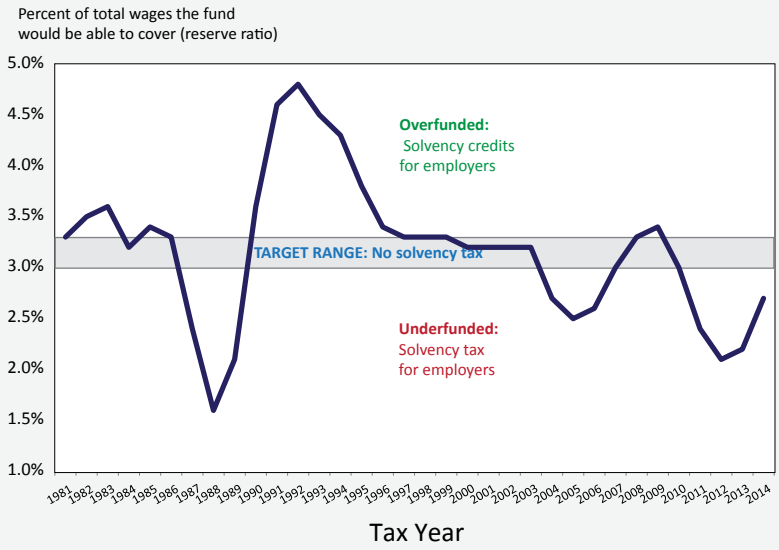
Recently enacted legislation

Two legislative changes were made to the system in 2013, with the intent to keep taxes as low as possible while maintaining sufficient reserves in the trust fund: 1) Taxes may now fall faster after reserve funds are replenished; and 2) policy makers now have the discretion in some cases to keep taxes lower for longer.

The first change affects the solvency tax mentioned earlier. Before, the solvency tax could only increase or decrease by three-tenths of a percentage point from one year to the next. The restrictions on increases were meant to shield employers from a sudden jump in taxes.

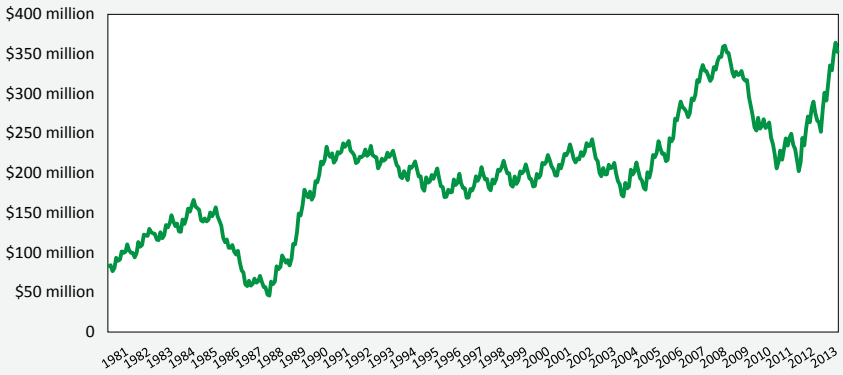
As of 2014, though the three-tenths of a percentage point restriction remains in place for rising taxes, there's no longer a limit to how fast the solvency tax rate can fall. This means that for 2014, the solvency tax rate was able to

2 Trust Fund Solvency Range
By percent of all wages coverable, 1981 to 2014



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

3 Monthly Trust Fund Balance
Alaska UI, 1981 to 2013



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

How tax rates are calculated

Two main factors influence the calculations of unemployment insurance tax rates: 1) cost recapture, or the "average benefit cost rate," and 2) the trust fund balance on Sept. 30, which is the end of the federal fiscal year. This balance determines whether an additional solvency tax is necessary.

The average benefit cost rate, or ABCR, is the sum of the most recent three state fiscal years of UI benefit costs as a percentage of covered wages, divided by the ratio of taxable to total wages. The three-year average is to shield employers from bearing the full brunt of increased costs during a recession. This portion of the total tax is split by employers and employees, 73/27.

Benefit costs used for calculating the 2014 rates totaled $474.6 million, which consists of payments made in state fiscal years 2011, 2012, and 2013. This three-year figure was down $28.4 million from last year. (See Exhibit 1.) This $474.5 million made up 1.41 percent of covered wages.

With the ratio of taxable to total wages coming in at 61.49 percent, the average benefit cost rate used for 2014 tax rates was 2.30 (1.41 / .6149 = 2.30) percent, which was down 0.22 percentage points from 2.52 percent in 2013. (See Exhibit 1.)

The additional solvency tax, paid by employers only, comes into play when additional revenue is necessary for the fund to be solvent. The solvency tax, which was 0.8 percent in 2013, has been reduced to 0.29 percent for 2014 — equal to the difference between the targeted reserve ratio of 3.0 percent and the current reserve ratio of 2.71 percent.

Currently, tax contributions change by roughly $7.5 million for every tenth of a percentage point in the tax rate. Therefore, the statutory change that resulted in an additional .21 percent reduction in the solvency tax reduced the total UI tax take by $15.75 million.

For a more in depth description of how UI tax rates are calculated, please visit the Alaska Department of Labor and Workforce Development Web site at laborstats.alaska.gov/uiprog/uiprogram.htm and follow the links for "UI Finance and Tax Rate Calculations."

drop by 0.51 percentage points, whereas under the previous rules it could have fallen by a maximum of 0.3 percentage points. (For more explanation of the solvency tax, see the box at left.) This reduced the 2013 solvency tax rate of 0.8 percent to 0.29 percent for 2014.

The second change grants the commissioner of the Department of Labor and Workforce Development the discretion to suspend tax rate increases when the calculations call for them as long as the fund reserve meets or exceeds a certain threshold. This law, which is in effect through state fiscal year 2016, is explained in more detail by the box on page 19.

Effects of these two changes

The effect of the first change was felt immediately in 2014. The effects of the second will depend on how often the criteria that allow the discretion to be used are met, and on whether and to what degree the discretion is actually used.

While neither change will significantly alter the total revenue collected over the long term, they will affect the rate at which the trust fund is replenished and could also alter the proportions paid by employers and employees.

More precision in replenishing the trust fund: The normal pattern following a downturn in the economy is a measured ratcheting up of the solvency tax as costs outpace contributions for several years in a row. As claims and payments begin to fall and the trust fund recovers, those solvency taxes begin to reverse as well.

However, with the former limits on how fast the solvency tax could fall, the fund would often recover quicker than the tax could come off by law. This would sometimes lead to overfunding the reserve for a short time, but would even out as those extra funds would be used to prepay future taxes and buffer the future need for higher rates.

With no limit this year on how fast the solvency tax can decline, there's much less chance of overfunding the reserve. This means more overall stability for tax rates, with fewer instances of overpaying the system.

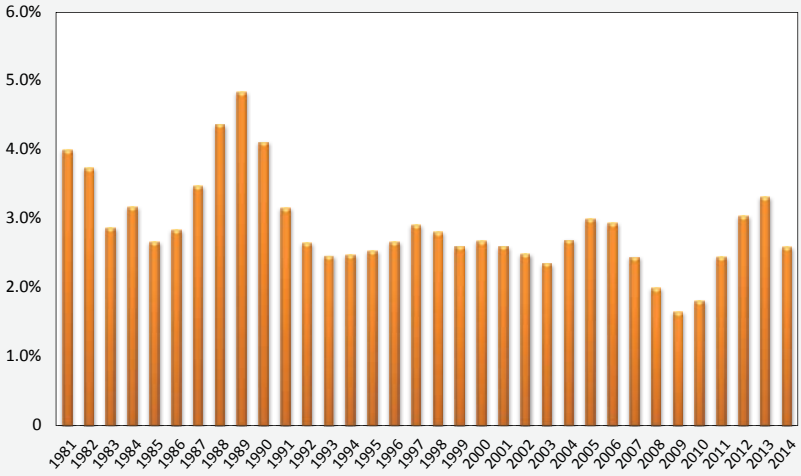
Effects on proportions paid by employers vs. employees: The second change may also affect the timing of fund repenishment, depending on how the discretionary power to suspend tax increases is exercised. This discretion could also affect the employer/employee shares of the tax.

As mentioned in the box on page 18, the final tax rate is made up of the cost-recovery rate plus any additional solvency tax. The first part is split 73/27 between employers and employees, as defined by Alaska statute. The second component, the solvency tax, is a "recession readiness" portion paid solely by employers. As the economy fluctuates, so may the necessary solvency adjustment. That means that if a rate increase that includes the employee share is suspended, solvency taxes will respond accordingly in subsequent years to make up the difference.

Normally, as costs increase and begin to outpace tax revenue, the system will call for a tax increase. If that automatic increase is suspended, the system will recoup its costs slower and the balance would fall further than it would have otherwise. Eventually, tax rates would then have to rise more than they would have without the suspension to bring the fund back into its target range.

4 Average UI Tax Rates by Year

Alaska, 1981 to 2014



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

New law allows suspension of rate increases

Sec. 23.20.291 took effect in state fiscal year 2014 and is set to expire in state fiscal year 2016. This new statute gives the commissioner of the Department of Labor and Workforce Development the authority to suspend automatic rate increases and points to the "average high cost multiple" the department produces as another way to judge solvency. As long as the average high cost multiple is at least 0.8, the commissioner can exercise this discretion.

The average high cost multiple is the ratio of two separate calculations. While the numerator represents the current trust fund reserve ratio or trust fund balance as a percentage of covered wages, the denominator (the "average high cost rate") is the average of the three most recent high-cost years as a percentage of covered wages, as posted by the U.S. Department of Labor.

So, for example, if the current trust fund reserve ratio and average high cost rate are equal, the average high cost multiple is 1, or 100 percent, which means the trust fund can absorb benefit costs equivalent to the average of the three most recent high-cost years as a percentage of covered wages, without collecting any extra revenue.

By CAROLINE SCHULTZ

Job Growth Around the State

Seasonal employment starts to pick up in March

Alaska employers added 2,500 jobs from February to March, according to monthly employment estimates produced by the U.S. Bureau of Labor Statistics.

This normal seasonal increase was driven in part by 1,100 additional jobs in the leisure and hospitality sector, which includes tourism. More than half of these jobs came from restaurants and bars. Even though March is still earlier than traditional summer tourist season in Alaska, longer days and cabin fever send locals out of the house and into their local eateries.

Seasonal growth also boosted professional and business services. Although employment in the industry has been trending down over the past six months, the addition of 500 jobs from February to March suggests the losses are slowing.

Other industries that contributed to March's statewide job growth include mining, transportation, and health care.

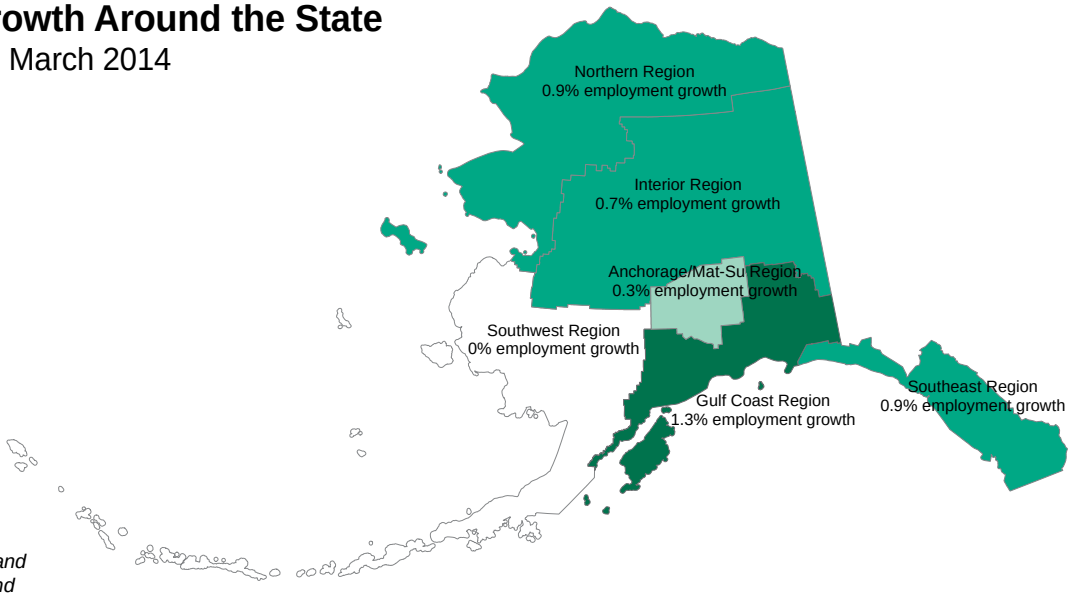
All of Alaska's regions gained jobs except Southwest, which was flat from February to March.

Southwest has a different seasonal pattern from the rest of the state because of its prevalence of winter fisheries. While most of Alaska's fishermen were just starting to make plans for the summer salmon run, the Bering Sea pollock fleet had been at work for months. February and March are the peak months for employment in these groundfish fisheries, which begin to taper in April.

The Gulf Coast region — which includes the Kodiak Island Borough, the Kenai Peninsula Borough, and the Valdez-Cordova Census Area — was the biggest mover in March with 400 new jobs. This region's growth was driven by the construction, mining, and seafood processing industries. Kodiak is home to several seafood processing facilities and is a major port for the winter groundfish fleet.

The Fairbanks North Star Borough had the highest unemployment rate of Alaska's urban areas, at 6.3 percent. City and Borough of Juneau and the Municipality of Anchorage were at 5.5 and 5.4 percent respectively.

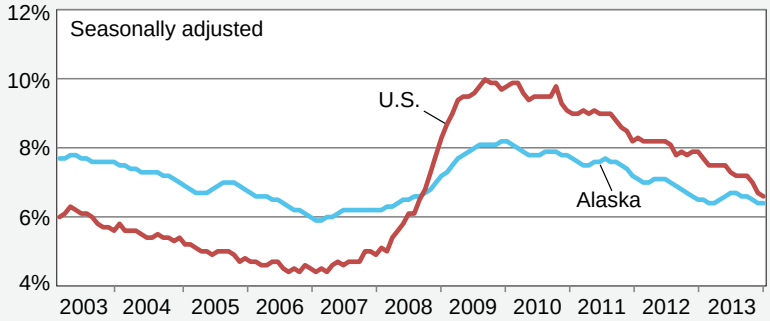
1 Employment Growth Around the State
Alaska, February to March 2014



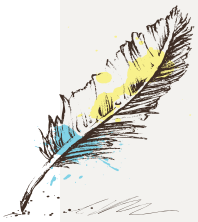
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Employment Scene

1 Unemployment Rates
January 2003 to March 2014



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



This month in Trends history

MAY 1991

While it is only a fraction of the employment that the oil and gas industry represents, Alaska's hard rock mining industry has posted some explosive employment growth during the last several years. The next two years, however, portend much slower growth.

It is unlikely that any major mines will go into operation until 1993 or later. Currently the most promising of the "majors" is the Kensington Mine located just north of Juneau, but an optimistic timeline for that project puts the construction phase in summer 1992.

There are other major mine employment possibilities across the state, each with their unique obstacles to overcome. Wishbone Hill in the Matanuska-Susitna Borough, Fort Knox near Fairbanks, the AJ in Juneau, Windy Craggy located just across the Canadian border from Haines, and the Lik-Su deposit near the Red Dog mine all offer possibilities for minerals industry employment beyond the forecast horizon.

The Department of Labor and Workforce Development has published *Alaska Economic Trends* as far back as 1961 and other labor market summaries since the late 1940s. Historical *Trends* articles are available at labor.alaska.gov/trends as far back as 1978, and complete issues are available from 1994.

2 Unemployment Rates
Boroughs and census areas

	Prelim.	Revised	
SEASONALLY ADJUSTED	**3/14**	**2/14**	**3/13**
United States	**6.7**	**6.7**	**7.5**
Alaska Statewide	**6.6**	**6.5**	**6.4**
NOT SEASONALLY ADJUSTED			
United States	**6.8**	**7.0**	**7.6**
Alaska Statewide	**7.4**	**7.7**	**7.0**
Anchorage/Mat-Su Region	**6.2**	**6.3**	**5.8**
Municipality of Anchorage	5.5	5.7	5.2
Matanuska-Susitna Borough	8.7	8.8	8.1
Gulf Coast Region	**8.5**	**8.9**	**8.3**
Kenai Peninsula Borough	8.8	9.1	8.7
Kodiak Island Borough	5.2	5.7	5.1
Valdez-Cordova Census Area	11.5	12.5	10.7
Interior Region	**7.6**	**8.0**	**7.3**
Denali Borough	18.7	21.4	21.7
Fairbanks North Star Borough	6.3	6.6	6.2
Southeast Fairbanks Census Area	13.5	14.0	12.3
Yukon-Koyukuk Census Area	17.1	18.3	15.4
Northern Region	**10.2**	**10.4**	**9.7**
Nome Census Area	12.5	12.6	11.8
North Slope Borough	4.3	4.5	4.9
Northwest Arctic Borough	17.5	18.1	15.5
Southeast Region	**8.3**	**8.9**	**7.4**
Haines Borough	11.8	13.6	10.3
Hoonah-Angoon Census Area	25.7	26.3	22.0
Juneau, City and Borough of	5.4	5.5	4.9
Ketchikan Gateway Borough	8.3	8.7	7.7
Petersburg Census Area[1]	12.4	12.1	12.4
Prince of Wales-Hyder Census Area	18.5	20.2	14.0
Sitka, City and Borough of	5.9	7.1	5.8
Skagway, Municipality of	21.8	25.6	19.0
Wrangell, City and Borough of	10.2	13.5	10.8
Yakutat, City and Borough of	13.3	14.2	13.6
Southwest Region	**13.8**	**13.9**	**12.7**
Aleutians East Borough	8.1	8.6	8.7
Aleutians West Census Area	4.8	5.1	5.0
Bethel Census Area	16.9	17.2	15.6
Bristol Bay Borough	9.4	11.1	8.9
Dillingham Census Area	10.6	10.2	10.0
Lake and Peninsula Borough	11.3	11.5	9.9
Wade Hampton Census Area	25.8	25.5	22.7

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

Safety Minute

Alaska's moving waters can seem deceptively safe

Outdoor activities in Alaska are in full swing, including recreation on and near ponds, lakes, small streams, and rivers. Rivers offer exciting activities, but being in or near moving waters in Alaska is inherently hazardous.

The Copper River in southcentral Alaska is 300 miles long and flows at an average of 7 miles per hour. As a comparison, people jog moderately at around 6 miles per hour.

The river can be insidious in its relatively calm and lulling appearance, yet become dangerous in an instant as strong swirling currents make it extremely difficult to stay on your feet if you're standing in its flow. Many people fishing from its banks often tie-off to trees or other substantial outcroppings to prevent falling in and drowning.

Hypothermia is a major health concern as well, as the river is near freezing much of the year.

Always wear a life jacket whether you're on the bank or fishing from a boat. Stay out of the moving current, if possible. Before heading out to the Copper River this summer or any Alaska water body, learn as much as you can about the area and safety around moving water.

Safety Minute is written by the Occupational Safety and Health Section of the Alaska Department of Labor and Workforce Development.

Employer Resources

Career Ready program saves employers time and money

The Alaska Career Ready program gives businesses a tool set to develop a more qualified workforce. The initiative encourages emerging, transitioning, and current members of Alaska's labor force to earn the National Career Readiness Certificate, or NCRC.

Developed by ACT and adopted nationwide, the NCRC is a portable, evidence-based credential that certifies an applicant has the basic skills necessary for workplace success. More than 36,000 Alaskans have earned the NCRC at the bronze, silver, gold or platinum level.

For businesses, hiring applicants who hold the NCRC helps reduce hiring costs, increase productivity, and decrease turnover. Alaska Career Ready allows businesses to collaborate with Alaska Job Center Business Connection professionals to "Recognize, Request, or Require" the NCRC on job orders as proof of essential skills.

When businesses require the certificate, a job analysis by one of the department's ACT-authorized job profilers is recommended to identify the exact skill levels required. Job profiling is an EEOC-compliant process.

Unlock the power of your workforce with this employee selection and development system at no cost. For more information on the Alaska Career Ready program, please contact one of the job centers at jobs.alaska.gov/offices/index.html.

Employer Resources is written by the Employment Security Division of the Alaska Department of Labor and Workforce Development.

COPPER RIVER BASIN

Continued from page 9

Anchorage. Communities on the Richardson and Glenn highways are generally on hydropower, and others are on diesel.

Transportation costs in the Glennallen Region were 14 percent higher than Anchorage and 3 percent lower than Valdez. Those higher costs are due to vehicle maintenance (40 percent higher than in Anchorage) as well as fuel prices (20 percent higher).

Medical costs for the region were slightly less than Anchorage as of 2008, and clothing costs were about the same. Food was 9 percent higher than in Anchorage but 17 percent less than at the end of the road in Valdez. It's important to note that, with a small population and few local providers of goods and services, relative costs for the area can change from year to year.