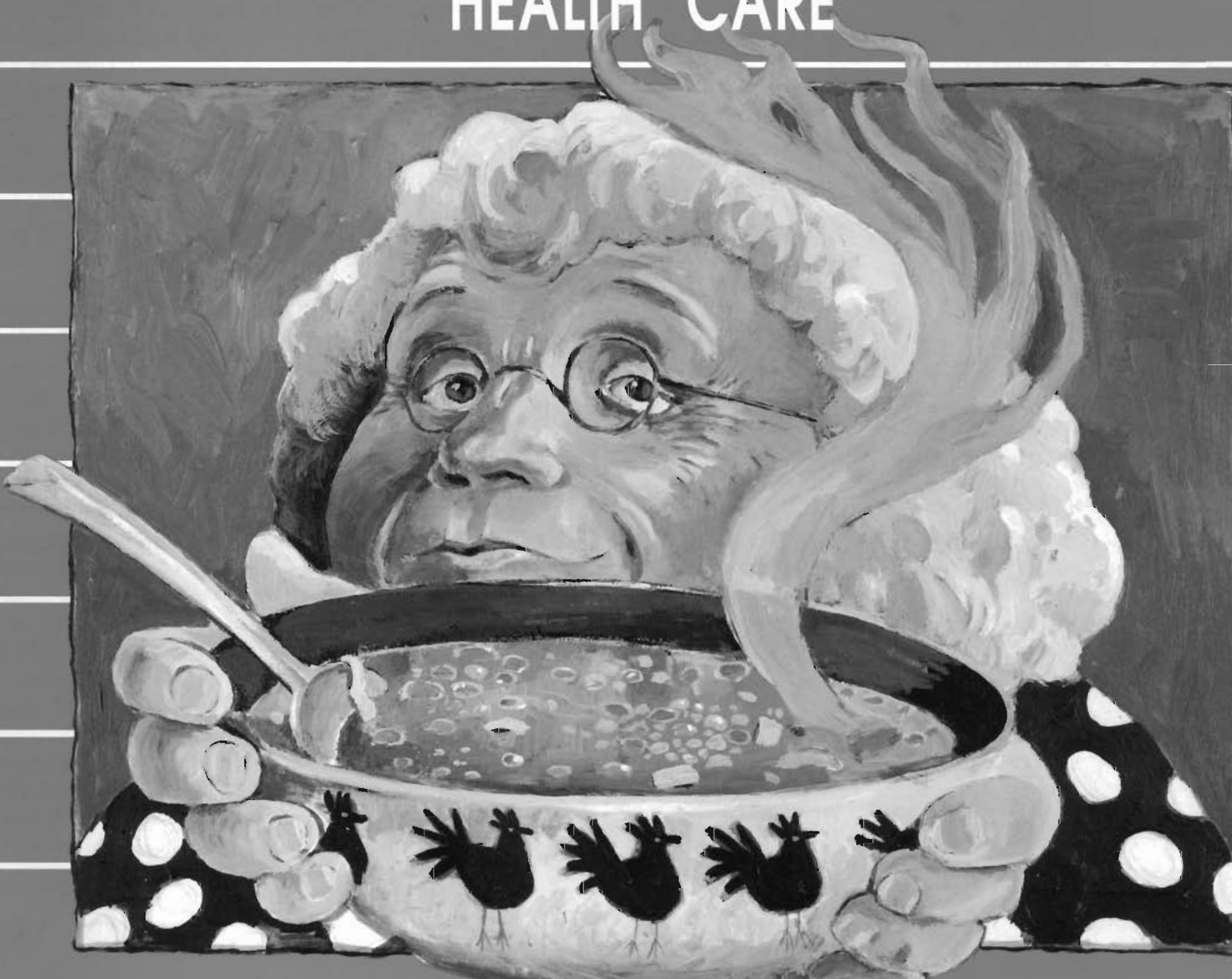
ALASKA ECONOMIC TRENDS

AN ALASKA GROWTH INDUSTRY—

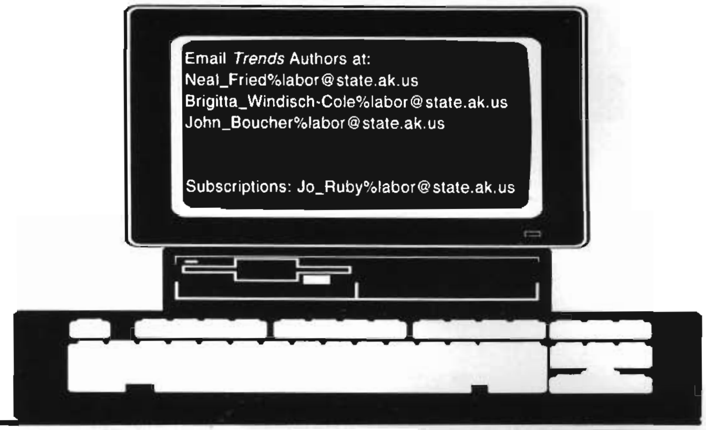
HEALTH CARE



AUGUST JOBLESS RATE DROPS TO 5.0%

November 1995

ALASKA DEPARTMENT OF LABOR • TONY KNOWLES, GOVERNOR



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An Alaska Growth Industry—Health Care

by Neal Fried and Brigitta Windisch-Cole

Over 20,000 people work in Alaska's health care industry, making it one of the state's biggest employers. Employment in the health care industry is greater than in the oil industry, all of the state's eating establishments, the timber industry, or the state's entire finance sector. In fact, it employs about the same number of people as civilians in the federal government. According to the University of Alaska Anchorage, 50 percent more money is spent on health care than on Alaska's public schools, and nearly as much is spent on health care as operating the military in the state. Expenditures for this industry could reach $2.4 billion in 1995.

The industry is getting bigger fast

Not only is the size of health care impressive, but its rate of growth is even more striking. (See Figure 1.) Since 1980, the number of jobs in Alaska's private health care sector has more than doubled, from about 5,800 employees to over 12,800. Health care employment has grown nearly twice as fast as overall wage and salary employment. (See Table 2.) From 1980 to 1994, employment in the private health care industry grew by 5.4% per year compared to 2.8% for the overall economy. Employment in health care also grew considerably faster than the state's population. And during Alaska's worst recession (1986-1988), where total employment fell by over 20,000, employment in health care stalled for a year and then kept on growing.

Why health care has grown so fast

Health care employment growth has outstripped total employment and population growth for a variety of reasons. This trend is not unique to Alaska—the same is true around the nation.

One fundamental reason that this industry has enjoyed such spectacular growth is that it does not face the typical supply/demand conditions most other industries do. Health care is typically viewed as an indispensable service. Usually, people cannot choose when they need health care services. This is one reason that it remains largely a recession-proof industry. Demographic changes play a role in its growth as well—particularly as our population continues to age. Technological changes, too, are boosting the demand for health care services. Many medical procedures of today simply did not exist in the past.

Additionally, the method of payment for these services is very different from the method of payment for most consumer goods. Although the delivery of most health care is a mixture of private and public providers, payment for these services is usually made by third-party payers instead of by the patient. Since the

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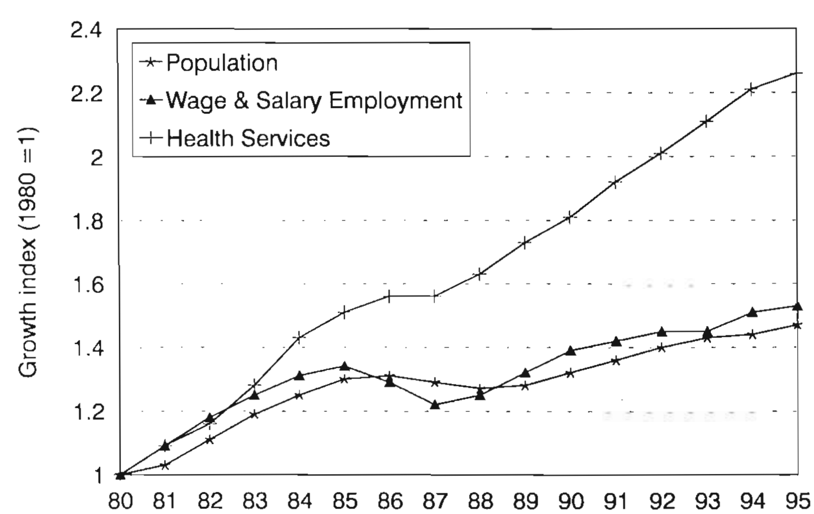
Figure • 1

Private Sector Health Care Job Growth Compared to Total Job and Population Growth



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

Measuring health care is a tough job

Although large amounts of money are spent on health care and it employs thousands of Alaskans, good statistics are lacking to measure its size, complexion, and growth. One of the few sources of good expenditure data is a University of Alaska Anchorage (UAA) study entitled *The Cost of Health Care in Alaska*, produced in 1992 by UAA's Institute of Social and Economic Research.

On the employment side, good statistics for private sector health care have been produced by the Alaska Department of Labor. Most of the private nonprofit employment numbers are included in these figures. There are a few exceptions because some nonprofit health care providers are part of larger social service agencies and are, therefore, counted under social services employment. The health care component of these particular nonprofits is broken out and included in Table 1; however, in the references to private health service employment trends, they are excluded.

In Alaska, the public sector is a big health care provider at all three levels of government—local, state and federal. (See Table 1.) Approximately 62 percent of all health expenditures in the state come from the public sector. Employment data for government health care providers are sparse, since these figures typically are folded in with overall public sector employment. At the federal level alone are the Alaska Area Native Health Service, the military, and the Veterans Administration. Because of these data shortcomings, the private sector data will be heavily relied upon for trends analysis purposes.

Table 1
A Nearly Complete Picture of Alaska's Health Care Community 1994-1995

	Employment
Private	12,837
Self-Employed Health Care Professionals	1,620
Nonprofit Organizations	616
Government	
Federal	
Nonmilitary	1,159
Military	1,420
State	1,416
Local	1,157
Total	20,225

Source: Compiled by Alaska Department of Labor, Research & Analysis Section, using administrative data and estimates from industry experts.

"customer" rarely pays directly for these services, cost is often not a key consideration when purchasing these services.

Hospitals are the biggest health care employer

Not surprisingly, hospitals are the biggest component of health care services. In fact, they employ 42.2% of all private sector health workers, accounting for nearly as many jobs as the next four largest pieces of the health sector pie combined. (See Figure 2.) In addition, according to the Bureau of the Census, hospitals received nearly half of the 1992 health care service revenues. (See Figure 3.) Alaska's ratio of hospital employment to total health services is almost identical to the nation's.

Since 1980, employment in hospitals has nearly doubled. Unlike hospital employment in the rest of the nation over the past 15 years, Alaska's hospital employment grew almost as rapidly as the rest of health care during this time frame. (See Table 2 and Figure 4.) Recently, however, employment growth in hospitals is mirroring national trends more closely. This is due to Medicare reform and the growing move from inpatient to outpatient care. Employment in Alaska's hospitals actually fell in 1994 and is only inching ahead in 1995, while the rest of health care continues to experience strong growth.

One of the reasons hospitals are such big employers is because they provide around-the-clock care. Three shifts of workers cycle through the hospitals each day. The labor intensity of this business often means hospitals are one of the largest employers in a community. For example, Fairbanks Memorial Hospital is the largest private sector employer in Fairbanks, and Kanakanak Hospital is the largest among Dillingham's private employers. Providence Health Care Center and Central Peninsula Hospital (Soldotna) are the second largest private sector employers in their respective communities. Among the top 100 private sector employers in the state, six are hospitals. If we include public hospitals, they are also among the largest employers in a variety of communities. A few examples include the South Peninsula Hospital in Homer, Seward's General Hospital, and Sitka's Community Hospital.

Hospitals pay good wages

Hospital paychecks on average are higher than they are for most other health services. In 1994, the average monthly wage for hospital workers was $2,855 compared to $2,566 for all health services. This is not surprising, since such a large share of the hospital's work force consists of highly skilled professional and technical workers.

New hospitals are being built

Despite recent declines in hospital employment, new hospital construction totaling over $250 million is going on today. These projects include a new $160 million Alaska Area Native Health Service (AANHS) hospital in Anchorage, to be completed in late 1996, and a new $120 million Air Force Hospital on Elmendorf, which just got underway this year. Both of these new hospitals are

Table • 2

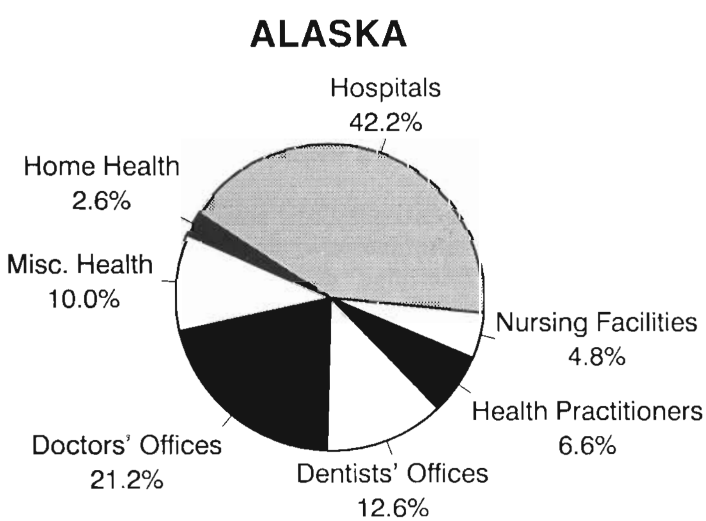
Private Sector Health Care Services Employment 1994

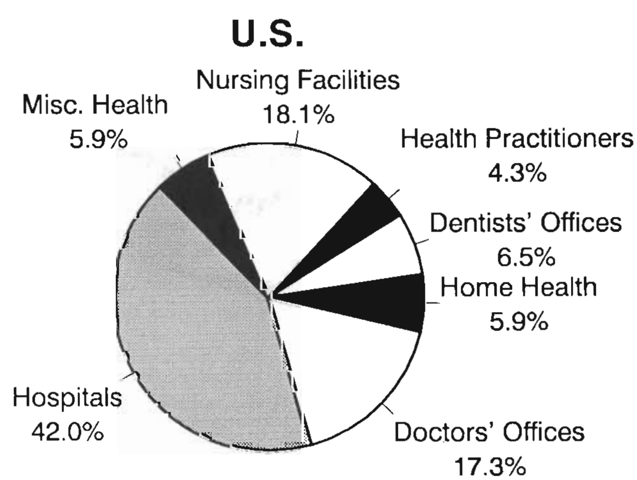
	Alaska 1994	Growth 1980-1994 (%)	Average Annual Growth 1980-1994 (%)
Hospitals	5,416	95.9	4.6
Nursing and Personal Care Facilities	617	n/a	n/a
Doctors' Offices	2,721	118.4	5.3
Dentists' Offices	1,614	173.7	6.9
Other Health Practitioners	846	251.8	8.7
Home Health Care	339	n/a	n/a
Misc. Health Care	1,283	34.5	2.0
Total Health Care	12,836	121.5	5.4
Total Wage and Salary Employment	256,991	51.2	2.8

n/a = not available.
Source: Alaska Department of Labor, Research & Analysis Section.

Figure • 2

1994 Health Care Services Employment





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

Table • 3

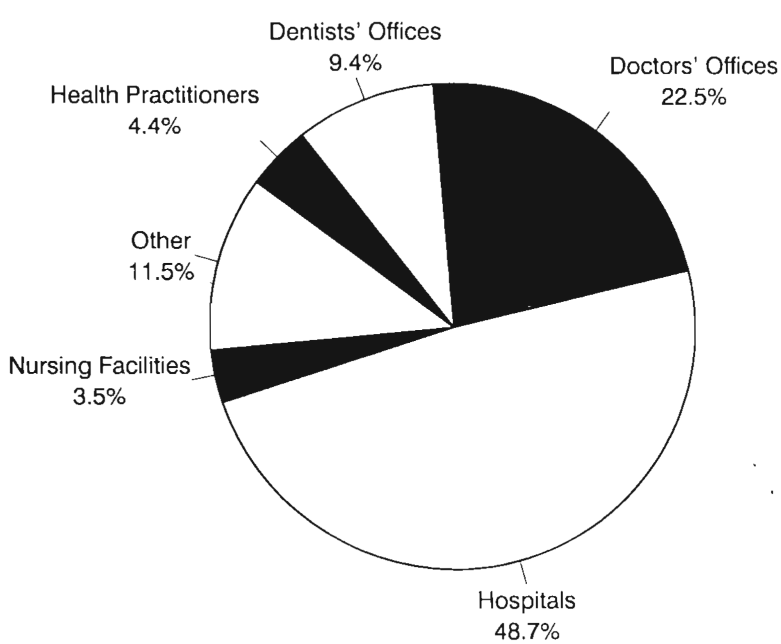
1994 Median Hourly Wages for Selected Health-Related Occupations in Alaska

	Median Hourly Wage
Physicians & Surgeons	$46.30
Physicians' Assistants	28.19
Registered Nurses	20.63
Licensed Practical Nurses	15.00
Nursing Aides, Orderlies & Attendants	10.54
Medical Assistants	10.87
Medical Laboratory Technicians & Technologists	18.56
Medical Records Technicians	11.54
Secretaries: Medical	12.50
Pharmacists	28.50
Physical Therapists	23.04
Radiologic Technicians	17.20
Dentists	50.07
Dental Assistants	13.50
Dental Hygienists	30.00
Dietitians & Nutritionists	20.76
Opticians: Dispensing & Measuring	13.32

Source: Alaska Department of Labor, Research & Analysis Section, Alaska Wage Rates 1994.

Figure • 3

Alaska Private Sector Health Care Services Revenues 1992



Source: U. S. Department of Commerce, Bureau of the Census, 1992.

replacing older facilities. The new AANHS hospital plans to add some staff, but Elmendorf does not.

One-third of health care employees work in doctors' and dentists' offices

The next biggest employer in health services is doctors' offices. In 1994, doctors' offices employed 21.2% of all health care workers. (See Figure 2.) Employment since 1980 more than doubled or grew by 5.3% per year, nearly identical to the rate of overall health care services. (See Table 2.) Employment in dentists' offices nearly tripled during that same time period. Curiously, the dentists' slice of the health care pie (12.6%) is nearly twice as large as the nation's and has grown far more quickly. This profusion of employment in dentists' offices in Alaska cannot readily be explained.

Nursing facilities remain small in Alaska

Nationally, nursing facilities represent about 18 percent of health services employment compared to only 4.8% in Alaska. This is not surprising given the contrasting demographic picture. Only 4.3% of Alaska's population is 65 or older, compared to 12.7% for the U.S. However, this segment of Alaska's population is among the fastest growing in the state. This means nursing facilities will likely grow fast and absorb a growing slice of the state's health services pie.

Employment for other health practitioners explodes

In this category are podiatrists, chiropractors, optometrists, psychologists, and others. Excluded are physicians and dental groups. Since 1980, employment for other health practitioners has more than tripled, growing by over 250 percent. This is the fastest growing segment of health services.

Home health care is small, but growing

Home health care is growing fast, but it remains a small piece of Alaska's health services pie. Home health care is being embraced by many because it is seen as a more cost-effective way to deliver certain kinds of care, and patients often prefer it. Like nursing facilities, this segment too will expand with the aging of the population.

Health care provides a cornucopia of job opportunities

Look in any of Alaska's larger newspapers' "Help Wanted" sections and the number of health care jobs jumps out at you. Health care has all the magic ingredients of an industry laden with job opportunities. The industry is large, employing more than 20,000 Alaskans. The industry is growing more rapidly than most others. Given its ubiquitous nature, jobs in health care exist around the state—even in some of its most rural reaches, where job opportunities often are scarce. Wages for many of these occupations are above average. (See Table 3.) Moreover, the jobs are largely recession proof and, unlike so much of Alaska's economy, they are usually full-time, and not seasonal.

On the down side of job opportunities in the health care industry, sometimes the work hours are not desirable. This is particularly true in hospitals. In addition, frequently training for many of these jobs is available only outside of Alaska. This is the case for the majority of health care occupations requiring more than a high school degree. These are listed in Table 4.

Health care occupations are featured prominently in any listing of the fastest growing occupations for the nation or Alaska. For example, for the 25 occupations forecast to grow the most rapidly in the state, nine are in health care services. In Table 4, the outlook for 24 out of 33 of these occupations is deemed good to excellent. None is rated below average.

Table • 4

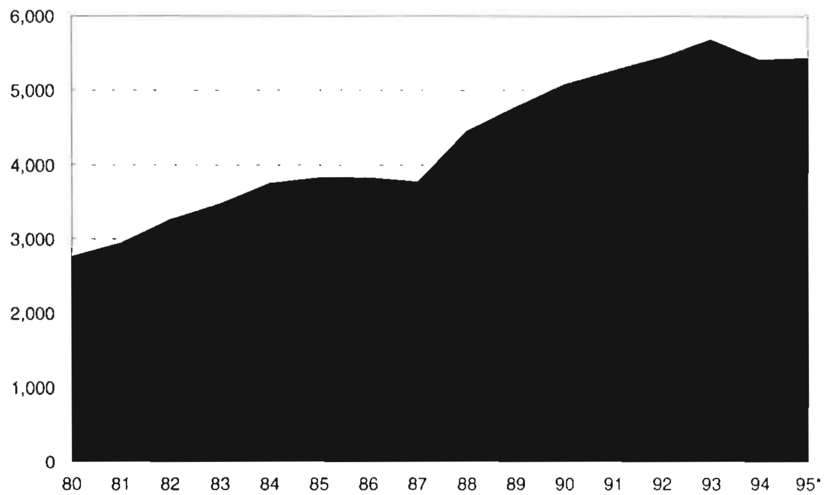
A Bright Outlook for Occupations in Alaska's Health Care Industry

Occupation	Employment 1993	Forecasted Employment 1997	Outlook
Chiropractors	54	63	Excellent
Dental Assistants	603	662	Good
Dental Hygienists	316	354	Good
Dental Laboratory Technicians	99	103	Average
Dentists	442	471	Average
Dietetic Technicians	56	62	Good
Dieticians & Nutritionists	75	79	Average
Emergency Medical Technicians	206	218	Average
Home Health Aides	228	247	Good
Licensed Practical Nurses	133	158	Excellent
Medical Assistants	428	442	Average
Medical Laboratory Technicians/Technologists	217	234	Good
Medical Record Technicians	302	322	Good
Medicine & Health Services Managers	616	664	Good
Nursing Aides/Orderlies/ Attendants	3,753	4,021	Good
Opticians: Dispensing & Measuring	1,174	1,248	Good
Optometrists	124	138	Good
Pharmacists	48	50	Average
Pharmacy Assistants	172	179	Average
Pharmacy Technicians	51	55	Good
Physical /Corrective Therapist Assistants/Aides	34	35	Average
Physical Therapists	96	110	Excellent
Physicians & Surgeons	175	200	Excellent
Physicians' Assistants	138	147	Average
Psychiatric Technicians	725	793	Good
Psychologists	80	91	Excellent
RadiologicTechnicians/Technologists	315	344	Good
Registered Nurses	306	342	Excellent
Respiratory Therapists	99	110	Excellent
Secretaries: Medical	219	254	Excellent
Social Workers: Medical & Psychiatric	691	751	Good
Speech Pathologists & Audiologists	237	256	Good
Surgical Technicians	46	51	Excellent

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

Figure • 4

Growth in Hospital Employment Loses Steam



* Employment estimates, three-month average.
Source: Alaska Department of Labor, Research & Analysis Section.

Table • 5

Average Prices

City	Hospital Room	Doctor Visit	Dentist Visit
U.S. Average	$357	$43	$54
Anchorage	599	59	106
Fairbanks	479	73	132
Juneau	390	57	129
Ketchikan	495	83	117
Kodiak	554	62	117
Tacoma, WA	437	55	97
Los Angeles, CA	744	55	58
Boise, ID	415	49	65
Portland, OR	476	49	76

Source: American Chamber of Commerce Researchers Association, Cost of Living Index, Average Price Data, 1st Quarter 1995 (310 urban areas surveyed).

Will the health care job machine continue to produce?

Much uncertainty surrounds this question today because of the tremendous pressure to bring health care costs under control. Like elsewhere in the nation, the cost of health care in Alaska has sped way ahead of the overall cost of living. (See Figure 5.) Both the public sector and employers are the payers for more than three-quarters of Alaska's medical health care bills. And, since the delivery of health care is a labor-intensive activity, curbing labor costs is becoming a major area of emphasis.

In the near future, another possible brake on growth will come with curbs on spending for Medicare and, more importantly in Alaska, Medicaid. Combined, these programs represent about 19 percent of all health care expenditures. When these expected fiscal restraints arrive, past growth rates will be difficult to sustain. If the cuts in these government programs are severe enough, they could cause contraction in certain areas of health care. In fact, some contraction already is happening in Alaska. For instance, hospital layoffs, once virtually unheard of, have become commonplace during the past two years, and could accelerate.

In response to rising medical costs, companies elsewhere in the nation are moving to managed care by joining health-maintenance organizations (HMOs) or other types of managed care. Although no HMOs are present in Alaska today, managed care of sorts and other partnering arrangements are emerging. For example, preferred provider contracts between insurers and health care providers are becoming more common.

Competition among providers also is heating up. Health services previously managed and provided by the federal government now often are administered by Native nonprofit health providers with far fewer strings attached than before. Some of the nonprofits also are exploring the idea of providing some of their services to the general public, and not just to the Native population. Consolidation is also very likely.

Alaska's health care industry does not operate in a vacuum when it comes to cost. Only limited data exist comparing health care costs in Alaska with the rest of the nation (See Tables 5 and 6.) The University of Alaska estimated Alaskans spend about 54 percent more on a per capita basis on health care than the average American. Higher costs do put pressure on Alaska's health care providers and place them at a relative disadvantage. Some Alaska health care providers are already feeling competition from providers elsewhere in the nation. For example, in 1993, 2,140 Alaskans were hospital patients in Washington State. If the cost differentials are large enough, it often becomes cheaper for patients to fly out of state for treatment.

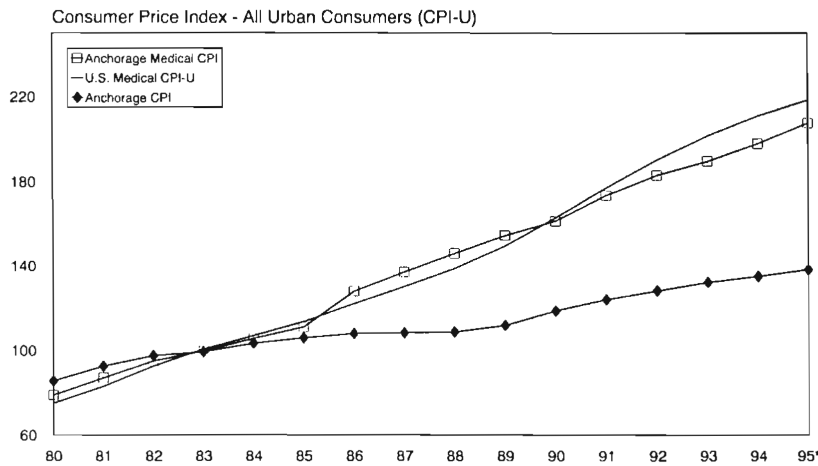
The demand for health care is expected to continue to grow. Technological changes will continue to generate new occupational opportunities in health care. New ways to deliver health care also will give rise to new opportunities. Home health care is one example of this. Another example is telemedicine which will certainly usher in revolutionary changes in the delivery of some health care services in the state. Population growth and the aging of the population will put increased demand on health care services as well.

The big question is which set of factors will weigh more heavily in the future growth of Alaska's health care sector. Will it be cost containment and fiscal pressures or factors creating increased demand? The answer probably will not be known for years.

What does seem likely is that job growth in the future will slow. The dramatic changes in the way health care will be delivered in the future will also mean job security will not be as ironclad as it once was. However, there is little question that the industry will continue to generate new employment possibilities. Given the dynamism of this industry, its sheer size, and its relatively high turnover rate, new opportunities will emerge.

Figure • 5

Rising Medical Costs Outpace Inflation Rate



*Data reflect 1st half of 1995.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Table • 6

Urban Area Index Data

City	Health Care Costs
U.S. Average	100.0
Anchorage	158.3
Fairbanks	182.2
Juneau	163.6
Ketchikan	183.8
Kodiak	169.9
Tacoma, WA	143.1
Los Angeles, CA	133.0
Boise, ID	113.6
Portland, OR	125.0

Source: American Chamber of Commerce Researchers Association, Cost of Living Index, 1st Quarter 1995 (310 urban areas surveyed).

August Jobless Rate Drops to 5.0%

by John Boucher

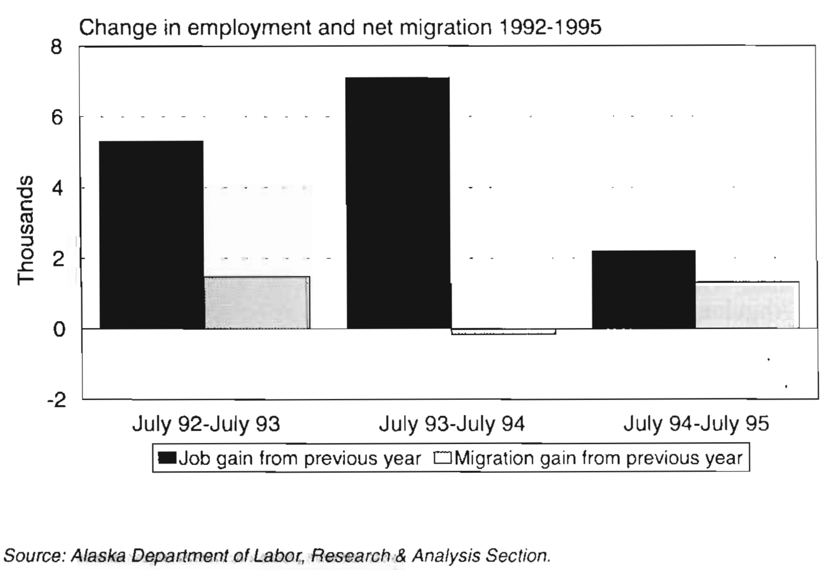
John Boucher is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Juneau.

Alaska's statewide unemployment rate fell seven-tenths of a percentage point in August, coming in at 5.0%. August was the second consecutive month that Alaska's unemployment rate was lower than the national unemployment rate. The nation's jobless rate was 5.6% in August. The statewide unemployment rate continues to show improvement when compared to year-ago levels. In August of 1994, the statewide unemployment rate was 5.9%. (See Table 5.)

Despite economic setbacks, Alaska's unemployment rate is relatively low. August's 5.0% unemployment rate matched the lowest rate for any month for the last 17 years. (Comparable unemployment statistics for the period prior to 1978 are not available.) The last time the state's unemployment rate was 5.0% was in August 1989, at the height of the cleanup effort following the *Exxon Valdez* oil spill. Steady job growth in trade, tourism, construction and the service industries has added up to a tight Alaskan job market.

Figure • 1

Job Creation Has Outpaced Net Migration



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

Examining Alaska's low unemployment rate

Since August's unemployment rate of 5.0% matches the lowest level since 1978, it might be assumed that Alaska's economy is turning in a strong performance. However, interpreting the low statewide unemployment rate as an indicator of good economic times in Alaska meets with justified skepticism. Skeptics point to struggling oil, timber, and air transportation industries and the reduction of Alaska's military and civilian federal government work force as ample evidence of a less than robust economy. (See Table 2.)

Why does Alaska's unemployment rate indicate one of the best economic times in recent memory while other signs indicate Alaska's economy is struggling? Other indicators give insight into this question. First, Alaska's wage and salary job statistics show steady job growth over the past several years. This translates into an increase in the number of job opportunities available to Alaskans. From July 1992 to July 1995, Alaska's wage and salary employment base grew by a little more than 14,500 jobs. (See Figure 1.)

While this increase in the number of jobs available occurred, net migration to Alaska slowed significantly. (Net migration is estimated by taking the number of individuals entering the state and subtracting the number of individuals leaving the state.) From July 1992 to July 1995, the net number of migrants to Alaska increased by a little over 2,600 people. Since net migration includes children not of working age, this means that the net number of adults moving to Alaska who could potentially fill the additional wage and salary jobs was relatively small.

Previous employment expansions have been marked by an increase in the number of workers migrating to Alaska to fill the jobs that were being created. Since 1970, the periods of highest net migration have occurred during the construction of the Trans-Alaska pipeline, the oil revenue driven boom of the early 1980s, and the recovery in the early 1990s. (See Table 1.) The current slow rate of net migration means that employers must increasingly rely upon the state's existing resident labor force to fill additional wage and salary jobs. This trend has been a contributing factor to the overall drop in the unemployment rate.

Net migration affected by several factors

There are several reasons for the declining net migration to Alaska. Military base closures and realignments have played a prominent role in increasing the number of individuals leaving the state. Since 1992, Alaska has experienced a net loss of roughly 10,000 military personnel and their dependents. While departing uniformed military personnel are not a factor in reducing the available civilian work force, the loss of military spouses and their working age children may be retarding the growth of the available work force.

A more significant factor in slower net migration is that the national economy is currently experiencing the lowest level of unemployment since the late 1980s. Previous periods of increased net migration to Alaska have generally occurred when the national economy was struggling and Alaska's economy was thriving. Unemployed individuals are less likely to relocate to Alaska if they are as likely to find employment near their current residence as they are in Alaska.

In addition to these factors, the nature of Alaska's recent employment expansion could also be an influence in decisions to relocate to Alaska. Previous employment expansions have been characterized by employment surges in Alaska's higher paying industries like the oil and gas and construction industries.

Table • 1

Annual Components of Population Change for Alaska, 1970-1995

July 1 to June 30	End of Period Population	Population Change	Components of Change Natural Increase	Net Migrants
1969-70	308,500	13,900	5,860	8,040
1970-71	319,600	11,100	5,993	5,107
1971-72	329,800	10,200	5,667	4,533
1972-73	336,400	6,600	5,313	1,287
1973-74	348,100	11,700	5,380	6,320
1974-75	384,100	36,000	5,778	30,222
1975-76	409,800	25,700	6,124	19,576
1976-77	418,000	8,200	6,563	1,637
1977-78	411,600	-6,400	7,014	-13,414
1978-79	413,700	2,100	7,389	-5,289
1979-80	419,800	6,100	7,729	-1,629
1980-81	434,300	14,500	8,174	6,326
1981-82	464,300	30,000	9,008	20,992
1982-83	499,100	34,800	9,866	24,934
1983-84	524,000	24,900	10,374	14,526
1984-85	543,900	19,900	10,694	9,206
1985-86	550,700	6,800	10,446	-3,646
1986-87	541,300	-9,400	9,845	-19,245
1987-88	535,000	-6,300	9,410	-15,710
1988-89	538,900	3,900	9,380	-5,480
1989-90	553,124	14,224	9,634	4,590
1990-91	569,383	16,259	9,599	6,660
1991-92	587,328	17,945	9,473	8,472
1992-93	597,868	10,540	9,067	1,473
1993-94	606,278	8,410	8,571	-161
1994-95*	615,900	9,622	8,300	1,322

** = Provisional.*
Source: Alaska Department of Labor, Research & Analysis Section, Demographics Unit.

Many of the jobs created during the last three years have been in the retail trade and services sectors. (See Figure 2.) One result of this has been slower growth in the average wage in Alaska than in many other places in the nation. The image of Alaska as a place where an unemployed individual can land a high wage job has run head on into the reality of little or no employment growth in Alaska's higher wage industries.

Table • 2

Nonagricultural Wage and Salary Employment by Place of Work

Alaska	p/ 8/95	r/ 7/95	8/94	Changes from 7/95	Changes from 8/94
Total Nonag. Wage & Salary	281,200	280,600	279,800	600	1,400
Goods-producing	50,000	51,600	50,600	-1,600	-600
Mining	10,000	10,000	11,200	0	-1,200
Construction	16,100	15,400	15,600	700	500
Manufacturing	23,900	26,200	23,800	-2,300	100
Durable Goods	3,500	3,500	3,800	0	-300
Lumber & Wood Products	2,400	2,400	2,700	0	-300
Nondurable Goods	20,400	22,700	20,000	-2,300	400
Seafood Processing	17,000	19,300	16,700	-2,300	300
Pulp Mills	500	500	500	0	0
Service-producing	231,200	229,000	229,200	2,200	2,000
Transportation	25,400	25,200	25,600	200	-200
Trucking & Warehousing	3,400	3,400	3,200	0	200
Water Transportation	2,500	2,300	2,500	200	0
Air Transportation	8,000	7,900	8,200	100	-200
Communications	4,000	3,900	3,900	100	100
Trade	58,400	58,300	57,100	100	1,300
Wholesale Trade	9,000	8,900	9,000	100	0
Retail Trade	49,400	49,400	48,100	0	1,300
Gen. Merch. & Apparel	9,700	9,800	9,300	-100	400
Food Stores	7,700	7,700	7,600	0	100
Eating & Drinking Places	17,000	16,800	16,600	200	400
Finance-Ins. & Real Estate	12,600	12,600	12,500	0	100
Services & Misc.	63,900	63,800	62,400	100	1,500
Hotels & Lodging Places	8,700	8,700	8,600	0	100
Health Services	13,300	13,400	12,700	-100	600
Government	70,900	69,100	71,600	1,800	-700
Federal	18,600	18,700	19,400	-100	-800
State	20,400	20,100	20,900	300	-500
Local	31,900	30,300	31,300	1,600	600

Municipality of Anchorage	p/ 8/95	r/ 7/95	8/94	Changes from 7/95	Changes from 8/94
Total Nonag. Wage & Salary	125,900	125,200	125,100	700	800
Goods-producing	14,000	13,600	14,000	400	0
Mining	2,900	2,900	3,200	0	-300
Construction	8,500	8,100	8,300	400	200
Manufacturing	2,600	2,600	2,500	0	100
Service-producing	111,900	111,600	111,100	300	800
Transportation	13,100	13,100	13,400	0	-300
Air Transportation	4,800	4,700	5,000	100	-200
Communications	2,400	2,400	2,400	0	0
Trade	30,200	30,200	29,600	0	600
Wholesale Trade	6,300	6,300	6,300	0	0
Retail Trade	23,900	23,900	23,300	0	600
Gen. Merch. & Apparel	4,800	4,900	4,500	-100	300
Food Stores	3,300	3,400	3,500	-100	-200
Eating & Drinking Places	8,200	8,100	8,100	100	100
Finance-Ins. & Real Estate	7,500	7,600	7,500	-100	0
Services & Misc.	33,400	33,300	32,800	100	600
Hotels & Lodging Places	3,000	3,100	3,000	-100	0
Health Services	6,800	6,800	6,400	0	400
Government	27,700	27,400	27,800	300	-100
Federal	10,800	10,900	11,200	-100	-400
State	7,600	7,400	7,600	200	0
Local	9,300	9,100	9,000	200	300

Table • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings p/ 8/95	Average Weekly Earnings r/ 7/95	Average Weekly Earnings 8/94	Average Weekly Hours p/ 8/95	Average Weekly Hours r/ 7/95	Average Weekly Hours 8/94	Average Hourly Earnings p/ 8/95	Average Hourly Earnings r/ 7/95	Average Hourly Earnings 8/94
Mining	$1,237.59	$1,270.37	$1,206.27	50.7	52.3	49.6	$24.41	$24.29	$24.32
Construction	1,317.37	1,251.65	1,176.18	48.9	47.7	46.6	26.94	26.24	25.24
Manufacturing	578.55	555.42	563.87	55.1	54.4	53.6	10.50	10.21	10.52
Seafood Processing	521.26	505.45	509.18	58.7	57.7	57.6	8.88	8.76	8.84
Trans., Comm. & Utilities	682.92	691.06	684.18	36.0	36.7	36.2	18.97	18.83	18.90
Trade	412.43	429.97	388.72	34.6	36.5	34.8	11.92	11.78	11.17
Wholesale	678.80	701.84	606.34	40.0	40.9	38.4	16.97	17.16	15.79
Retail	365.57	381.63	347.82	33.6	35.7	34.1	10.88	10.69	10.20
Finance-Ins. & Real Estate	466.20	475.31	438.40	36.0	36.2	35.7	12.95	13.13	12.28

Notes to Tables 2-4:

Tables 2&3- Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Table 4- Prepared in part with funding from the Employment Security Division.

p/ denotes preliminary estimates.

r/ denotes revised estimates.

Government includes employees of public school systems and the University of Alaska.

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

Benchmark: March 1994

Table • 4

Nonagricultural Wage and Salary Employment by Place of Work

Southeast Region

Southeast Region	p/ 8/95	r/ 7/95	8/94	Changes from 7/95	Changes from 8/94
Total Nonag. Wage & Salary	40,350	39,300	40,550	1,050	-200
Goods-producing	8,300	7,850	8,750	450	-450
Mining	200	200	150	0	50
Construction	1,950	1,900	1,900	50	50
Manufacturing	6,150	5,750	6,700	400	-550
Durable Goods	1,800	1,800	2,200	0	-400
Lumber & Woods Products	1,700	1,650	2,050	50	-350
Nondurable Goods	4,350	3,950	4,500	400	-150
Seafood Processing	3,600	3,150	3,750	450	-150
Pulp Mills	550	550	500	0	50
Service-producing	32,050	31,450	31,800	600	250
Transportation	3,450	3,350	3,600	100	-150
Trade	7,850	7,750	7,600	100	250
Wholesale Trade	600	600	650	0	-50
Retail Trade	7,250	7,150	6,950	100	300
Finance-Ins. & Real Estate	1,600	1,600	1,650	0	-50
Services & Misc.	7,100	7,100	6,850	0	250
Government	12,050	11,650	12,100	400	-50
Federal	2,000	2,050	2,150	-50	-150
State	5,300	5,200	5,350	100	-50
Local	4,750	4,400	4,600	350	150

Anchorage/Mat-Su Region

Total Nonag. Wage & Salary	136,600	135,000	135,350	1,600	1,250
Goods-producing	14,800	14,500	14,800	300	0
Mining	2,950	3,000	3,300	-50	-350
Construction	9,150	8,750	8,950	400	200
Manufacturing	2,700	2,750	2,550	-50	150
Service-producing	121,800	120,500	120,550	1,300	1,250
Transportation	14,050	13,950	14,200	100	-150
Trade	33,100	32,950	32,450	150	650
Finance-Ins. & Real Estate	7,900	7,950	7,850	-50	50
Services & Misc.	35,850	35,450	35,200	400	650
Government	30,900	30,200	30,850	700	50
Federal	10,950	11,000	11,350	-50	-400
State	8,450	8,200	8,450	250	0
Local	11,500	11,000	11,050	500	450

Gulf Coast Region

Total Nonag. Wage & Salary	31,650	32,250	31,200	-600	450
Goods-producing	10,200	11,050	10,000	-850	200
Mining	1,000	1,050	950	-50	50
Construction	1,550	1,500	1,600	50	-50
Manufacturing	7,650	8,500	7,450	-850	200
Seafood Processing	6,300	7,100	6,150	-800	150
Service-producing	21,450	21,200	21,200	250	250
Transportation	2,450	2,400	2,450	50	0
Trade	5,800	5,850	5,750	-50	50
Wholesale Trade	800	800	800	0	0
Retail Trade	5,000	5,050	4,950	-50	50
Finance-Ins. & Real Estate	700	700	700	0	0
Services & Misc.	6,300	6,300	6,100	0	200
Government	6,200	5,950	6,200	250	0
Federal	700	700	700	0	0
State	1,750	1,650	1,700	100	50
Local	3,750	3,600	3,800	150	-50

Interior Region

Interior Region	p/ 8/95	r/ 7/95	8/94	Changes from: 7/95	Changes from: 8/94
Total Nonag. Wage & Salary	38,150	37,950	38,250	200	-100
Goods-producing	4,000	3,950	4,050	50	-50
Mining	800	850	1,100	-50	-300
Construction	2,500	2,400	2,250	100	250
Manufacturing	700	700	700	0	0
Service-producing	34,150	34,000	34,200	150	-50
Transportation	3,350	3,400	3,350	-50	0
Trade	8,650	8,650	8,300	0	350
Finance-Ins. & Real Estate	1,150	1,200	1,200	-50	-50
Services & Misc.	9,100	9,050	9,000	50	100
Government	11,900	11,700	12,350	200	-450
Federal	3,900	3,900	4,000	0	-100
State	4,100	4,100	4,500	0	-400
Local	3,900	3,700	3,850	200	50

Fairbanks North Star Borough

Total Nonag. Wage & Salary	32,800	32,900	32,700	-100	100
Goods-producing	3,600	3,550	3,700	50	-100
Mining	650	700	950	-50	-300
Construction	2,300	2,200	2,100	100	200
Manufacturing	650	650	650	0	0
Service-producing	29,200	29,350	29,000	-150	200
Transportation	2,600	2,650	2,500	-50	100
Trucking & Warehousing	650	650	550	0	100
Air Transportation	600	600	650	0	-50
Communications	250	250	300	0	-50
Trade	7,850	7,900	7,700	-50	150
Wholesale Trade	850	800	800	50	50
Retail Trade	7,000	7,100	6,900	-100	100
Gen. Merch. & Apparel	1,300	1,300	1,250	0	50
Food Stores	800	800	750	0	50
Eating & Drinking Places	3,000	3,000	2,950	0	50
Finance-Ins. & Real Estate	1,100	1,150	1,100	-50	0
Services & Misc.	8,100	8,150	7,800	-50	300
Government	9,550	9,500	9,900	50	-350
Federal	3,150	3,150	3,250	0	-100
State	3,800	3,800	4,050	0	-250
Local	2,600	2,550	2,600	50	0

Southwest Region

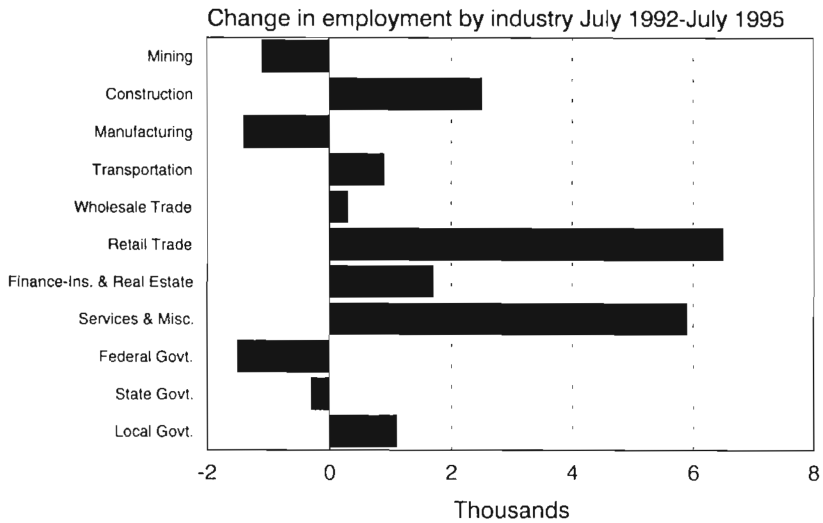
Total Nonag. Wage & Salary	18,900	20,400	18,600	-1,500	300
Goods-producing	7,050	8,750	6,600	-1,700	450
Seafood Processing	6,600	8,350	6,050	-1,750	550
Service-producing	11,850	11,650	12,000	200	-150
Government	5,200	5,000	5,350	200	-150
Federal	800	850	900	-50	-100
State	500	550	500	-50	0
Local	3.900	3.600	3.950	300	-50

Northern Region

Total Nonag. Wage & Salary	15,500	15,300	16,100	200	-600
Goods-producing	5,700	5,550	6,350	150	-650
Mining	4,950	4,850	5,600	100	-650
Service-producing	9,800	9,750	9,750	50	50
Government	4,650	4,550	4,550	100	100
Federal	250	250	250	0	0
State	300	300	350	0	-50
Local	4,100	4,000	3,950	100	150

F i g u r e • 2

Retail and Services Lead the Job Gain



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

T a b l e • 5

Unemployment Rates by Region & Census Area

	Percent Unemployed		
Not Seasonally Adjusted	**p/ 8/95**	**r/ 7/95**	**8/94**
United States	5.6	5.9	5.9
Alaska Statewide	5.0	5.7	5.9
Anchorage/Mat-Su Region	4.5	5.0	5.3
Municipality of Anchorage	4.0	4.3	4.6
Mat-Su Borough	7.2	8.7	8.7
Gulf Coast Region	6.5	7.4	7.9
Kenai Peninsula Borough	7.6	8.8	8.9
Kodiak Island Borough	2.9	4.1	6.1
Valdez-Cordova	6.6	6.3	6.8
Interior Region	5.4	6.1	6.3
Denali Borough	3.6	3.0	2.9
Fairbanks North Star Bor.	5.0	5.7	5.9
Southeast Fairbanks	7.4	7.9	7.7
Yukon-Koyukuk	12.0	14.3	12.2
Northern Region	8.6	10.2	9.2
Nome	10.8	12.4	11.0
North Slope Borough	3.1	3.4	3.9
Northwest Arctic Borough	12.9	16.4	13.8
Southeast Region	4.4	5.2	5.1
Haines Borough	5.6	6.8	5.8
Juneau Borough	4.1	4.9	4.5
Ketchikan Gateway Borough	3.7	4.4	4.8
Pr. of Wales-Outer Ketchikan	6.6	6.6	7.3
Sitka Borough	4.5	5.2	6.7
Skagway-Hoonah-Angoon	3.8	4.7	4.7
Wrangell-Petersburg	4.7	6.6	4.1
Yakutat Borough	2.2	4.3	8.0
Southwest Region	5.5	5.7	5.8
Aleutians East Borough	1.2	2.2	1.8
Aleutians West	1.1	1.3	1.7
Bethel	7.9	8.2	8.2
Bristol Bay Borough	8.0	3.2	1.8
Dillingham	3.9	4.2	5.7
Lake & Peninsula Borough	7.5	7.3	6.6
Wade Hampton	12.8	14.2	13.9
Seasonally Adjusted			
United States	5.6	5.7	6.1
Alaska Statewide	6.7	6.9	7.7

p/ denotes preliminary estimates r/ denotes revised estimates
Benchmark: March 1994

- *Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.*
- *The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.*

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

Alaska Employment Service

Anchorage: Phone 269-4800

Bethel: Phone 543-2210

Dillingham: Phone 842-5579

Eagle River: Phone 694-6904/07

Mat-Su: Phone 376-2407/08

Fairbanks: Phone 451-2871

Glennallen: Phone 822-3350

Kotzebue: Phone 442-3280

Nome: Phone 443-2626/2460

Tok: Phone 883-5629

Valdez: Phone 835-4910

Kenai: Phone 283-4304/4377/4319

Homer: Phone 235-7791

Kodiak: Phone 486-3105

Seward: Phone 224-5276

Juneau: Phone 465-4562

Petersburg: Phone 772-3791

Sitka: Phone 747-3347/3423/6921

Ketchikan: Phone 225-3181/82/83

Alaska Economic Regions

The mission of the Alaska Employment Service is to promote employment and economic stability by responding to the needs of employers and job seekers.