

Unemployment Insurance Claimants

by
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Their characteristics, and changes in the population from 1992 to 2001

At the low point of the Great Depression in 1935, the United States adopted a number of policies designed to alleviate economic distress in the country. Among them was Unemployment Insurance (UI), instituted to mitigate the hardships of temporary unemployment and to introduce a degree of economic stabilization for businesses. Under this program unemployed workers receive some continuing income, and this income is quickly introduced into the general economy, cushioning the effects of economic downturns on businesses.

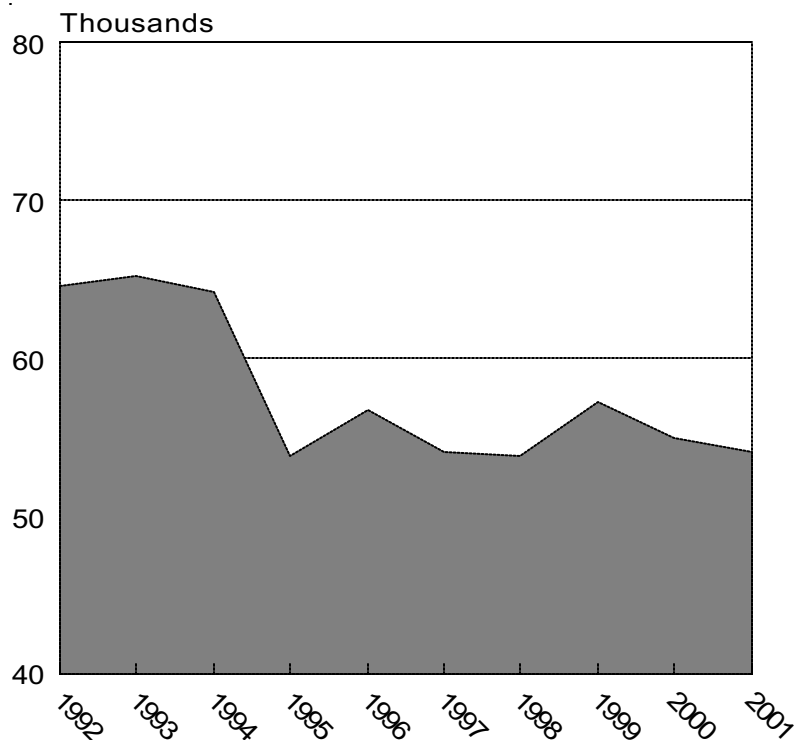
While the tax systems and benefit amounts vary from state to state, all states collect demographic information on unemployment claimants that allows them to describe the claimant population, and to trace how it changes over time. The Alaska Employment Security Act of 1937 requires a biennial actuarial study, which sheds light on who files for unemployment insurance benefits, their age, gender, location, industry, ethnicity, earnings, and number of dependents. (See Exhibit 2.) This article draws on that study to describe Alaska's UI claimant population and changes in it from 1992 to 2001.

UI payouts decline

In 2001, Alaska paid \$117,515,002 to 53,999 claimants from all regions and industries in the state. This was down considerably from the 64,482 claimants ten years earlier in 1992 and

the \$175,832,126 paid to them. (See Exhibit 1.) It was also below the ten year average of \$135,697,886 to 58,283 recipients. In 2001, 83 percent of claimants filed from within the state, and 17 percent filed from outside the state, based on work performed in Alaska. In 1992, 22.4 percent filed from out of state.

Unemployment Insurance (UI) Total claimants 1992—2001



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

2 Unemployment Insurance Claimant Characteristics

2001

Characteristics	Number	Percent of Total	Characteristics	Number	Percent of Total
Total	53,999	100.0	Average Annual Earnings (\$):		
Gender:			1,000- 9,999	13,685	25.3
Male	33,503	62.0	10,000-19,999	16,059	29.7
Female	20,496	38.0	20,000-29,999	10,501	19.4
Age:			30,000-39,999	5,922	11.0
Less than 21	1,491	2.8	40,000-49,999	3,308	6.1
21-24	4,794	8.9	50,000-59,999	1,914	3.5
25-34	14,060	26.0	60,000-69,999	1,085	2.0
35-44	16,167	29.9	70,000-79,999	661	1.2
45-54	12,020	22.3	80,000-89,999	333	0.6
55-64	4,683	8.7	90,000+	531	1.0
65+	784	1.5	Geographic Location:		
Number of Dependents:			Aleutians East Borough	167	0.3
0	31,001	57.4	Aleutians West Census Area	346	0.6
1	9,153	17.0	Anchorage Borough	13,931	25.8
2	7,696	14.3	Bethel Census Area	1,317	2.4
3+	6,149	11.4	Bristol Bay Borough	110	0.2
Ethnic Background:			Denali Borough	229	0.4
Alaska Native/American Indian	11,411	21.1	Dillingham Census Area	338	0.6
Asian and Pacific Islander	3,921	7.3	Fairbanks North Star Borough	5,212	9.7
Black	1,809	3.4	Haines Borough	309	0.6
Hispanic	2,372	4.4	Juneau Borough	1,813	3.4
White	33,799	62.6	Kenai Peninsula Borough	4,443	8.2
Other	342	0.6	Ketchikan Gateway Borough	1,320	2.4
No Information	345	0.6	Kodiak Island Borough	1,662	3.1
Industry:			Lake & Peninsula Borough	136	0.3
Agriculture, Forestry and Fishing	438	0.8	Matanuska-Susitna Borough	4,873	9.0
Mining	1,853	3.4	Nome Census Area	576	1.1
Oil and Gas	1,465	2.7	North Slope Borough	678	1.3
Other Mining	388	0.7	Northwest Arctic Borough	485	0.9
Contract Construction	7,789	14.4	Prince of Wales-Outer Ketchikan CA	823	1.5
Manufacturing	7,555	14.0	Sitka Borough	487	0.9
Food Products	5,850	10.8	Skagway-Hoonah-Angoon CA	512	0.9
Lumber and Wood Products	1,056	2.0	Southeast Fairbanks Census Area	593	1.1
Paper Products	3	0.0	Valdez-Cordova Census Area	960	1.8
Other Manufacturing	1,465	2.7	Wade Hampton Census Area	827	1.5
Transport/Communications/Util	4,665	8.6	Wrangell-Petersburg Census Area	733	1.4
Trade	9,713	18.0	Yakutat Borough	89	0.2
Finance, Insurance and Real Estate	2,175	4.0	Yukon-Koyukuk Census Area	623	1.2
Services	13,713	25.4	Alaska Area Unknown	1,277	2.4
Public Administration	5,459	10.1	Total In-State	44,869	83.1
Unclassified	639	1.2	Out-of-State	9,130	16.9
Occupation:			Local Office:		
Agriculture, Forestry, and Fishing	1,293	2.4	Anchorage	26,532	49.1
Benchwork	139	0.3	Central - Interstate Claims	9,130	16.9
Clerical and Sales	9,714	18.0	Central - Rural Mail Claims	9,057	16.8
Machine Trades	1,553	2.9	Fairbanks	5,324	9.9
Processing	5,565	10.3	Juneau / SE Urban	3,956	7.3
Professional, Technical, Managerial	7,875	14.6	Starting in 1996, the UI claims processing work at many offices was consolidated into regional centers in Anchorage and Juneau. All UI claims filing is now done by mail or telephone.		
Service	7,926	14.7	The Anchorage Center serves clients in Anchorage, Bethel, Dillingham, Eagle River, Glennallen, Homer, Kenai, Kodiak, Kotzebue, Mat-Su, Nome, Seward, Tok, and Valdez.		
Structural Work	13,737	25.4			
Miscellaneous and Unknown	6,197	11.5			

Notes: Percentages may not add up to 100% due to rounding.

Juneau / SE Urban serves Juneau, Ketchikan, Petersburg, Sitka.

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

UI Claimants by Gender 1992 and 2001 3

Annual average UI covered employment in Alaska in 2001 was 283,000, up from 241,000 in 1992. The 2001 number represents 98.2 percent of all nonagricultural wage and salary workers. Not covered are full-commission salespersons, elected and appointed officials, fishers, unpaid family and domestic workers, and the self-employed.

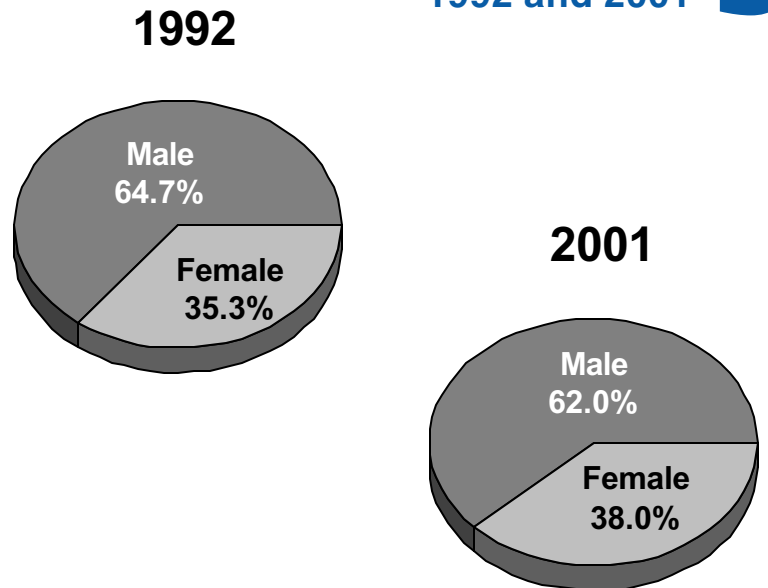
Distinctions by gender

Between 1992 and 2001, the overall gender composition of the unemployed population shifted. Men decreased their percentage of the unemployed from 64.7 percent to 62 percent, while women increased from 35.3 percent to 38 percent of the total. (See Exhibit 3). Among the sub-populations, more substantial changes were recorded. The large increase in Alaska Native women filing unemployment claims (30 percent increase from 1992-2001) was much greater than that for Alaska Native men (13 percent). The increase is linked to a greater number of Alaska Native women entering the workforce during this period. This conclusion is also supported by occupational data that show that jobs in the clerical, professional, and technical fields, (areas of high female employment), were the leading contributors to the increase among Native claimants.

Ethnic variations

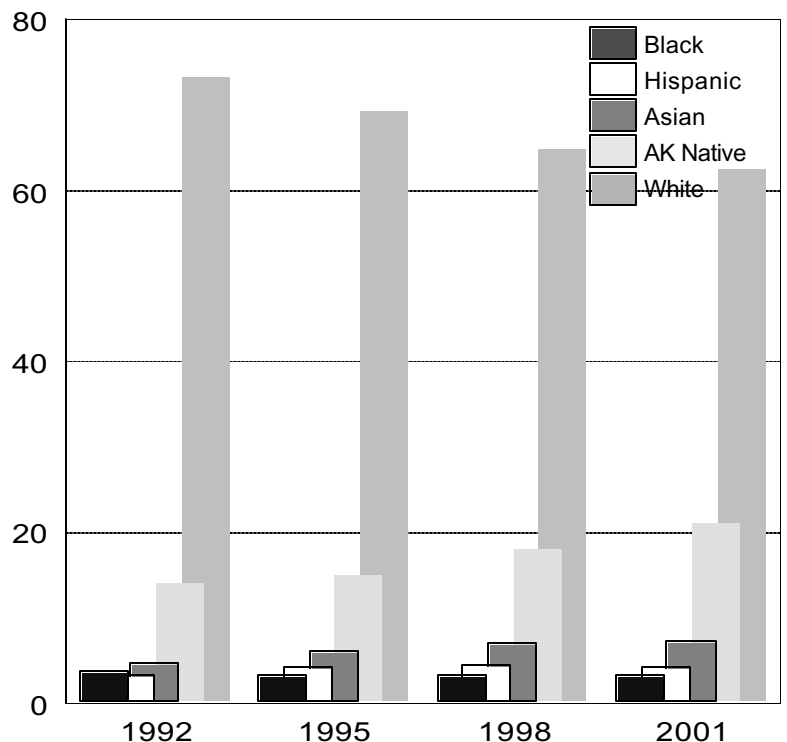
The majority of workers in the seafood processing industry are Asians and Hispanics. Asians have long had a strong presence in this industry, and the number of Hispanics has been growing in recent years. The downward trend in seafood processing employment during this decade has had a disproportionate impact on these two groups.

The majority of UI claimants identified themselves as Caucasian, but the proportion has decreased from 73 percent in 1992 to 62 percent in 2001. (See Exhibit 4.) Between 1992 and 2001, Alaska Natives, Asians, and Hispanics increased among UI claimants. The single largest increase is among



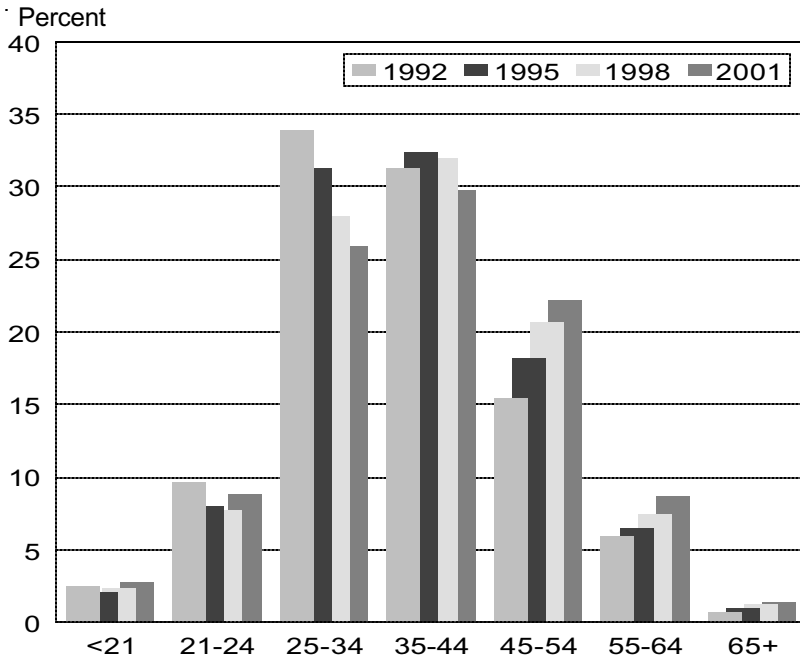
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Changes in Unemployed By race and ethnicity—percent 4



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

5 Unemployed by Age Group Percent 1992–2001



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

the Alaska Native population, which grew from 14.1 percent of the unemployed in 1992 to 21.2 percent in 2001. This increase is linked to the growing numbers of Alaska Natives (especially women) joining the workforce. Between 1992 and 2001 the proportion of African American claimants for UI declined slightly from 3.8 percent to 3.4 percent.

Age differences

For the last ten years unemployment has been rising among workers 45 and older, while declining for those in the 25-34 age bracket. (See Exhibit 5.) This pattern is reflected in the age distribution of Alaska's population. The workforce is growing older. An increasing number of the large baby boom generation is reaching age 45, and a declining number of the following generation is still younger than 35. This change could also contribute to the trend toward more claimants having no dependents. Alaska is one of 12 states that provide additional benefits to UI claimants with dependents; claimants can receive an additional \$24 a week per dependent with a maximum of \$72.

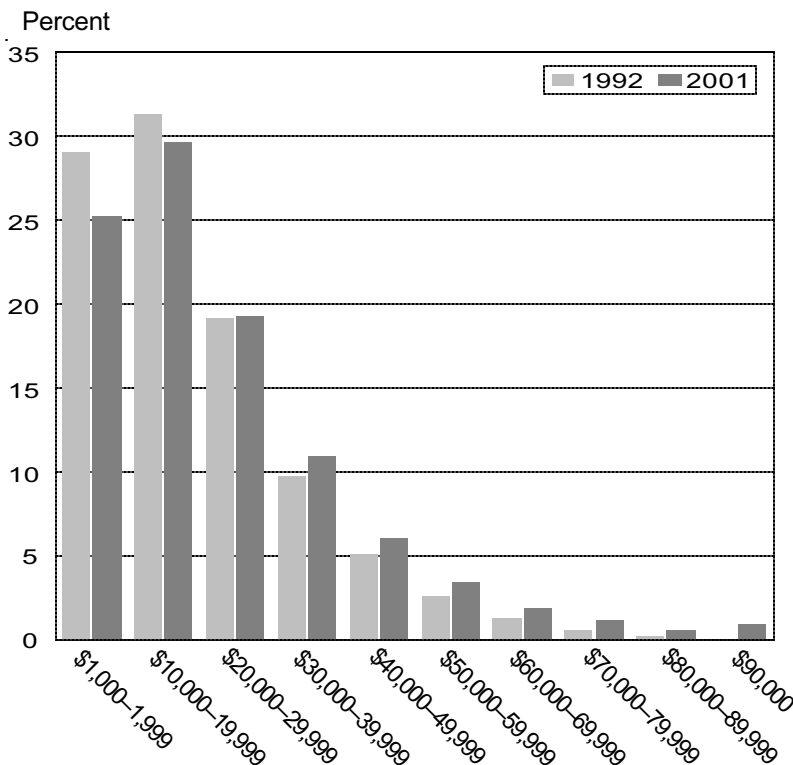
Geographic distribution and income

Though claimants continue to be widely disbursed around the state, the most populated urban areas account for the majority of claims activity. Anchorage has the largest number of claimants, followed by Fairbanks, Mat-Su and Kenai. Annual average earnings from work covered by unemployment insurance show that the lower income brackets continue to lead in UI claimant activity for 2001. Well over half of the claimants earned less than \$20,000 in 2001. (See Exhibit 6.)

Changes by occupation and industry

Most occupations showed little change over the study period in their share of unemployed claimants. In league with declines in the fishing industry throughout the 1990s, seafood processing occupations showed the most significant ten-year

6 Average Annual Earnings Of UI claimants—1992 and 2001



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

increase in percentage of UI claims, rising above a 10 percent share in 2001. Agricultural occupations, which include loggers, experienced a slight decrease, which may be partly attributed to unemployed workers' relocating out of state or seeking employment in other fields. (See Exhibit 7.)

As usual, construction occupations (carpenters, plumbers, electricians, roofers) accounted for the highest percentage of UI claims. Clerical and sales occupations in seasonal industries are another significant source of claims.

Manufacturing, mining, and transportation, communication, and utilities, all experienced decreases over the past ten years. The seasonal nature of Alaska's workforce is evident in the high percentage of claimants in the construction, services and trade industries. (See Exhibit 8.) Heightened tourism and construction related employment in the summer months is followed by increases in unemployment claims during the winter. Increased claims in seafood processing can be traced to declining year-to-year employment opportunities as the seafood processing industry contracted over the decade of the 1990s.

Summary

While the absolute number of UI claims filed has declined over the past decade, claimant activity has been basically steady in the highly seasonal industries characteristic of Alaska. Declining employment in the fishing and timber industries has led in turn to increasing unemployment claims by workers in these industries. Construction, and clerical occupations in seasonal industries continue to be the largest source of claims. The number of minorities filing unemployment claims rose over the decade, a reflection of the increased diversity of Alaska's workforce.

UI Claimants By occupational group 1992–2001

	1992	1995	1998	2001
	%	%	%	%
Agriculture and Forestry	3.3	3.3	2.8	2.4
Benchwork	0.6	0.5	0.4	0.3
Clerical and Sales	19.9	17.7	18	18
Machine	4.7	3.9	3.3	2.9
Seafood Processing	6.3	8.4	10.1	10.3
Professional/Technical	15.7	15.5	14	14.6
Services	13.5	13.4	14.2	14.7
Construction	24.4	24.9	25.5	25.4

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

UI Claimants by Industry 1992–2001

	1992	1995	1998	2001
	%	%	%	%
Agriculture	0.8	0.8	0.8	0.8
Mining	6.8	4.7	3.7	3.4
Construction	13.5	15.9	16.3	14.4
Finance/Insur/Real Estate	3.2	3.8	3.7	4
Manufacturing	14.8	16.1	16.2	14
Services	22.6	21.7	23.6	25.4
Trade	17.7	16.7	17.5	18
Trans/Communication/Utilities	8.8	9.2	8.1	8.6

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