

THE BETHEL CENSUS AREA

> Alaska Department of Labor and Workforce Development

Tony Knowles Governor of Alaska



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## A profile of rural life in the Yukon-Kuskokwim delta and Upper Kuskokwim River

he Bethel census area encompasses a 41,087 square mile area in western Alaska, nearly the size of the state of Ohio. Two types of landscapes predominate. In the southwest lies the vast Yukon-Kuskowim delta region, commonly referred to as the Y-K delta. In this lower section the Kuskokwim River flows southwest and effectively divides the Y-K delta region into a western and eastern half. Few people live east of the river in the area of the Kilbuck Mountains. The northeast part of the census area is a long rectangular stretch of land bordering the Kuskokwim River.

The Y-K delta is a large coastal plain with approximately 900 miles of shoreline along the Bering Sea. Two near shore islands, Nunivak and Nelson, belong to the area. Marsh, wetlands, grassland, and many tundra lakes provide habitat for waterfowl, migratory birds and small fur bearing mammals. This landscape changes inland upriver at the east-south bend of the river. It turns into a river valley between soft rolling hills. Swatches of boreal forest parallel the riverbed of the Kuskokwim and those of its confluent rivers and streams.

## The census area's demographic brief

On the map, the Bethel census area with its 34 communities appears to be a well populated place, by rural Alaska standards. Its 16,280 residents do make it by far the most populous remote rural area. (See Exhibit 1.) But its acreage is so vast that the population density is a mere four-tenths person per square mile.

Census 2000 shows Bethel area residents to be much younger than the state average. The regional median age was 25.3 versus the state's median age of 32.4. In fact, this area's median age was the third lowest in the state.

The Bethel area is home to a large Alaska Native population. Nearly 82 percent of the population identified themselves as Alaska Native on the 2000 Census questionnaire. Yupiit Eskimo was the predominate tribal affiliation named. Nearly four percent of all residents were of mixed race, the most common combination being Alaska Native and White. Whites made up 12.5% of area residents. The remaining racial groups had Combined, African small representations. Americans, Asians, Native Hawaiians or other Pacific Islanders and other races made up just 1.7% of the area's population. (See Exhibit 1.) The rural hub city of Bethel showed the greatest racial diversity. The concentration of Alaska Natives was generally much greater in the villages.

In the past decade the area's population has grown by 17.5%, faster than the state's 14% rate of growth. (See Exhibit 2.) Practically all growth came from natural increase. A few demographic differences were revealed in Census 2000 for the area's two distinct landscapes. In the past decade, population growth was much stronger in the Lower Kuskokwim area (the Y-K delta) than in the Upper River area.

## The Upper Kuskokwim

The Upper Kuskokwim area is remote and its sparse population thins toward the Interior.

# A Snapshot of Current Statistics Bethel Census Area

Current Statistics	Alaska	Bethel
Population (2001)  Bethel's population is younger (2000)	634,892	16,280
Median age Predominately Native (2000)	32.4	25.3
White	69.3%	12.5%
Alaska Native and Native American	15.6%	81.9%
Black	3.5%	0.4%
Asian	4.0%	1.0%
Native Hawaiian and other Pacific Islander	0.5%	0.1%
Other	1.6%	0.2%
Two or more races	5.4%	3.9%
More children (2000)		
Under 5	7.6%	10.0%
School Age (5-19)	25.6%	32.9%
Young workforce (20-34)	20.7%	20.2%
Boomers (35-54 year olds)	33.3%	26.0%
Mature workforce (55-64)	7.2%	5.7%
Percent 65 years & over	5.7%	5.2%
Fewer females (2000)		
Percent female	48.3%	46.9%
Type of households (2000)		
Average family size	3.28	4.41
Family households	68.7%	75.1%
Married couple family	52.5%	50.2%
Female householder, no husband present	10.8%	15.2%
Householder living alone	23.5%	19.9%
More are unemployed (2001)	0.00/	40.007
Percent unemployed (2001)	6.3%	10.6%
Labor force participation	71.3%	62.8%
Income and wages are lower	<b>#</b> 00 0 40	<b>*</b> 4 • • • • •
Personal per capita income (2000)	\$29,642	\$19,035
Annual average wage and salary (2001)	\$36,162	\$25,875
Poverty status—individuals (1999)	9.4%	20.6%
Educational attainment (2000)		
(population 25 years and over)	4.40/	47.00/
Less than 9th grade	4.1%	17.8%
9th to 12th grade no diploma	7.5%	11.3%
High school graduate	27.9%	38.6%
Some college, no degree	28.6%	15.9%
Associate degree	7.2%	3.4%
Bachelor's degree	16.1%	8.2%
Graduate or professional degree	8.6%	4.9%
Housing characteristics differ (2000)	0.74	0.70
Average household size	2.74	3.73
Vacant housing units  For seasonal or recreational use	15.1% 8.2%	18.5%
For Seasonal of recreational use	0.2%	9.8%

Sources: U.S. Department of Commerce, Census Bureau, and Bureau of Economic Analysis

Census 2000 counted only 1,580 people living here in nine communities, eight of them on or near the banks of the Kuskokwim River. Lime Village, a settlement of 46 residents, lies 50 miles southeast on the Stony River, which empties into the Kuskokwim. Of the river shore settlements, Aniak was the largest with 572 residents. Population ranged between 48 and 267 in the remaining villages. (See Exhibit 2.) This area is historically where indigenous groups met and the Yupiit Eskimo and Athabascan Indian cultures blended. A subsistence lifestyle dominates in all these villages. Hunting moose, bear, caribou, and waterfowl, and fishing and gathering berries are essential life-sustaining activities.

#### The Lower Kuskokwim

The Lower Kuskokwim area, with its 25 communities, is far more populated. Thirteen communities lie on or near the ocean; three communities are near the center of the Yukon-Kuskokwim delta; and nine towns or villages bank the shores of the Lower Kuskokwim River. (See Exhibit 2.)

The coastal villages are home to nearly 28 percent of the population. Among them are four island villages. Mekoryuk is on Nunivak Island. Toksook Bay, Tununak and Nightmute are the three Nelson Island communities. Kipnuk with 644 residents was the largest coastal community. Newtok, a Bering Sea coastal settlement, set the area population growth record with a rate of 55 percent between the census years. On the flip side, the largest negative population change fell to Platinum, which lost 36 percent of its population between 1990 and 2000. (See Exhibit 2.)

A cluster of three communities lies in the middle of the delta some 20 to 26 miles northwest of Bethel. Atmautluak lies on the Pitmiktakik River, while Nunapitchuk and Kasigluk are on the Johnson River in a typical Yukon-Kuskokwim delta landscape. They are considered to be model tundra villages. Census 2000 enumerated 1,303 people living in these three places.

Census 2000 locates more than 54 percent of the census area's population in the riverbank section of the Y-K delta. Bethel, the area's largest town,

# Communities 2

	Population	Population		Decennial Population	Median	In Labor	Poverty
	2000	1990	Change	Growth	Age	Force	Rate
Alaska	626,932	550,043	76,889	14.0%	32.4	71.3%	9.4%
Bethel Census Area <sup>1</sup>	16,046	13,656	2,390	17.5%	25.3	62.8%	20.6%
Upper Kuskokwim census su	ıbarea						
Aniak city	572	540	32	5.9%	28.3	67.1%	14.0%
Chuathbaluk city	119	97	22	22.7%	22.9	62.2%	24.1%
Crooked Creek CDP <sup>2</sup>	137	106	31	29.2%	24.8	55.6%	28.1%
Georgetown		0	-				
Lime Village CDP 1	46	42	4	9.5%	n/a	n/a	n/a
Lower Kalskag city	267	291	(24)	-8.2%	20.9	52.7%	40.6%
Napaimute		3	(3)	-100.0%			
Red Devil CDP	48	53	(5)	-9.4%	38.0	37.9%	40.9%
Sleetmute CDP	100	106	(6)	-5.7%	37.0	55.8%	57.7%
Stony River CDP	61	51	10	19.6%	24.3	42.9%	38.7%
Upper Kalskag city (Kalskag)	230	172	58	33.7%	21.7	61.9%	24.2%
Subtotal	1,580	1,461	119	8.1%			
Lower Kuskokwim census su			-				
Akiachak CDP	585	481	104	21.6%	22.2	56.2%	21.2%
Akiak city	309	285	24	8.4%	21.3	53.5%	33.9%
Atmautluak CDP	294	258	36	14.0%	24.2	53.8%	30.3%
Bethel city	5,471	4,674	797	17.1%	29.1	73.0%	11.2%
Chefornak city	394	320	74	23.1%	20.8	66.3%	25.1%
Eek city	280	254	26	10.2%	24.0	42.1%	28.8%
Goodnews Bay city	230	241	(11)	-4.6%	30.7	45.3%	39.0%
Kasigluk CDP	543	425	118	27.8%	21.0	59.0%	22.8%
Kipnuk CDP	644	470	174	37.0%	20.6	59.6%	20.9%
Kongiganak CDP	359	294	65	22.1%	21.8	53.6%	13.8%
Kwethluk city	713	558	155	27.8%	19.6	53.9%	29.5%
Kwigillingok CDP	338	278	60	21.6%	26.0	56.8%	34.7%
Mekoryuk city	210	177	33	18.6%	35.6	67.1%	21.9%
Napakiak city	353	318	35	11.0%	26.2	58.8%	20.2%
Napaskiak city	390	328	62	18.9%	21.7	51.7%	20.2%
Newtok CDP	321	207	114	55.1%	20.7	63.5%	31.0%
Nightmute city	208	153	55	35.9%	21.8	67.1%	10.7%
Nunapitchuk city	466	378	88	23.3%	22.8	59.7%	20.7%
Oscarville CDP	61	57	4	7.0%	25.3	50.0%	40.0%
Platinum city	41	64	(23)	-35.9%	32.5	73.3%	22.0%
Quinhagak city	555	501	54	10.8%	26.6	41.2%	26.1%
Toksook Bay city	532	420	112	26.7%	22.5	66.9%	27.3%
Tuluksak CDP	428	358	70	19.6%	23.7	47.8%	27.9%
Tuntutuliak CDP	370	300	70	23.3%	22.9	65.5%	23.0%
Tununak CDP	325	316	9	2.8%	22.8	60.2%	30.8%
Subtotal	14,420	12,115	2,305	19.0%			

<sup>&</sup>lt;sup>1</sup> Census correction of June 2002 for 2000 population figures

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

<sup>&</sup>lt;sup>2</sup> CDP — Census Designated Place

had 5,471 residents, more than one third of the entire census area's population. Kwethluk and Akiachak, each with a population of more than 500, ranked second and third in size among the nine river settlements.

In all communities of both the lower and upper Kuskokwim region, subsistence plays a pivotal role. The major food source along the Kuskokwim River is fish, particularly salmon. Whitefish is the second most targeted species. Fishing is also important in the central villages and on the coast. In the coastal region sea mammals are also taken for food. Herring roe is an important food source for subsistence and is also harvested for commercial purposes. Large animals, such as moose and caribou, are hunted in the Lower River section. The Mulchatna caribou herd travels in the region. Waterfowl, eggs from nesting birds, snowshoe hares, beavers, berries, and other delicacies all contribute to the subsistence larder. Villagers in Mekoryuk on Nunivak Island herd reindeer for personal and commercial use, while the musk oxen on Nunivak and Nelson Islands are also taken for food.

### **Spotlighting the City of Bethel**

Bethel is the central hub not only for the Bethel census area but also for its northern neighbor, the Wade Hampton census area and its 19 villages. Together, the Bethel and Wade Hampton census areas form the Yukon-Kuskokwim region, commonly referred to as the Y-K region. The City of Bethel is its commercial center, its major airway intersection, and its largest supply and freight distribution station. Bethel is the largest meeting place and regional headquarters for health care and governmental services. Moreover, private sector companies and tribal organizations that administer public housing and social, educational, and cultural services, maintain their principal offices in Bethel. Its large population base and its supportive function for outlying villages magnify Bethel's role in this western Alaska economy. It is a natural corollary to find that the vast majority of the area's wage and salary jobs are located in the City of Bethel. Despite its size, Bethel's appearance and its isolated location lend it more of a rural than an urban ambience.

# Wage and Salary Employment 1990-2001 Bethel Census Area

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	Change	Percent Change	
Total Industries <sup>1</sup>	4,604	4,456	4,589	5,142	5,302	5,542	5,573	5,581	5,882	5,821	6,093	6,250	1,646	35.8%	
Mining	0	5	10	16	7	8	6	8	10	9	11	11	11		
Construction	50	44	78	104	105	61	42	23	32	49	90	54	4	8.0%	
Manufacturing	224	131	153	502	396	405	330	369	300	49	60	111	-113	-50.4%	
Seafood Processing	g¹ 224	131	153	502	396	405	330	369	300	49	60	111	-113	-50.4%	
Trans/Comm/Util	427	269	270	294	286	379	399	476	482	539	508	505	78	18.3%	
Trade	420	386	426	491	538	558	557	573	603	565	613	604	184	43.8%	
Wholesale	28	19	22	21	29	27	16	31	45	23	36	28	0	0.0%	
Retail	392	368	403	470	510	531	541	542	558	542	577	576	184	46.9%	
Finance/Insur/R.E.	240	263	280	301	376	364	328	320	364	370	357	352	112	46.7%	
Services	876	1,001	1,142	1,240	1,459	1,600	1,701	1,579	1,731	1,782	2,046	1,620	744	84.9%	
Miscellaneous	3	7	11	3	2	1	0	0	2	2	1	0	-3	-100.0%	
Government	2,365	2,349	2,217	2,185	2,132	2,162	2,207	2,234	2,359	2,456	2,407	2,993	628	26.6%	
Federal	288	295	211	179	157	132	137	132	125	117	123	124	-164	-56.9%	
State	321	356	336	328	315	318	320	321	299	298	303	301	-20	-6.2%	
Local	1,756	1,699	1,670	1,677	1,660	1,712	1,750	1,781	1,935	2,041	1,981	2,568	812	46.2%	

<sup>&</sup>lt;sup>1</sup> Adjusted for employment at Coastal Villages Seafoods, LLC, in 2000 and 2001

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

### Labor market changes over the decade

Between 1990 and 2001, employment in the census area grew by 36 percent, more than twice as fast as population growth. (See Exhibit 3.) The largest addition in jobs came from service industries and government. Among services, health care employment showed the greatest increase. In the public sector, local government provided more jobs. School related employment grew due to higher enrollment and improved pupil-teacher ratios. Public administration type of employment increased because most tribal councils became governmental entities. Prior to year 2000, these councils were classified as private sector service industry employers. The number of jobs with federal and state government, however, decreased over the decade. Annual average employment showed gains in the transportation, trade and real estate sectors. Growth in the real estate sector stemmed from an increase in public funds for Indian housing. Seafood processing employment was the only private sector industry that showed employment losses, but not all this decline was real. From the early 1990s to 1997 annual average seafood employment was overstated due to erroneous employer reporting. In subsequent years, however, the lower averages in seafood processing employment contain actual employment losses that reflect the meager harvest years of 1997 through 2001. The 2002 harvest may come in below last year's because low prices have discouraged fishers from participating.

## The public sector's footprint is large

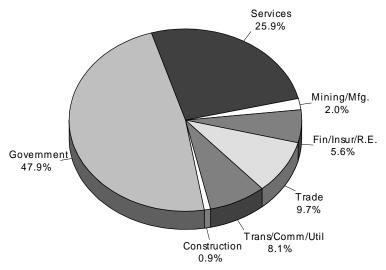
Government remained the most important economic force throughout the recent decade. Its influence on employment has waned little. In 1990, the public sector was responsible for more than 51 percent of all wage and salary employment and in 2001 it held a 48 percent portion. (See Exhibit 4.) Federal and state governments significantly influence private sector jobs as well because large not-for-profit organizations depend largely on public funding. The Yukon-Kuskokwim Health Corporation, the area's second largest employer, is an example. (See Exhibit 5.) The federal government carries out the mandate to provide free health care to Alaska's Native

population. Some tribal entities also receive public grants to provide needed services. Career and workforce development, social and family services are examples of their involvement. Construction activities also depend on public capital budgets and grants. Most infrastructure improvement and residential building are financed through state and federal appropriations. Federal grants from Housing and Urban Development are funneled through the local housing authorities, which build new projects and maintain a large inventory of public housing. Other agencies, like the Denali Commission, assess infrastructure needs in rural Alaska from water and sewer systems to energy projects. In turn, local governments often administer these projects and form local labor pools that perform the brick and mortar work.

### Local jobs are scarce

In spite of private sector investment and government funding, overall job opportunities are limited. Bethel's job market is the area's largest, and it offers limited variety and few choices. Usually, the demand for jobs exceeds available positions. Mismatches between job requirements and applicant readiness frequently occur, due to the young age and insufficient training of much of the population. In smaller communities the choice of employment is even more restricted. School

# Employment Sectors Of Bethel area workers—2001



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

employment, public sector jobs, and some trade and healthcare jobs in essence describe the entire wage and salary job market. Some seasonal work becomes available in the summers. Many villagers are firefighters who move away during the season to earn much needed cash.

In most villages, entrepreneurial opportunity exists mainly in fishing or in craft making, using subsistence resources. The scale of such operations is usually small. The high seas fishery remains a job resource, but it requires long absences from home—a situation that many find undesirable. Many residents in the Bethel area have no jobs.

The area's unemployment rate does not accurately reflect the long-term jobless issue, because workers who experience lasting spells of unemployment become separated from the labor force. Persons who do not seek jobs because they believe none are available are classified as discouraged workers; unemployment statistics exclude this pool of potential workers. The labor force participation rates as shown on Exhibit 2, however, indicate that job opportunities are scarce. In general, low labor force participation rates indicate weaknesses in specific labor markets. In most Bethel census area communities, as in most other rural locations, labor force participation rates are low (see Exhibit 2) and earning potential is limited.

Annual Ava

# The Largest Employers Bethel census area—2001

Rank	Name of Business/Organization	Employment
1	Lower Kuskokwim School District	1,094
2	Yukon Kuskokwim Health Corporation	940
3	State government	301
4	Association of Village Council Presidents (AVC	P) 259
5	Yupiit School District	156
6	Federal government	124
7	Alaska Commercial Company	111
8	Kuspuk School District	109
9	Coastal Villages Seafood LLC	103
10	Omni Enterprises	85

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

### **Income earned tends to be low**

Income for Bethel census area residents tends to be low. In 2000, on a statewide scale, Bethel's personal per capita income ranked 23rd among Alaska's 27 census areas or boroughs. The Bureau of Economic Analysis estimated all income from all sources to be \$305.6 million. Net earnings, those from payroll jobs and self employment made up 59 percent of all income received. Dividends, interest, and rents, the investment-based income sources, yielded nine percent; and transfer payments, which include all payments in cash or in kind from government sources amounted to 32 percent of the total. (See Exhibit 6.) This underscores the key role that government plays.

# Alaska Permanent Fund disbursements swell transfer payments

At first blush, government payments to individuals, regional non-profit organizations, and other businesses appear very large. In 2000, the public sector transferred nearly \$97.5 million to the area, 32 percent of total personal income compared to 11 percent statewide. The main reason for public sector spending in the Bethel census area stems from the federal health care mandate for Alaska's Native population. Over 34 percent of the total transfer payments covered medical expenditures in 2000. (See Exhibit 7.)

The second largest portion came from the state and was within the category labeled "other payments." These contain the Alaska Permanent Fund dividend distributions which have a huge impact on the regional economy. In 2000, 15,589 Bethel area resident applications for Permanent Fund dividends resulted in disbursement of over \$30 million. The annual checks substantially increase income in subsistence based economies. Most other transfer payments are in-kind payments that cover a variety of services or are cash disbursements that are reserved for specific individuals such as retirees, veterans, unemployed workers or those who qualify to receive aid. Aid packages also play a large role in the area's economy.

Income maintenance payments, some of them

more commonly called welfare, were 18 percent of the transfer payments. In all, state and federal governments spent \$17.7 million to provide individuals with cash or in-kind benefits. Food stamps filled the largest portion of the area's aid package, which also contains family assistance, supplemental security income payments, general relief, foster care, adoption assistance, and heating assistance.

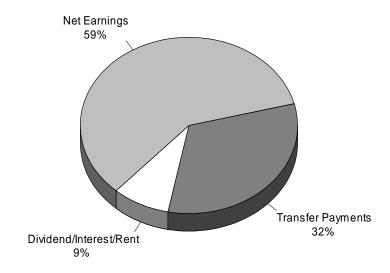
Payments to non-profit organizations and businesses added three percent to Bethel's personal income in 2000. Such funding is often procured through grants that pass through local organizations or business for specific purposes and may directly or indirectly benefit the local population. The overall income position of the Bethel census area demonstrates that the area lacks cash and therefore, almost by definition, poverty is widespread.

### Poverty rates are high in the villages

During Census 2000 every second household in western Alaska responded to income questions. The information gathered indicated that 3,234 persons or 20.6 percent of the total population in the Bethel census area were considered to be poor. Poverty thresholds were based on 1999 income and adjusted for size of household. In Census 2000, a four-person household with an income below \$17,029 was included in poverty statistics. Poverty rates exceeded the statewide average of 9.4% in all communities of the Bethel census area, which had the fifth highest rate in the state. All but four communities had poverty rates above twenty percent. (See Exhibit 2.) The City of Bethel had the second lowest area poverty rate at 11.2%. This tends to confirm that more income opportunities exist in Bethel than elsewhere in Nightmute, a small Bering Sea the region. community, recorded the lowest rate of poverty. This community's small size and fisheries earnings enable it to experience less poverty than most of the region.

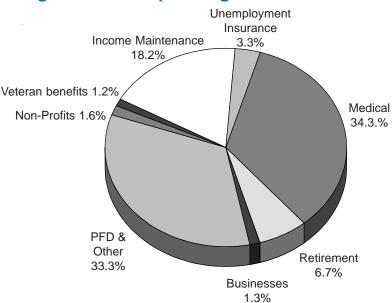
It is important to remember that poverty ratings are strictly income-based, and ignore the subsistence economy. While it is hard to place a value on such an economy because value derived from its various sources will differ with usage, it carries central significance in Alaska's rural communities. The traditional subsistence lifestyle largely sidesteps the need for store-bought foodstuffs, which come at high cost in rural Alaska. As a result, income-based poverty levels may not

# Personal Income Totaled \$302.6M In Bethel census area in 2000



Source: U.S. Department of Commerce, Bureau of Economic Analysis

# Health Care is Biggest Slice Of government spending in Bethel area



Source: U.S. Department of Commerce, Bureau of Economic Analysis

represent the same reduced quality of living that they would in an urban setting.

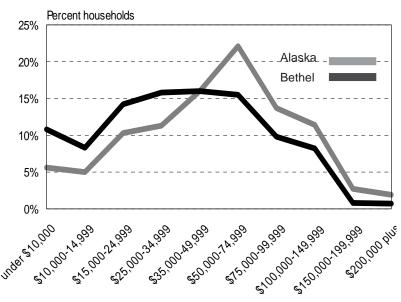
### No income class dominates in the area

Graphing the Census 2000 income distribution for the Bethel area into ten income groups confirms that income lies significantly below the statewide average. (See Exhibit 8.) A relatively flat pattern develops for the Bethel area with the majority of incomes ranging between \$15,000 and nearly \$75,000 per year. Household income in the Bethel area is more evenly distributed than in the rest of the state. Most incomes fall into four common classes. There are nearly as many households that earn between \$15,000 and \$25,000 per year as there are households that earn between \$50,000 and \$75,000 per year. Exhibit 8 further shows high incidences of very low income and very low frequencies of elite income. Bethel's income distribution picture is quite unlike Alaska's, which shows a high percentage of households in the state earning between \$50,000 and \$75,000 per year in 1999.

### Commercial fishing has suffered

For many years cash generated from commercial fishing represented a substantial portion of the

# Bethel Middle Incomes Plateau While Alaska's peak—Census 2000



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

Bethel area's market economy. This source of cash income has deteriorated. (See Exhibit 9.) Between 1991 and 1995 regional commercial fishing income averaged nearly \$9.9 million. Between 1996 and 2000 it had faded to about \$5.4 million—a 45 percent drop. Meager salmon harvests between 1997 and 2000 were a big part of the problem but falling fish prices also played a role. In 1991, for example, setnetters in the Kuskokwim district earned on average \$.57 per pound of salmon and in 2000 the price was just \$.34. The value of the herring fishery, the other important commercial species, has also been caught in a long lasting downward spin. Demand for herring roe and roe on kelp in Japanese markets has weakened. The downturn of these two fisheries has discouraged participation. The lack of harvesting effort is dramatic in the herring fishery. Less than half of the permit holders who fished the 2000 season were on the grounds in 2001. Commercial salmon is also drawing fewer fishers. In 1991, 814 permits were fished on the Kuskokwim River but by 2001 this number had dropped to 514, a 37 percent decline in participation.

The fisheries do exhibit some positive indicators. In recent years a commercial halibut fishery has developed. Business arrangements between salmon, herring and halibut harvesters and the local Community Development Quota (CDQ) group, the Coastal Village Region Fund, (CVRF) have become tighter and investments in seafood processing have followed.

## CDQ group benefits from fisheries

Coastal villages in the Bethel area and a few in the Wade Hampton area form one of the six CDQ groups that participate in the Bering Sea fishing industry. The CDQ program was designed to benefit communities adjacent or close to the Bering Sea. Fishing quotas vary annually and are determined by federal or state officials who determine multi-species groundfish and crab total harvest limits. The International Halibut Commission regulates the halibut fishery. A portion of the western groundfish and crab harvests is reserved for the six CDQ groups, which in turn receive individual harvest rights that vary with species.

Each CDQ group manages its own fishing quota. Coastal Villages Region Fund (CVRF) opted to lease its fishing rights to various catcher/processors. The organization receives royalty payments from these companies. In some cases, CVRF extended its involvement and purchased ownership shares in the businesses of their partners, thereby receiving royalties and part of the business profits. The benefit from such financial arrangements can be large. In 2000, for example, CVRF reported \$10.5 million in revenue. Such income reaches the Bethel census area in various ways.

CVRF has upheld and improved upon the area's fishing industry infrastructure. It operates a salmon processing facility in Quinhagak and halibut plants or buying stations in four additional communities. It plans to establish small plants in Kipnuk and Hooper Bay in the near future. Locally caught seafood products enter Anchorage's fresh seafood market. In 2001, employment at the Quinhagak plant and at village plants averaged 103 jobs that generated a payroll of over \$1 million. Harvesters also receive benefits from CVRF's existence. Loans, advances, boat safety training and assisted equipment or gear purchasing are examples of available services. The organization's influence extends to job recruitment and training, scholarships, and internships. The organization offers such services and programs to non-coastal communities as well.

#### Calista focuses on new businesses

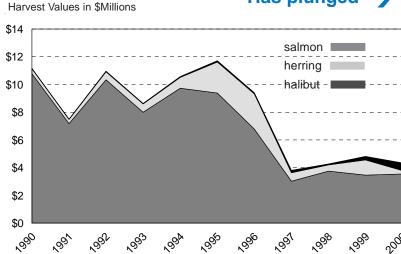
Calista Corporation, formed in 1971 under the Alaska Native Claims Settlement Act, has owned and managed several businesses since its formation. Originally, it started with an enrollment of 13,300 shareholders, mainly from the Bethel and Wade Hampton census areas. In past years, Calista enterprises recorded mixed business success. But the corporation's new business deals hold promise. A Calista subsidiary, the Yulista Management Service Company, was awarded a ten-year \$1.1 billion national defense research and technical support contract for development of missile systems and aerospace aircraft. A new Calista business emerged, named JVYS from the joint venture between Yulista and Science and Engineering Services of Maryland.

The regional corporation also owns 6.5 million acres of land and holds surface and subsurface rights to extract mineral deposits. The land has potential for oil and gas development, and precious metal deposits have been identified. Several years ago, Placer Dome started to explore at Donlin Creek, a 13 million troy ounce gold deposit in the Upper Kuskokwim area. The company spent \$33 million on exploration and built a campsite with an airstrip. It partnered with Nova Gold to continue this exploration effort. If mining starts, Calista will receive royalties from production, and good paying jobs will be created.

### **Summary**

The Bethel census area exhibits problems associated with high poverty and low employment opportunity. But the transition to a market economy is under way. Opportunities in the fisheries are still present and may eventually provide more jobs. Large service contracts have materialized and additional resource development appears likely. Such private sector economic development initiatives complement cash infusions from the public sector. This cooperative effort to build a bridge between the market economy and the subsistence-based lifestyle is aimed at improving conditions while retaining and reinforcing local traditions.

# Bethel Area Fishing Income Has plunged Has plunged



Source: Alaska Department of Fish and Game, Commercial Fishery Entry Commission

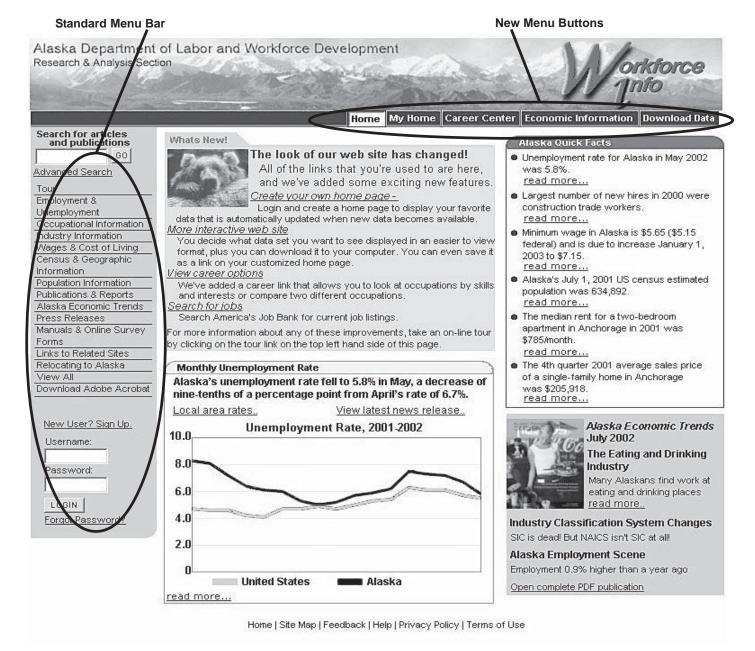
# Website Gets New Look by Kathy Ermatinger, Statistical Technician and Brynn Keith, Economist

## Research and Analysis (R&A) unveils new website

Beginning in September, users of the Department of Labor and Workforce Development Research and Analysis (R&A) website will notice a change. A new integrated web-based application provides a single point of entry to Alaska's labor market information web pages, data browsing tools, career resources and data downloading capabilities. The

move to an ezine format, modeled after print magazines, makes it easier to remain up-to-date on available economic, occupation and population information.

The new website is at www.labor.state.ak.us/research/research.htm



# Same useful information with a new look and enhanced features

In addition to the customary economic information, R&A's Home page will sport a new look that incorporates many new features, including:

- A <u>What's New</u> section, highlighting recently released data or publications,
- expanded navigational options that include the standard menu bar organized by data category (vertically displayed on the left side of the screen) and new menu buttons that access content pages (horizontally arrayed below the banner),
- a routinely updated <u>Quick Facts</u> section, containing interesting economic tidbits with links for more detailed information,
- the Monthly Unemployment Rate, with a chart comparing Alaska's rate to that of the U.S., and links to the current monthly press release and related local area information,
- a brief description of the articles in the current issue of the Alaska Economic Trends magazine, with links to the complete articles (in PDF or HTML formats),
- a <u>Search</u> function, which allows you to search R&A's website for articles and publications (search options include keyword, author, data, or category).

#### **NEW MENU BUTTONS**

## **My Home**

The My Home feature, accessed through the horizontal menu buttons, allows you to create your own home page, highlighting the information and publications of most interest to you. My Home can also be customized to include links to saved data searches generated within R&A's website. A user name and password are required to activate and access the My Home function. Both the new user sign-up and user sign-in are at the bottom of the vertical menu bar.

### **Career Center**

The Career Center contains information you need to make informed decisions based on up-to-date information for over 800 occupations. The Career Center page also includes a monthly column profiling one of Alaska's many careers, highlights of recent articles and reports, a career statistics top-ten list, and links to career resource websites.

Use the Career Center to:

- Match your skills to a career that fits you,
- find out what kind of training you might need for the career you want, and where to get the training,
- search for job listings by job category, zip code or keyword using America's Job Bank.

#### **Economic Information**

The Economic Information section puts economic, occupation and population information at your fingertips. Interactive search capabilities allow you to explore industry, occupation, training program, geographic area, and employer information. The Economic Information page, accessed through the horizontal menu buttons, also contains:

- An <u>Economic Update</u> column, updated monthly,
- a <u>What's New</u> section highlighting a recent publication or data series,
- an employment statistics <u>Top-Ten</u> list, updated monthly,
- maps linked to census demographic profiles at the state, borough/census area, and place (community) level.

### **Download Data**

Use the Download Data menu button to view and download data series. Depending on the data series, data tables can be tailored to specific geographic areas, time periods, years or industries.

# June Economy Reflects Global Trends

## Global economy impacts timber, fisheries

# Alaska Employment Scene

by Neal Gilbertsen Labor Economist



reliminary estimates of Alaska's June employment showed a .5% increase over June 2001. The number of jobs in the *Services* sector continued to grow, but *Goods Producing* employment declined in every region in the state. While some

of this loss is easily explained in terms of the higher than normal employment levels of 2001, at least two areas of loss seem based on structural changes in the global economy that will continue into the foreseeable future.

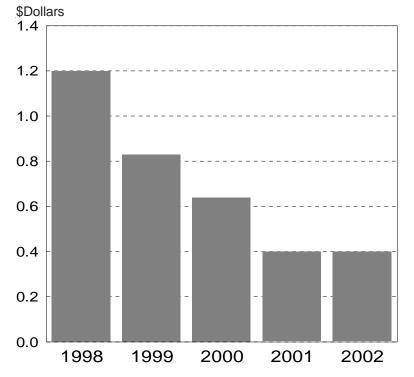
## Oil and gas sector is healthy

The 12.5% reduction in oil and gas related employment is largely attributable to the completion of the Alpine and Northstar projects. These projects created a significant number of temporary jobs in 2000 and 2001, and current employment numbers simply represent a return to normal. Overall, the industry remains healthy with prices remaining above the 1992-2001 average, and increased activity anticipated in the Kenai region.

#### Timber remains down

Over the last decade, Alaska's timber industry has faced a growing set of problems. Most recently, the bankruptcy and closure of Gateway Forest Products has further eroded the troubled timber economy of Ketchikan and Southeast Alaska. But the problems of the industry are not confined to Alaska or even the United States. In anticipation of the U.S. 27.2% tariff on softwood imports, Canadian companies increased production and sent a huge reserve of untaxed lumber across the border. This stockpile of up to

# 1 Bristol Bay Sockeye Salmon Ex-vessel price per pound



Source: Alaska Department of Fish and Game

a billion board feet has glutted the market and caused prices to plummet from \$280 to \$230 per thousand board feet. These prices are below the break-even point for most U.S. and Canadian mills. As a result, logging operations and sawmills in both countries have curtailed production and laid off large numbers of workers. It is unlikely that these market conditions will soon improve. Still, the acquisition of Gateway's veneer plant by the Ketchikan Gateway Borough, and the borough's negotiations with an Oregon company may create some employment opportunities in the near future, as well as providing a much needed market for logging operations.

### Seafood processing not well

Chilean farmed salmon and wild salmon harvested in the Russian Far East have captured much of the traditional Japanese market. Furthermore, American imports of low cost Chilean and Canadian farmed salmon have resulted in a glut that has eroded domestic prices. (See Exhibit 1.) Worldwide production of farmed salmon is expected to continue to grow in spite of questions concerning the use of antibiotics and environmental hazards. Whether Alaska's fisheries can adapt to these new conditions is a question both state and federal policy makers are attempting to answer.

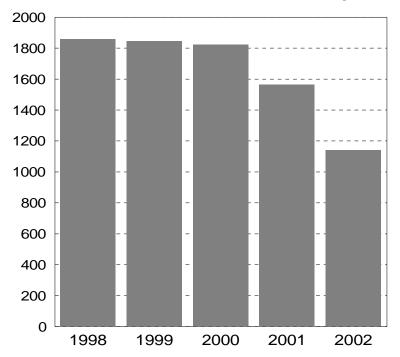
Due to the size and geographic distribution of the seafood processing industry, employment reductions have potential consequences to the state. With the salmon runs of July and August and their attendant seafood processing employment peaks still ahead, June 2002 employment was 8 percent lower than 2001. Fewer vessels are expected in virtually every salmon fishery, and with the closure of several processing plants across the state, it is unlikely that seafood processing employment will reach 2001 levels.

The Alaska Department of Fish and Game reports that as of July 5, only 1,140 vessels had registered

for the premier Bristol Bay salmon drift net fishery. This is a dramatic decrease from the 1.850 that characterized the fishery throughout the 1990s. or the 1,566 that fished in 2001. (See Exhibit 2.) The 2001 season with its 83 percent participation rate marked the first time since 1978 that fewer than 95 percent of the 1,885 permit holders fished. The preliminary 2002 participation rate of 60.5% is the lowest since the implementation of the Limited Entry program. But Bristol Bay is not alone, as many other salmon fishermen in other areas sit out the season due to low prices or loss of markets. This reduction in effort has dramatically reduced employment opportunities for crewmen, and may be a factor in June's slight increase in unemployment rates, (five-tenths of one percentage point). This is underscored by the fact that fisheries-dependent communities showed some of the highest increases in June's unemployment claims.

(continued on page 18)

# Drift Net Permits Fished In Bristol Bay



Source: Alaska Department of Fish and Game

# 3 Nonagricultural Wage and Salary Employment By place of work

Alaska	preliminary 6/02	revised 5/02	6/01	Changes 5/02	from: 6/01	
Total Nonag. Wage & Salary	305,600	296,000	303,500	9,600	2,100	
Goods-producing	41,000	37,000	43,100	4,000	-2,100	
Service-producing	264,600	259,000	260,400	5,600	4,200	
Mining	10,400	10,200	11,800	200	-1,400	
Oil & Gas Extraction	8,800	8,700	10,100	100	-1,300	
Construction	17,600	15,200	17,200	2,400	400	
Manufacturing	13,000	11,600	14,100	1,400	<b>-1,10</b> 0	
Durable Goods	2,400	2,300	2,900	100	-500	
Lumber & Wood Products	900	900	1,400	0	-500	
Nondurable Goods	10,600	9,300	11,200	1,300	-600	
Seafood Processing	7,600	6,500	8,300	1,100	-700	
Transportation/Comm/Utilitie	es 30,100	28,900	29,900	1,200	200	
Trucking & Warehousing	3,500	3,200	3,300	300	200	
Water Transportation	2,100	2,000	2,200	100	-100	
Air Transportation	10,500	10,000	10,500	500	0	
Communications	5,700	5,600	5,500	100	200	
Electric, Gas & Sanitary Sv	cs. 3,000	2,900	3,000	100	0	
Trade	63,000	59,500	62,100	3,500	900	
Wholesale Trade	8,500	8,300	8,700	200	-200	
Retail Trade	54,500	51,200	53,400	3,300	1,100	
Gen. Merchandise & Appa	arel 10,700	10,200	10,100	500	600	
Food Stores	6,600	6,400	6,700	200	-100	
Eating & Drinking Places	20,100	18,300	19,700	1,800	400	
Finance/Insurance/Real Esta	ite 13,100	12,900	13,200	200	-100	
Services & Misc.	79,100	75,100	77,800	4,000	1,300	
Hotels & Lodging Places	9,700	7,500	9,700	2,200	0	
Business Services	8,800	8,600	9,200	200	-400	
Health Services	18,900	18,700	18,200	200	700	
Legal Services	1,600	1,600	1,600	0	0	
Social Services	9,000	9,200	8,600	-200	400	
Engineering/Account'g/Res	earch 8,700	8,200	8,500	500	200	
Government	79,300	82,600	77,400	-3,300	1,900	
Federal	17,500	16,900	17,600	600	-100	
State	23,300	24,500	22,100	-1,200	1,200	
Local	38,500	41,200	37,700	-2,700	800	
Tribal	3,400	3,100	3,200	300	200	

Municipality of Anchorage	reliminary 6/02	revised 5/02	6/01	Changes 5/02	from: 6/01
Total Nonag. Wage & Salary	144,900	141,500	143,200	3,400	1,700
Goods-producing	14,100	12,800	14,700	1,300	-600
Service-producing	130,800	128,700	128,500	2,100	2,300
Mining	2,800	2,600	3,400	200	-600
Oil & Gas Extraction	2,600	2,500	3,500	100	-900
Construction	9,000	7,900	8,800	1,100	200
Manufacturing	2,300	2,300	2,400	0	-100
Transportation/Comm/Utilities	16,300	15,800	16,100	500	200
Air Transportation	6,500	6,200	6,400	300	100
Communications	3,700	3,600	3,600	100	100
Trade	33,700	32,800	33,200	900	500
Wholesale Trade	6,300	6,300	6,400	0	-100
Retail Trade	27,400	26,500	26,800	900	600
Gen. Merchandise & Appare	el 5,500	5,200	5,100	300	400
Food Stores	2,300	2,400	2,400	-100	-100
Eating & Drinking Places	10,400	10,000	10,400	400	0
Finance/Insurance/Real Estate	7,900	7,800	8,000	100	-100
Services & Misc.	42,800	41,400	42,100	1,400	700
Hotels & Lodging Places	3,500	3,100	3,500	400	0
Business Services	6,400	6,200	6,600	200	-200
Health Services	10,200	10,200	10,000	0	200
Legal Services	1,200	1,200	1,200	0	0
Social Services	4,400	4,400	4,300	0	100
Engineering/Account'g/Resear	rch 6,300	6,100	6,100	200	200
Government	30,100	30,900	29,100	-800	1,000
Federal	10,000	9,800	9,900	200	100
State	9,300	9,800	8,800	-500	500
Local	10,800	11,300	10,400	-500	400
Tribal	200	200	200	0	0

Notes to Exhibits 3, 4, & 5—Nonagricultural excludes self-employed workers, fishers, domestics, and unpaid family workers as well as agricultural workers. Government category includes employees of public school systems and the University of Alaska.

 ${\it Exhibits 3 \& 4-- Prepared in \ cooperation \ with \ the \ U.S. \ Department \ of \ Labor, \ Bureau \ of \ Labor \ Statistics.}$ 

Exhibit 5—Prepared in part with funding from the Employment Security Division.

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

# 4 Hours and Earnings For selected industries

	A preliminary	verage Week	kly Earnings revised	Ave preliminary	rage Weekly revised	Average Hourly Earnings preliminary revised revised			
	6/02	5/02	6/01	6/02	5/02	revised 6/01	6/02	5/02	6/01
Mining	\$1,314.07	\$1,282.11	\$1,465.04	44.2	43.3	48.9	\$29.73	\$29.61	\$29.96
Construction	1237.92	1193.25	1309.70	45.9	43.0	45.1	26.97	27.75	29.04
Manufacturing	484.97	570.06	521.45	26.3	31.1	37.3	18.44	18.33	13.98
Seafood Processing	202.27	302.22	384.12	15.3	21.9	35.6	13.22	13.80	10.79
Transportation/Comm/Utilities	735.50	709.96	717.46	35.6	34.1	34.1	20.66	20.82	21.04
Trade	508.36	493.86	497.69	35.8	35.1	35.6	14.20	14.07	13.98
Wholesale Trade	737.77	702.68	706.04	41.8	39.3	38.9	17.65	17.88	18.15
Retail Trade	474.99	463.34	465.08	34.9	34.5	35.1	13.61	13.43	13.25
Finance/Insurance/Real Estate	662.24	632.85	628.70	37.1	35.1	35.6	17.85	18.03	17.66

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

Benchmark: March 2001

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

# Nonagricultural Wage and Salary Employment By place of work Preliminary revised

By place	of wor	k				Interior Region	6/02	5/02	6/01	5/02	6/01
Fairbanks	preliminary	revised		Change	s from:	Total Nonag. Wage & Salary	44,050	42,100	43,100	1,950	950
		5/02	6/01	5/02		Goods-producing	4,550	3,850	4,550	700	0
North Star Boroug	h ""	3/02	0/01	3/02	0,01	Service-producing	39,500	38,250	38,550	1,250	950
						Mining	1,050	950	1,250	100	-200
Total Nonag. Wage & Salary	37,050	36,050	36,050	1,000	1,000	Construction	2,800		2,550	550	250
Goods-producing	4,150	3,600	4,250	550	-100	Manufacturing	700		750	50	-50
Service-producing	32,900	32,450		450	1,100	Transportation/Comm/Utilities			4,550	250	-50
Mining	900	850	,	50	-200	Trade	8,950		8,700	850	250
Construction	2,600	2,150	2,450	450	150	Finance/Insurance/Real Estate Services & Misc.	1,350 11,000	1,300 10,150	1,300 10,700	50 850	50 300
Manufacturing Transportation/Comm/Utilities	650	600			-50	Hotels & Lodging Places	2,150		2,150	700	0
Trucking & Warehousing	3,350 750	3,250 700		100 50	0 50	Government	13,700		13,300	-750	400
Air Transportation	1,050	1,000	1,100	50	-50	Federal	4,100		4,200	300	-100
Communications	350	350	400	0	-50 -50	State	5,150		4,650	-300	500
Trade	7,250	7,000		250	250	Local	4,450		4,450	-750	0
Wholesale Trade	700	750			0	Tribal	350	300	300	50	50
Retail Trade	6,550	6,250	6,300	300	250						
Gen. Merchandise & Apparel	1,200	1,150	1,150	50	50	Anchorage/Mat-Su	ı Rea	ion			
Food Stores	650	600	650	50	0	•	_		.==		
Eating & Drinking Places	2,550	2,400	2,450	150	100	Total Nonag. Wage & Salary Goods-producing	159,700	155,850	157,000	3,850	2,700
Finance/Insurance/Real Estate	1,250	1,200	1,250	50	0	Service-producing	15,900	14,350	16,300	1,550	-400 3.400
Services & Misc.	9,950	9,200	9,650	750	300	Mining	143,800 2,800	141,500 2,650	140,700 3,500	2,300 150	3,100 -700
Hotels & Lodging Places	1,550	1,000	1,550	550	0	Construction	10,600	9,250	10,250	1,350	350
Health Services	2,200	2,150	2,100	50	100	Manufacturing	2,500	2,450	2,550	50	-50
Government	11,100	11,800		-700	550	Transportation/Comm/Utilities	17,350	16,900	17,100	450	250
Federal State	3,500	3,300	3,500	200	0	Trade	37,700	36,550	36,850	1,150	850
Local	4,900 2,700	5,200		-300 -600	550 0	Finance/Insurance/Real Estate	8,350	8,250	8,450	100	-100
Tribal (no data)	2,700	3,300	2,700	-600	U	Services & Misc.	46,900	45,200	45,950	1,700	950
Tribal (no data)						Government	33,500	34,600	32,350	-1,100	1,150
						Federal	10,150	9,950	10,100	200	50
Southeast Region						State	10,150	10,750	9,650	-600	500
3						Local	13,200	13,900	12,600	-700	600
Total Nonag. Wage & Salary	39,050	36,900	39,200	2,150	-150	Tribal	250	250	300	0	-50
Goods-producing	4,800	4,300	5,100	500	-300	Southwest Degion					
Service-producing	34,250	32,600	34,100	1,650	150	Southwest Region					
Mining	300	300	300	0	0	Total Nonag. Wage & Salary	17,300	16,600	17,600	700	-300
Construction	1,950	1,700	1,900	250	50	Goods-producing	3,750	3,200	3,800	550	-50
Manufacturing Durable Goods	2,550 950	2,300 950	2,900 1,300	250 0	-350 -350	Service-producing	13,550	13,400	13,800	150	-250
Lumber & Wood Products	650	650	950	0	-300	Seafood Processing	3,500	3,050	3,550	450	-50
Nondurable Goods	1,600	1,350	1,600	250	0	Government	6,900	7,250	7,000	-350	-100
Seafood Processing	1,300	1,000	1,300	300	0	Federal	350	350	400	0	-50
Transportation/Comm/Utilities	3,350	3,100	3,350	250	0	State	600	600	600	0	0
Trade	7,450	6,600	7,350	850	100	Local Tribal	5,950	6,300	6,000	-350	-50
Wholesale Trade	650	600	650	50	0	mbai	1500	1350	1400	150	100
Retail Trade	6,800	6,000	6,700	800	100	<b>Gulf Coast Region</b>	١				
Food Stores	1,350	1,250	1,350	100	0	_					
Finance/Insurance/Real Estate	1,350	1,300	1,350	50	0	Total Nonag. Wage & Salary	30,250	28,350	30,750	1,900	-500
Services & Misc.	8,900	8,050	8,950	850	-50	Goods-producing	6,650	5,800	7,300	850	-650
Health Services Government	1,750	1,750	1,750	0 350	100	Service-producing	23,600	22,550	23,450	1,050	150
Federal	13,200 1,950	13,550 1,850	13,100 1,900	-350 100	100 50	Mining	1,350	1,350	1,350	0	0
State	5,450	5,650	5,450	-200	0	Oil & Gas Extraction  Construction	1,300 1,700	1,300 1,350	1,300 1,800	0 350	-100
Local	5,800	6,050	5,750	-250	50	Manufacturing	3,600	3,100	4,150	500	-550
Tribal	550	550	600	0	-50	Seafood Processing	2,650	2,250	3,200	400	-550
						Transportation/Comm/Utilities	2,450	2,400	2,500	50	-50
Northern Region						Trade	6,200	5,550	6,350	650	-150
9						Wholesale Trade	450	350	600	100	-150
Total Nonag. Wage & Salary	15,450	15,700	16,300	-250	-850	Retail Trade	5,750	5,200	5,750	550	0
Goods-producing	5,350	5,350	5,950	0	-600	Eating & Drinking Places	2,200	1,850	2,150	350	50
Service-producing	10,100	10,350	10,350	-250	-250	Finance/Insurance/Real Estate	750	750	750	0	0
Mining	4,900	4,900	5,350	0	-450	Services & Misc.	6,800	6,200	6,600	600	200
Oil & Gas Extraction	4,450	4,450	4,850	0	-400	Health Services	1,250	1,300	1,250	-50	0
Government Federal	4,700	5,100	4,550	-400	150	Government	7,400	7,650	7,250	-250	150
State	150 350	150 350	150 300	0	0 50	Federal State	850 1 600	800 1.750	850 1.550	50 150	0 50
Local	4,200	4,600	4,100	0 -400	100	Local	1,600 4,950	1,750 5,100	1,550 4,850	-150 -150	50 100
Tribal	4,200	4,600	400	-400 0	50	Tribal	300	250	300	50	0
		.00		•			555	_00	555		•

Changes from:

# 6 Unemployment Rates By region and census area

prelii Not Seasonally Adjusted	minary 06/02	revised 05/02	06/01
United States	6.0	5.5	4.7
Alaska Statewide	6.3	5.8	6.0
Anchorage/Mat-Su Region	4.9	4.6	4.6
Municipality of Anchorage	4.4	4.1	4.0
Mat-Su Borough	7.3	6.7	7.3
Gulf Coast Region	9.5	8.2	8.1
Kenai Peninsula Borough	8.3	9.1	7.7
Kodiak Island Borough	14.9	5.8	10.4
Valdez-Cordova	6.7	7.6	6.5
Interior Region	5.8	5.7	5.9
Denali Borough	4.0	4.3	3.7
Fairbanks North Star Boroug	h 5.3	5.0	5.4
Southeast Fairbanks	8.6	9.9	8.8
Yukon-Koyukuk	14.5	15.6	15.2
Northern Region	14.0	12.3	13.3
Nome	13.1	12.5	14.1
North Slope Borough	11.1	8.9	10.0
Northwest Arctic Borough	19.5	16.9	17.1
Southeast Region	6.1	6.0	5.9
Haines Borough	6.9	7.2	6.6
Juneau Borough	4.6	4.2	4.3
Ketchikan Gateway Borough	7.2	7.2	6.5
Prince of Wales-Outer Ketchika	n 10.4	11.1	11.0
Sitka Borough	5.1	5.2	4.1
Skagway-Hoonah-Angoon	6.6	8.2	7.9
Wrangell-Petersburg	7.2	6.8	7.2
Yakutat Borough	12.1	13.8	14.0
Southwest Region	13.3	12.3	13.4
Aleutians East Borough	3.8	3.8	5.0
Aleutians West	13.5	11.6	14.6
Bethel	13.3	12.3	13.3
Bristol Bay Borough	8.1	8.8	8.5
Dillingham	9.8	8.8	9.9
Lake & Peninsula Borough	11.6	10.4	11.6
Wade Hampton	23.5	22.2	22.6
Seasonally Adjusted			
United States	5.9	5.8	4.6
Alaska Statewide	6.7	6.0	6.3

#### 2001 Benchmark

Comparisons between different time periods are not as meaningful as other time series produced by Research and Analysis. The official definition of unemployment currently in place excludes anyone who has not made an active attempt to find work in the four-week period up to and including the week that includes the 12th of the reference month. Due to the scarcity of employment opportunities in rural Alaska, many individuals do not meet the official definition of unemployed because they have not conducted an active job search. They are considered not in the labor force.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section (continued from page 15)

The reduced fishing effort and low ex-vessel prices of 2002 will have negative impacts on most coastal communities. Fewer fishing jobs and reduced earnings will most likely affect employment in support industries, with fishers spending less on fuel, groceries, entertainment and repairs. A dramatic reduction in the seasonal income of what has traditionally been one of Alaska's largest private industrial sectors will indirectly affect other sectors ranging from real estate and construction to eating and drinking and retail sales. Finally, the local governments of many coastal communities rely upon salmon taxes as a significant source of income. Naknek, which received over \$2,000,000 from salmon taxes just a few years ago, anticipates these revenues to fall to \$700.000 or less in 2002.

### **Economy has its bright spots**

Some brighter spots light the seasonal economy, although some of this illumination comes from forest fires. The unusually dry spring has resulted in an early fire season, and by June more than 275,000 acres of Alaska were in flames. While the ecological and environmental impacts of forest fires are open to debate, one economic impact is clear. Fire fighting has become an important source of jobs in rural Alaska. This seasonal employment often provides the only cash income of the year for residents of remote villages.

Although official numbers are not yet available, tourists seem to be visiting Alaska in numbers comparable to 2001. Early concerns about Americans' willingness to travel following the events of last September seem to have been overstated. Informal conversations with visitor bureaus indicate that 2002 should approach or exceed last year's total.

There are other grounds for optimism. The weakening of the dollar against most foreign currencies, including the Japanese yen, should make Alaska fisheries products more attractive to Asian buyers. Since a decline in the value of the dollar usually correlates with a rise in gold prices, this could be a profitable summer for Alaska gold producers, and make new projects such as the Pogo and Kensington mines even more attractive. In addition, a busy construction season seems well underway, including such projects as Missile Defense in the Fairbanks area, several new hotels in Anchorage, and some local highway construction planned for Southeast.

# Employer Resources

Looking for the perfect employee(s)? Need to recruit for several openings? Here's how you can get a head start on the interviewing process. Go to www.jobs.state.ak.us, click on the Job Fair Calendar. Email your Job Fair information and we'll put it out on our site at no cost to you!



Welcome to the Alaska Job Center Network. where people and jobs connect. Online Job Order Use an existing job order as a template for a new job order.

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## Alaska Job Center Network... where people and jobs connect. Job Fairs Calendar

#### Coca-Cola Alaska

Friday, May 31, 2002 5:30 pm 128 W. First Ave.

#### Job Fair -

Imagine working for the world's most recognized brandl. Seeking dependable and committed people to join our team. You will be enlightened about careers with opportunities for advancement.

#### Positions Available:

Driver-soft drink division, Merchandiser-soft drink, Sales Rep-Outside (soft drink division)

Job descriptions are available at: <a href="https://www.jobs.state.ak.us">www.jobs.state.ak.us</a>

Applications will be available at the job fair site. Bring a copy of your current driving record.

#### Carrs/Safeway

Monday, June 3, 2002 1:30 pm Anchorage Job Center Midtown 3301 Eagle Street, Room 104-A

Positions Available: