

## Mat-Su growth spurt continues

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PALMER — When a house is built in Alaska, there's a 1-in-3 chance it was constructed somewhere in the Mat-Su.

Or at least that's what Neal Fried, an economist with the state Department of Labor and Workforce Development, told the Mat-Su Borough Assembly last week as he discussed a PowerPoint slide displaying home construction in pie-chart form.

"It is kind of amazing. I didn't realize that sort of proportion until I put that slide together," he said.

Amazing, of course, because the Mat-Su represents less than a third of the state's population. The next largest slice of the pie was Anchorage's 22 percent share, then Fairbanks at 18 percent. And that's actually kind of a down market for new construction. The Valley peaked, like most places in the country, in 2005 when 2,038 building permits were issued. By 2007, that number hit a low of 703 before rebounding slightly to the 2011 figure of 777.

"We don't have 2012 numbers yet, but my guess is they will look better," Fried said.

As for existing homes, sales peaked in 2007 but have remained steady in the 1,200 range since then, he said. In 2012, 1,236 homes sold.

Another notable statistic is that commuter numbers have remained relatively steady at around 45 percent of the work force since 2000. Fried said a steady number there is interesting because the supposition has always been that increased gas prices would reduce commuter traffic.

"I'm sure gasoline prices does effect commuting, but it's too subtle to know," he said.

Breaking those numbers down further: 31 percent of the workforce commutes to Anchorage, 1 percent each in the Kenai Peninsula and Fairbanks North Star boroughs, 8 percent on the North Slope and 4 percent in the rest of the state.

"The real dynamic here is what's happened on the North Slope," he said. "The last time I think I created this it was 6 percent."

He attributed that bump in the statistics to growth in the oil industry.

Of the 55 percent of workers who both live and work in the Valley, the biggest share — 20 percent of that group — work in government. The bulk of those 3,187 jobs are mostly with the Mat-Su Borough School District.

Retail jobs make up another 16 percent, with the next biggest slices going to health care and hospitality, which each enjoy an 11 percent share of the workforce.

Overall, Fried said, Mat-Su is faring well in the current economy.

“We’ve added another year of job growth and that’s been going on for a very, very long time, basically since the late ’80s after the great crash,” he said. “The rest of the country’s labor market, job market, economy, is still under the water.”

He said that if the borough were a state it would be the fastest growing state in the nation.

“It’s pretty impressive and it’s very broad-based,” he said, adding that the growth in jobs was spread out over multiple types of employers.

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