

Health and Mechanical Occupations in Demand During Fourth Quarter 1996

by Todd Mosher

New hires slow as summer gives way to fall

Fall quarter is generally a time of slower hiring for most industries, particularly the highly seasonal construction, seafood processing, and tourism industries. Fall hiring pales in comparison to the peak summer season, when up to 75,000 new hires have been recorded in recent years. (See Figure 1.) Still, there were over 45,000 new hires in the final quarter of 1996, a number somewhat below that of the previous fall quarter. (See Table 1.)

Health, hard-rock mining, and business services hiring grows

In the final quarter of 1996, health, social, and business services and hard-rock mining continued to show same quarter year-to-year gains in new hires. New hires of health technologists and technicians, registered nurses, and pharmacists, therapists and physician assistants, as a group, were up by about 15 percent compared to the previous fall. (See Table 2.) Most of the gains in this sector occurred in Anchorage, where average health services employment grew by 400 jobs in 1996. New hires of mechanics and repairers, machine operators and tenders, and construction and extractive occupation supervisors were up by 130 from the previous fall quarter. This was mostly due to the re-opening of the Greens Creek mine and oth-

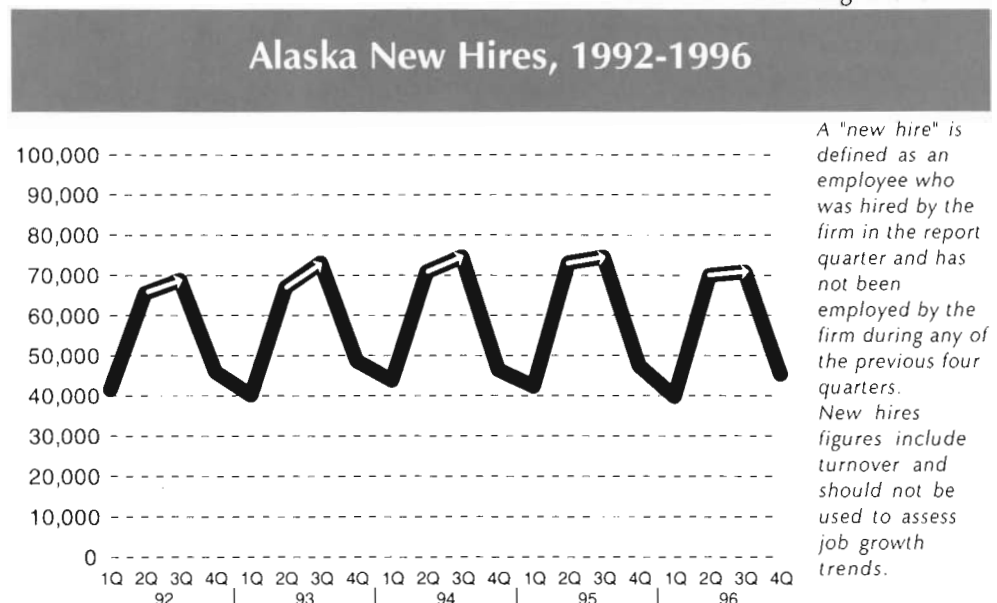
er mining expansions, as well as continued growth in firms providing these types of contract services. Hiring of teachers, other than postsecondary, was also strong in the fourth quarter of 1996, outpacing 1995 by 85 new hires, or 7.4%. Perhaps the best news is that many of the occupations showing strong year-to-year increases in new hires are relatively high-paying occupations.

Timber and other industries' hiring drops

On the other hand, most other industries hired fewer new workers last fall compared to 1995, with the greatest declines occurring in timber, oil and gas, retail, and services other than health,

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Figure • 1



A "new hire" is defined as an employee who was hired by the firm in the report quarter and has not been employed by the firm during any of the previous four quarters. New hires figures include turnover and should not be used to assess job growth trends.

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

Alaska New Hires 4th Quarter 1996

¹Includes all employees of publicly-owned institutions.

New hires include job turnover and should not be used to assess job growth trends.

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

	4th Qtr 96	Change from 3rd Qtr 96	Change from 4th Qtr 95
Total New Hires:	45,356	-25,476	-1,467
By Region			
Northern	2,508	-1,327	-52
Interior	5,766	-3,858	-299
Southwest	3,573	-2,906	80
Anchorage	23,641	-5,548	355
Gulf Coast	3,953	-6,243	-652
Southeast	5,194	-4,897	-933
Offshore	344	-609	181
Outside	237	-169	-100
Unknown	140	81	-47
By Industry			
Ag./Forestry/Fishing	299	-429	32
Mining	705	-957	-526
Oil & Gas Extraction	457	-685	-551
All Other	248	-272	25
Construction	4,528	-3,614	-160
Manufacturing	1,692	-8,701	-540
Seafood Processing	923	-8,166	-73
All Other	769	-535	-467
Trans./Comm./Util.	3,185	-998	178
Tourism Related	522	-706	-88
All Other	2,663	-292	266
Wholesale Trade	1,331	-734	-39
Retail Trade	13,198	-3,801	-524
Fin./Ins./Real Estate	1,626	-598	100
Services	13,330	-4,860	28
Hotels & Lodging	960	-1,771	-87
All Other	12,370	-3,089	115
Public Administration ¹	5,462	-784	-16

social and business. (See Table 3.) New hires of forestry and logging workers plummeted by 56.9% compared to the previous fall, mirroring job losses in the lumber and wood products industry. During the last three months of 1996, timber manufacturing employment was running about 500 workers below the same period in 1995—and this was prior to the closure of the Ketchikan pulp mill, which occurred in March of this year. The drop

in oil and gas new hires was partially offset by gains in the business services sector. Oil producers have in recent years turned to subcontractors to perform work traditionally performed in-house, thereby reducing hires in the oil and gas industry while boosting hires in business services. While smaller retail firms continued to show employment gains in 1996, fourth quarter hiring last year was slower for some of the larger retailers and chains. This was not unexpected, however, given the rapid expansions that have occurred in this industry in recent years. Compared to 1995, fourth quarter new hires of fast food, cleaning, and personal service workers were down 5.1%, and newly hired retail salespersons were down 6.4%.

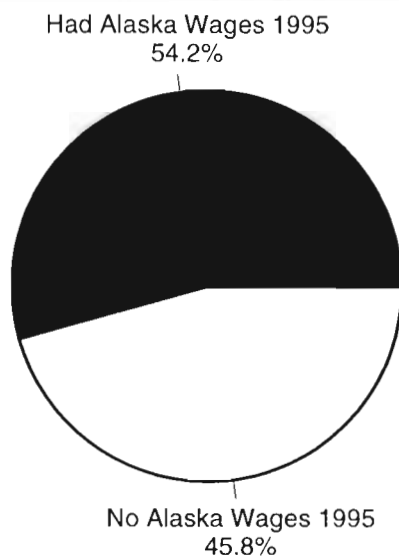
Year-end review of 1996 new hires

In 1996, hiring paused from the brisk pace of recent years. (See Figure 1.) All told, new hires in 1996 were down 4.6% compared to 1995. Declining employment in the manufacturing sector has diminished the strong bump up in summer hires experienced in the years prior to 1995. Notice in Figure 1 how the spring to summer transition remained relatively flat in 1995 and 1996 compared to the previous three years. Nevertheless, the influence of Alaska's highly seasonal tourism, construction, and seafood processing industries continued to exert its influence on the hiring cycle, with peak hiring taking place during the spring and summer months.

Health, business services, and hard-rock mining provide opportunity

While the manufacturing sector of the economy suffered severe setbacks and retail was moderating from its recent expansion, demand for workers in other sectors of the economy picked up last year. Health and social services, business services, and hard-rock mining hiring was very strong in 1996, with many of the jobs in these sectors relatively high paying. This trend may bode well for job seekers in the coming years, especially if the manufacturing industry can at least partially recover from its recent employment losses.

1996 New Hires by Prior Year Employment Status



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

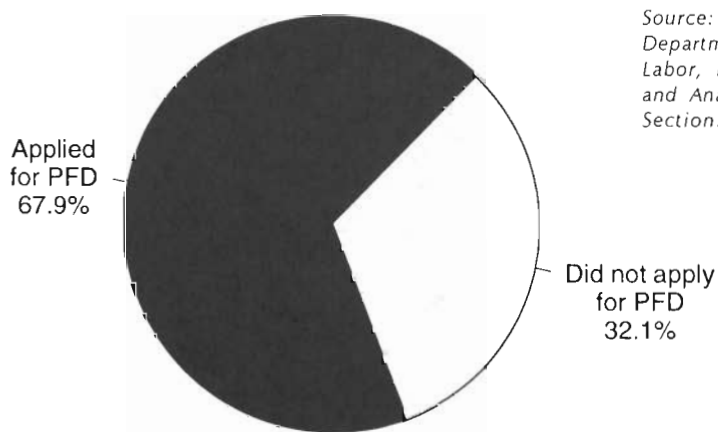
Who were these new hires, anyway?

Throughout all of 1996, there were 225,850 new hires in Alaska. However, it is important to remember that new hires include job turnover and workers are counted as new hires each time they are hired by an employer that they did not work for in any of the four previous quarters. Looking at the new hires picture from the point of view of the individual worker, there were 162,133 workers who were newly hired by one or more employers out of a total of 347,737 individuals who had wage and salary employment at any time during the year.

These newly hired workers can be categorized as follows:

- workers earning wages in Alaska for the first time

Percent of 1996 New Hires Applying for an Alaska Permanent Fund Dividend in 1996 or 1997



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

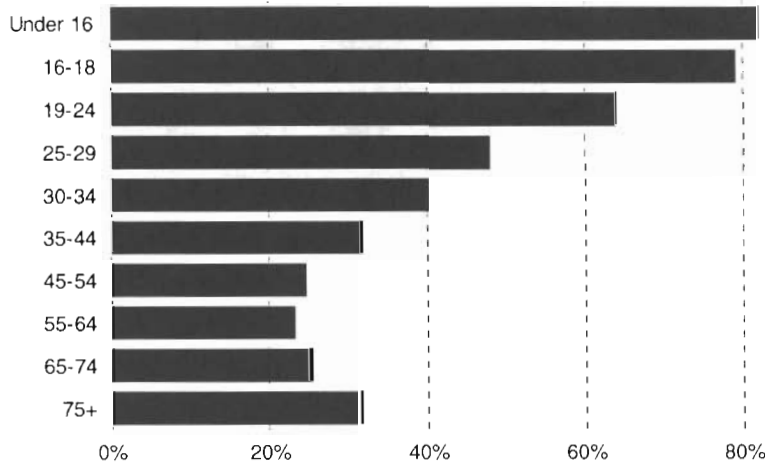
- workers returning to the same job or a new job after leaving the Alaska wage and salary job market for a year or longer
- workers with Alaska wage and salary employment in any of the previous four quarters who changed employers or added a job with another employer in 1996.

Figure • 4

Percent of Alaska Resident Workers¹ Newly Hired
 Percent of age group newly hired in 1996

¹Had Alaska wages in 1996 and was Alaska Permanent Fund Dividend applicant in 1996 and/or 1997.

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



Almost 46 percent of the 162,133 workers newly hired by one or more employers in 1996 did not work in any Alaska wage and salary jobs in 1995. (See Figure 2.) These new hires fit into one of the first two categories above. The remaining 54 percent of workers fit into the last category.

Over two-thirds of 1996 new hires were Alaska residents

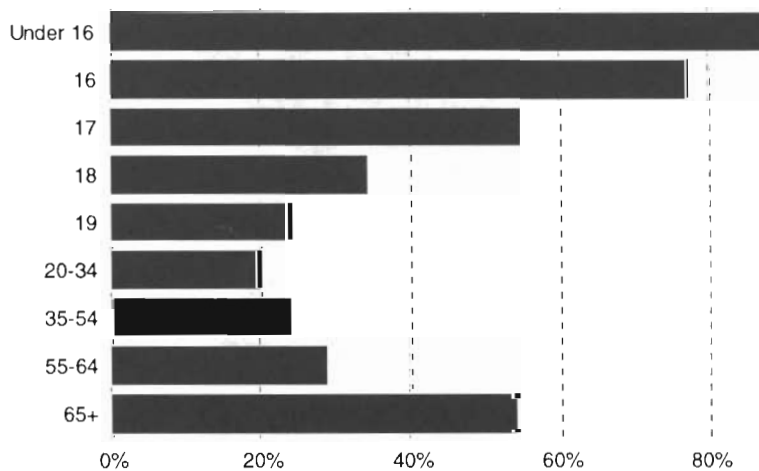
A little over two-thirds of all 1996 new hires were Alaska residents who applied for an Alaska Permanent Fund Dividend (PFD) in 1996 or 1997. (See Figure 3.) The proportion of new hires who are Alaska residents drops to its lowest point in the summer months, when there is a larger demand for temporary seasonal workers. In the summer of 1995, about 60 percent of new hires received an Alaska PFD in 1995 and/or 1996. In the summer of 1996, the percentage of Alaska resident new hires, based on applicants for an Alaska PFD in 1996 or 1997, grew to slightly more than 62 percent.

Figure • 5

Alaska Resident New Hires¹ Without Alaska Wages in Previous Year
 Percent of age group that did not earn Alaska wages in 1995

¹Was newly hired by one or more employers in 1996 and was Alaska Permanent Fund Dividend applicant in 1996 and/or 1997.

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



Alaska resident new hires tend to be young

By matching the wage records to the Alaska PFD records, age information was obtained for those workers who applied for a dividend in 1996 and/or 1997.* Alaska resident new hires tend to be younger than other Alaska resident workers. Nearly half of all Alaska resident new hires in 1996 were under the age of 30. By comparison, of those resident Alaska workers in 1996 who were

FOOTNOTE:

* Age information is not available for those workers who did not apply for an Alaska PFD in 1996 and/or 1997.

not new hires, only about one-sixth were under the age of 30.

Four-fifths of teen workers were new hires

A very high percentage of Alaska resident workers under age 25 were newly hired by at least one employer during 1996. (See Figure 4.) About four out of every five workers 18 years or under were newly hired by one or more employer at some time during 1996, and nearly two-thirds of those ages 19 to 24 were new hires at least once during the year. Many of these younger workers landed a job for the first time in 1996. Others added a second job during the peak spring and summer months and/or switched primary employers at least once during the year.

Most younger workers had no wage history in 1995

Of those resident new hires under the age of 16, nearly nine out of 10 had no Alaska wages during 1995, implying that many of them took their first job ever in 1996. (See Figure 5.) Predictably, this percentage falls off quickly with the increasing age of the new hire. More than three-quarters of 16-year-old resident new hires did not earn Alaska wages in 1995, compared to 55 percent of 17-year-olds, about 35 percent of 18-year-olds, and only 25 percent of 19-year-olds. Of those

Occupations with Largest Year-to-Year Increase in 4th Quarter New Hires

Occupation	4Q95	4Q96	Yr.-Yr. Change	% Change
Administrative Support Occupations	6,530	6,630	100	1.5
Teachers, Except Postsecondary ¹	1,151	1,236	85	7.4
Mechanics and Repairers	1,378	1,446	68	4.9
Machine Operators and Tenders	133	195	62	46.6
Social, Recreation and Religious Workers	401	443	42	10.5
Health Technologists and Technicians	253	294	41	16.2
Protective Service Occupations	761	796	35	4.6
Registered Nurses	239	271	32	13.4
Salespersons, Non-Retail Commodities	141	170	29	20.6
Computer, Math, and Operations Research Occupations	31	50	19	61.3
Plant and System Operators	87	104	17	19.5
Supervisors, Construction and Extractive Occupations	41	56	15	36.6
Pharmacists, Therapists, Physician Assistants	132	146	14	10.6
Supervisors, Production Occupations	16	26	10	62.5
Farm Operators and Managers	13	21	8	61.5
Other Agricultural Occupations	168	176	8	4.8
Officials and Administrators, Public Administration	88	96	8	9.1
Supervisors, Mechanics and Repairers	23	31	8	34.8
Insurance, Securities, Realty, Business Svcs. Sales	115	122	7	6.1
Supervisors, Administrative Support	104	111	7	6.7

¹Includes preschool and adult vocational and community class instructors, as well as elementary, secondary, and special education teachers.

Occupations are based on the 2-digit Standard Occupation Code, Standard Occupational Classification Manual, 1980.

Typically, 5 to 10 percent of all workers' occupations are unreported by employers.

New hires include job turnover and should not be used to assess job growth trends.

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

The Alaska New Hires Quarterly Report measures the number of job opportunities created by business expansions, business start-ups, and job turnover. The report assists employment security personnel and the job-seekers they serve as they develop strategies for job placement in the Alaska economy. A new hire is defined as an employee who was not working for the employer in any of the four previous quarters. New hires data include job turnover; readers, therefore, are cautioned against drawing broad conclusions about job growth trends based solely on quarterly new hires data.

Occupations with Largest Year-to-Year Decline in 4th Quarter New Hires

Also referred to as "All Other Service Occupations."

Includes seafood processors.

Occupations are based on the 2-digit Standard Occupation Code, Standard Occupational Classification Manual, 1980.

Typically, 5 to 10 percent of all workers' occupations are unreported by employers.

New hires include job turnover and should not be used to assess job growth trends.

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

Occupation	4Q95	4Q96	Yr.-Yr. Change	% Change
Food, Cleaning, and Personal Service Occupations ¹	10,084	9,568	-516	-5.1
Construction Trades	3,147	2,697	-450	-14.3
Handlers and Laborers	4,837	4,472	-365	-7.5
Salespersons, Retail	4,808	4,502	-306	-6.4
Forestry and Logging Occupations	332	143	-189	-56.9
Helpers	712	578	-134	-18.8
Officials and Administrators, Other	737	632	-105	-14.2
Extractive Occupations	205	116	-89	-43.4
Precision Production Occupations	236	154	-82	-34.7
Management Related Occupations	523	465	-58	-11.1
Transportation Occupations	1,576	1,519	-57	-3.6
Material Moving Occupations	551	500	-51	-9.3
Fabricators, Assemblers, and Hand Working Occupations ²	1,094	1,045	-49	-4.5
Athletes and Related Occupations	115	67	-48	-41.7
Supervisors, Marketing and Sales	144	97	-47	-32.6
Writers, Artists, Performers	294	252	-42	-14.3
Other Technicians	185	153	-32	-17.3
Engineers, Surveyors and Architects	217	193	-24	-11.1
Private Household Occupations	121	99	-22	-18.2
Editors, Reporters, Public Relations Occupations	111	94	-17	-15.3
Fishers, Hunters and Trappers	83	68	-15	-18.1
Supervisors, Precision Production Occupations	13	1	-12	-92.3
Social Scientists and Urban Planners	22	13	-9	-40.9
Engineering Technologists and Technicians	133	126	-7	-5.3
Sales Related Occupations	158	151	-7	-4.4

resident new hires ages 20 to 34, only about one in five did not earn wages in Alaska in 1995. Between the ages of 35 and 54, the fraction of resident new hires without Alaska wages in 1995 rebounds to about one out of every four, possibly the result of those re-entering the wage and salary job market after raising children or attending post-graduate schools. Well over half of all newly hired seniors (ages 65 and up) did

not earn Alaska wages in the prior year. Some retirees, after some extended leisure time, find they need the challenge and stimulation that a job can provide; others return to the job market out of the need to supplement their pensions.

Important notes about the new hires data

The new hires series is designed to measure job opportunities provided by both employee turnover and new job creation. Every firm with employees working in Alaska is required to report social security numbers, occupation, work site location and wages earned for each of their employees to the Department of Labor on a quarterly basis. To be considered a new hire, a person must receive wages from a firm that they have not worked for in any of the four previous quarters. There is no differentiation between new hires who replace a departing worker and new hires entering newly created jobs. A worker can be counted as a new hire for more than one employer during a quarter.

New Hires by Occupation and Quarter, 1996

Occupation	New Hires				Total 1996	% of Total	
	1Q96	2Q96	3Q96	4Q96			
Food, Cleaning, and Personal Service Occupations ¹	7,832	15,462	14,086	9,568	46,948	20.8	¹ Also referred to as "All Other Service Occupations."
Administrative Support Occupations	5,981	8,009	7,457	6,630	28,077	12.5	
Handlers and Laborers	3,577	7,779	7,552	4,472	23,380	10.4	² Includes seafood processors.
Salespersons, Retail	2,924	6,094	5,263	4,502	18,783	8.3	
Fabricators, Assemblers, and Hand Working Occupations ²	3,993	3,800	7,955	1,045	16,793	7.4	³ Includes preschool, adult vocational, community class instructors, elementary, secondary, and special education teachers.
Construction Trades	1,657	4,055	4,869	2,697	13,278	5.9	
Transportation Occupations	1,198	2,708	2,216	1,519	7,641	3.4	
Mechanics and Repairers	1,182	2,070	1,651	1,446	6,349	2.8	
Teachers, Except Postsecondary ³	822	709	1,051	1,236	3,818	1.7	
Protective Service Occupations	673	838	796	796	3,103	1.4	Occupations are based on the 2-digit Standard Occupation Code, Standard Occupational Classification Manual, 1980.
Officials and Administrators, Other Helpers	679	895	835	632	3,041	1.3	
Material Moving Occupations	496	886	1,028	578	2,988	1.3	Typically, 5 to 10 percent of all workers' occupations are unreported by employers.
Management Related Occupations	401	968	890	500	2,759	1.2	
Social, Recreation and Religious Workers	531	650	701	465	2,347	1.0	New hires include job turnover and should not be used to assess job growth trends
Other Agricultural Occupations	379	592	545	443	1,959	0.9	
Registered Nurses	166	1,089	524	176	1,955	0.9	Source: Alaska Department of Labor, Research and Analysis Section.
Writers, Artists, Performers	221	358	333	271	1,183	0.5	
Health Technologists and Technicians	254	327	335	252	1,168	0.5	
Teachers, Postsecondary	221	275	339	294	1,129	0.5	
Forestry and Logging Occupations	336	150	371	210	1,067	0.5	
Engineers, Surveyors and Architects	143	459	318	143	1,063	0.5	
Machine Operators and Tenders	227	323	297	193	1,040	0.5	
Precision Production Occupations	139	271	279	195	884	0.4	
Sales Related Occupations	122	314	232	154	822	0.4	
Other Technicians	212	234	181	151	778	0.3	
Extractive Occupations	167	186	224	153	730	0.3	
Engineering Technologists and Technicians	146	146	317	116	725	0.3	
Pharmacists, Therapists, Physician Assistants	131	228	177	126	662	0.3	
Salespersons, Non-Retail Commodities	121	182	189	146	638	0.3	
Miscellaneous Occupations	113	187	147	170	617	0.3	
Private Household Occupations	132	188	209	81	610	0.3	
Insurance, Securities, Realty, Business Svcs. Sales	88	159	138	99	484	0.2	
Plant and System Operators	131	126	103	122	482	0.2	
Supervisors, Marketing and Sales	65	149	156	104	474	0.2	
Fishers, Hunters and Trappers	88	139	132	97	456	0.2	
Supervisors, Administrative Support	36	123	208	68	435	0.2	
Editors, Reporters, Public Relations Occupations	102	117	87	111	417	0.2	
Natural Scientists	99	99	123	94	415	0.2	
Science Technologists and Technicians	57	133	111	54	355	0.2	
Supervisors, Construction and Extractive Occupations	44	154	82	62	342	0.2	
Athletes and Related Occupations	52	136	94	56	338	0.1	
Officials and Administrators, Public Administration	70	103	63	67	303	0.1	
Physicians and Dentists	66	69	46	96	277	0.1	
Computer, Math, and Operations Research Occups.	41	55	94	56	246	0.1	
Lawyers and Judges	48	38	57	50	193	0.1	
Supervisors, Production Occupations	45	38	41	35	159	0.1	
Librarians, Archivists, and Curators	27	46	46	26	145	0.1	
Farm Operators and Managers	19	55	35	34	143	0.1	
Machine Setup Operators	14	66	40	21	141	0.1	
Supervisors, Mechanics and Repairers	40	42	38	19	139	0.1	
Vocational and Educational Counselors	24	40	33	31	128	0.1	
All Other Occupations and Unreported Occupations	31	29	45	23	128	0.1	
	3,398	7,613	7,287	4,671	22,969	10.2	