

TWO UNIQUE ALASKA COMMUTES

Most Alaskans work close to home, but two long trips stand out

By **ROB KREIGER**

Most Alaskans work in the same area where they live. According to national statistics, the average Alaskan has a relatively short daily commute¹ at 18.8 minutes, less than the U.S. average of 25.5 minutes. In the larger urban areas, daily commutes can top an hour each way.

The average commute time in Alaska doesn't tell the whole story, though, as commuting here often means something different than it does in the Lower 48. Getting to work in Alaska ranges from a 10-minute daily walk to the office to a flight to a remote work site on a rotating schedule. Alaska's commutes also depend largely on the available road system as well as an area's size.

The only scenario in Alaska that compares to the typical urban commute in the Lower 48 is when residents of the Matanuska-Susitna Borough drive to Anchorage for work. Depending on where in Mat-Su people live, the trip can take from 40 minutes to nearly an hour-and-a-half one way.

This urban commute, though common in other parts of the country, is one of the two main outliers in Alaska. The second, which is unique to Alaska, is the long trip to remote job sites, mainly the North Slope.

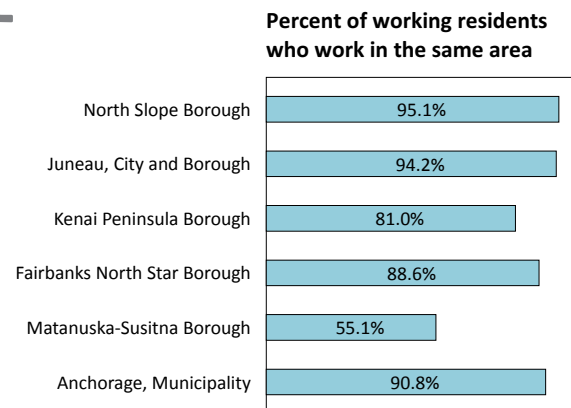
Most work close to home

With the exception of Mat-Su, the vast majority of

¹"Commute" typically refers to a daily trip between home and work, but for this article, a commute means any travel to a job including, for example, flying to a remote job site every few weeks.

1 Most Work Where They Live

BY ALASKA AREA, 2013



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

areas' residents workers stay in their own borough or census area, ranging from 88.6 percent in the Fairbanks area to 95.1 percent for North Slope residents. (See Exhibit 1.)

For example, in Anchorage, about 90 percent of working residents work in the city and can take public transportation, drive, or bike or walk as the weather permits. The remaining 10 percent work somewhere else, and of that group, 3 percent commute to the North Slope and 2 percent to Mat-Su, with the remaining 5 percent spread throughout the rest of the state.

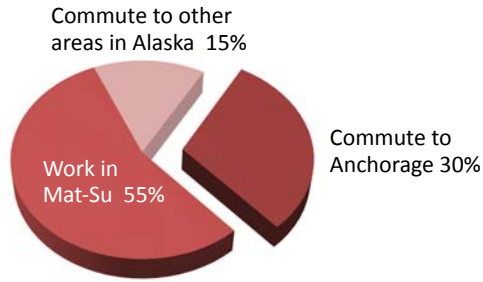
The commute to Anchorage

Mat-Su's suburban relationship to Anchorage means

2

Mat-Su Commuters

NEARLY HALF COMMUTE OUT, 2013



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

only about 55 percent of residents also work in Mat-Su, and over 30 percent commute to Anchorage. Many of the remaining 15 percent of commuters work on the North Slope. (See Exhibit 2.)

The two biggest reasons so many Mat-Su workers leave the borough are its lower housing costs and the availability of higher wages elsewhere. Though Mat-Su has many of the same occupations as Anchorage, Anchorage's earnings run about 30 percent higher.

Mat-Su residents work in more than 500 different occupations in Anchorage, but about 35 percent of commuters earn their living in just 25 occupations. (See Exhibit 3.) Registered nurses were the largest group of commuters, followed by retail salespeople. These types of jobs are plentiful in Anchorage because of Providence Hospital and the abundance of shopping.

Numbers are for residents only

This article focuses on the resident workforce rather than the entire workforce, because place of residence isn't available for those who live outside Alaska.

Alaska residency is determined by matching the Alaska Permanent Fund Dividend file with the Alaska Department of Labor and Workforce Development's wage file. Workers who earned wages in Alaska in 2013 were considered Alaska residents if they applied for a PFD in 2013 or 2014.

The wage file contains quarterly earnings and industry information on Alaska workers covered by unemployment insurance, so it doesn't include the self-employed, uniformed military, or federal employees.

Because many workers have two or more jobs in a year or worked in more than one area, we assigned their employment and earnings to the job and location where they earned most of their wages in 2013.

3

What They Do in Anchorage

TOP JOBS FOR MAT-SU COMMUTERS, 2013

		Number of Workers	Avg Earnings Per Quarter
1	Registered Nurses	330	\$18,241
2	Retail Salespeople	288	\$8,169
3	Construction Laborers	282	\$12,496
4	Carpenters	257	\$15,343
5	Heavy/Tractor-Trailer Truck Drivers	237	\$15,424
6	Operating Engineers and Other Construction Equipment Operators	232	\$18,554
7	Electricians	229	\$17,267
8	Office and Administrative Support	228	\$10,458
9	Office Clerks, General	206	\$8,524
10	General and Operations Managers	190	\$26,058
11	Laborers and Freight, Stock, and Material Movers, Hand	163	\$9,882
12	Maintenance and Repair Workers	161	\$15,365
13	Bookkeeping, Accounting, and Auditing Clerks	157	\$10,175
14	Personal Care Aides	128	\$6,512
15	Combined Food Preparation and Serving Workers, Including Fast Food	125	\$5,686
16	Cashiers	124	\$8,278
17	Executive Secretaries and Executive Administrative Assistants	119	\$11,478
18	Pilots, Copilots, Flight Engineers	119	\$35,167
19	Plumbers, Pipefitters, Steamfitters	117	\$18,337
20	Sales Representatives, Services	115	\$15,222

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

The highest-paid Mat-Su residents working in Anchorage were airline pilots, followed by general and operations managers.

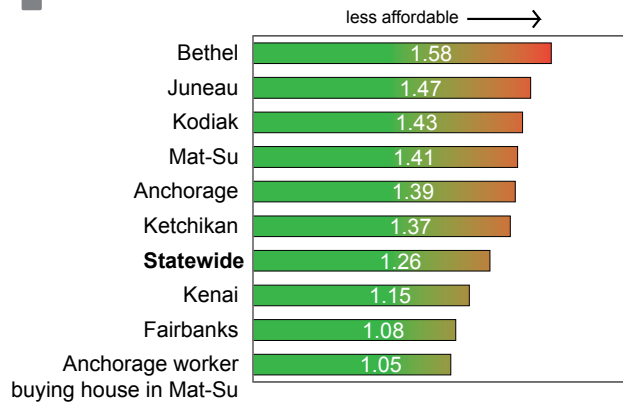
In terms of housing, in 2014 the average single-family home in Mat-Su cost 30 percent less than Anchorage. The Department of Labor and Workforce Development measures an area's housing affordability by taking an area's housing costs into account plus its average earnings and the average interest rate, producing a single value. The resulting Alaska Affordability Index value tells you how many average monthly paychecks it would take to afford a typical home. An index value of 1.0 means exactly one person's income would be necessary. An increasing number means additional income would be required, making housing less affordable.

On their own, Anchorage and Mat-Su both fall toward the middle of the group in terms of affordability; however, housing is significantly more affordable for an Anchorage worker to purchase in Mat-Su. (See Exhibit 4.)

Housing and earnings aren't the only considerations in the decision to commute to Anchorage, though, and for some people, disadvantages can outweigh the financial benefits. For example, there's the commute itself. That's difficult to measure in terms of costs because there are so many variables, but gasoline is the most

4 Housing Affordability

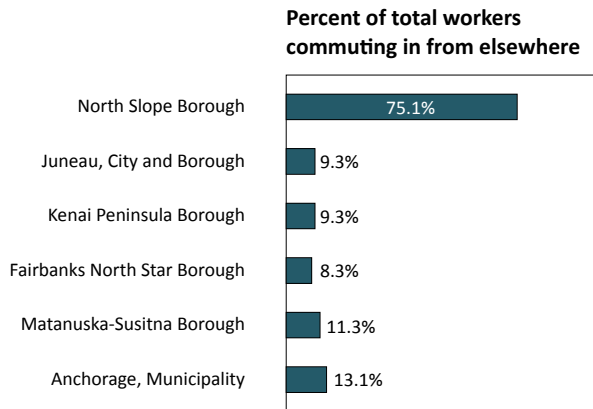
INDEX VALUE BY AREA, JUL TO DEC 2014



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

5 Many Commute to Slope

PERCENT COMMUTING IN BY AREA, 2013



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

obvious expense.

Someone who commutes daily from Palmer or Wasilla drives about 1,800 miles per month to work in Anchorage. While gas prices and miles per gallon vary, gas costs could average between \$250 and \$350 a month, assuming prices between \$3 and \$4 a gallon. Additional costs and possible disadvantages can stack up quickly with wear and tear on a vehicle and the time necessary to drive that far each day.

The commute to the North Slope

The other type of lengthy commute that's unique in Alaska is the trip to remote job sites, mainly to the North Slope to work in its massive oil industry. Work-

6 Where Commuters Work

BY AREA OF RESIDENCE, ALASKA, 2013

Place of Residence	Place of Work	
	Anchorage	North Slope
Anchorage, Municipality	126,682	3,762
Matanuska-Susitna Borough	12,418	3,105
Fairbanks North Star Borough	1,669	878
Kenai Peninsula Borough	1,571	1,753
Juneau, City and Borough	367	30
Bethel Census Area	160	37
Ketchikan Gateway Borough	58	8
Kodiak Island Borough	162	25
Valdez-Cordova Census Area	271	89
Nome Census Area	78	22
Sitka, City and Borough	47	15
Wade Hampton Census Area	70	9
North Slope Borough	54	3,387
Unknown	1,564	94
Northwest Arctic Borough	78	89
Yukon-Koyukuk Census Area	73	125
Prince of Wales-Hyder CA	39	7
Southeast Fairbanks CA	155	75
Dillingham Census Area	66	18
Aleutians West Census Area	41	7
Petersburg Census Area	20	ND
Haines Borough	22	8
Hoonah-Angoon Census Area	15	ND
Wrangell, City and Borough	10	7
Denali Borough	23	23
Lake and Peninsula Borough	43	10
Aleutians East Borough	16	ND
Skagway, Municipality	6	ND
Bristol Bay Borough	12	6
Yakutat, City and Borough	5	ND

Notes: See the sidebar on the previous page for more on residency determination. ND means not disclosable.

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

ing on the North Slope draws in Alaska residents with higher wages and demand for highly skilled workers.

In one sense, the North Slope is similar to most of the state in that very few of its residents commute out — it has the smallest share of out-commuters of any area. But it's the opposite story when you look at those who come in from elsewhere to work. (See exhibits 5 and 6.)

Of all the Alaska residents working in the North Slope Borough, 75 percent live elsewhere in the state: 37 percent come from Anchorage and 30 percent live in Mat-Su. This doesn't take into account the nonresidents who also work on the Slope, who are outside the scope of this article but make up a significant part of the workforce. (See the sidebar on the previous page for more on residency.)

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