



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Labor and Workforce Development

Division of Employment and Training Services
Director's Office

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May 5, 2026

The Honorable Donald Olson
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 508
Juneau, AK 99801

The Honorable Lyman Hoffman
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 518
Juneau, AK 99801

The Honorable Bert Stedman
Co-Chair, Senate Finance Committee
Alaska State Capitol, Room 516
Juneau, AK 99801

Dear Co-Chairs Olson, Hoffman and Stedman:

Thank you for hearing Senate Bill 217 Employer Contributions during the Senate Finance hearing on April 29, 2026. This letter includes responses to requests for follow-up information from the committee.

- 1. Senator Merrick requested a copy of the chart we provided on slide 5 of our presentation that reflected the distribution of nonresident wages by sector.**

Enclosure 1, provided with this response is the requested chart breaking out nonresident wages by sector.

- 2. Senator Kaufman asked how program performance is used by the Alaska Workforce Investment Board (AWIB) as they review State Training and Employment Program (STEP) grant applications.**

Performance is evaluated as part of a comprehensive, merit-based review process that assesses the overall quality, feasibility, and workforce impact of each grant proposal. There is no strict pass/fail performance threshold. Instead, the Board uses a balanced, structured evaluation process that prioritizes realistic outcomes, strong program design, employer alignment, and responsible use of public funds. The types of performance metrics that are considered within this comprehensive evaluation include training completion, credential attainment, and employment placement; however, the Board also considers reporting

accuracy and timeliness, employer engagement, overall workforce impact, budget and fiscal management, etc.

3. Senator Stedman requested a more detailed breakout of the nonresident workers within the Mining/Oil sector.

Provided in enclosure 2 is a table with a bit more detail on the nonresident sector breakout, and a full page “Oil and Gas” analysis from the Nonresident Workers in Alaska report.

Also, here is a link to the full report, <https://live.laborstats.alaska.gov/reshire/nonres.pdf>, for the committee’s reference as there is a lot of great information in this report.

Please contact me if the committee has further questions.

Sincerely,

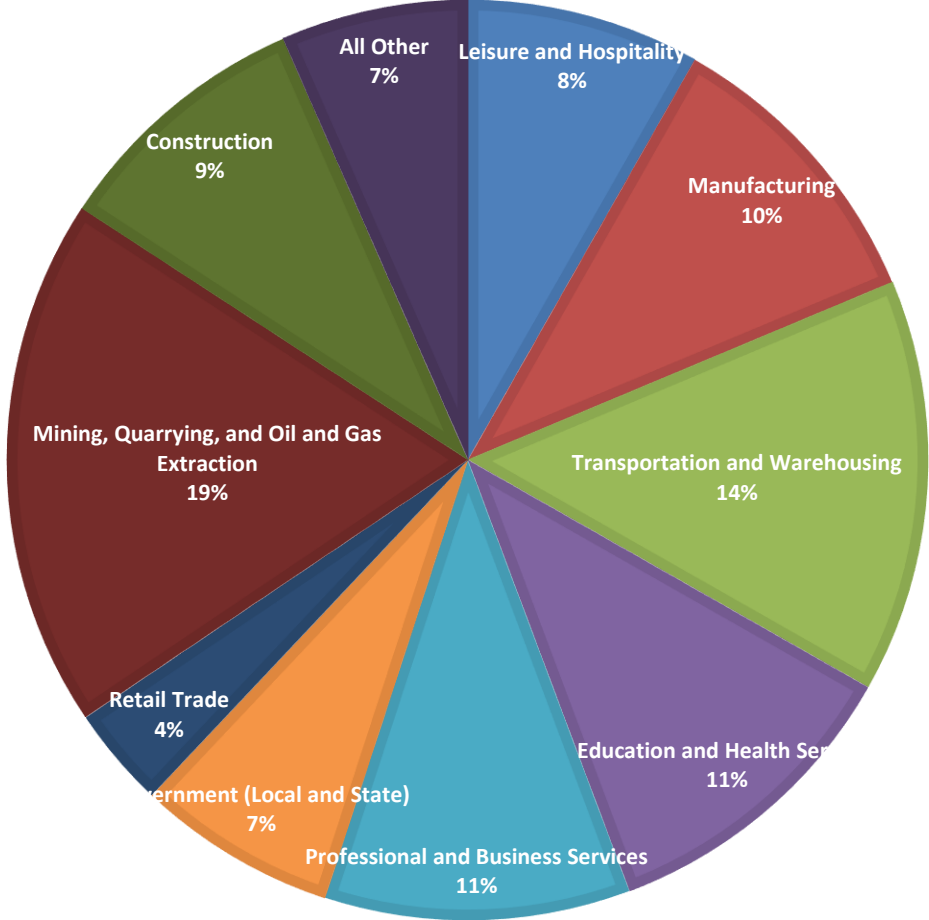


Paloma Harbour
Director

Enclosures

cc: Jordan Shilling, Legislative Director, Office of the Governor

NONRESIDENT WAGES BY SECTOR IN ALASKA - 2024



Worker residency and wages by sector and select industry categories

	Total workers	Total wages (in millions)	Nonresident workers	Percent nonresident	Nonresident wages (in mils)	Nonresident wages, pct
Agriculture, Forestry, Fishing, Hunting	2,656	\$83.9	984	37.0	\$29.8	35.5
Mining, Quarrying, Oil/Gas Extraction	16,005	\$1,989.2	6,621	41.4	\$713.2	35.9
Oil and Gas Extraction	3,399	\$757.0	985	29.0	\$194.6	25.7
Oilfield Services*	7,036	\$673.9	3,241	46.1	\$284.8	42.3
Utilities	3,015	\$304.8	236	7.8	\$17.5	5.8
Construction	27,326	\$1,888.1	6,395	23.4	\$352.5	18.7
Manufacturing	24,814	\$822.6	16,679	67.2	\$400.7	48.7
Seafood Processing	18,841	\$527.8	15,348	81.5	\$365.1	69.2
Wholesale Trade	7,439	\$482.0	899	12.1	\$39.3	8.2
Retail Trade	44,498	\$1,457.3	6,913	15.5	\$134.9	9.3
Transportation and Warehousing	29,989	\$1,972.9	9,277	30.9	\$555.4	28.2
Air Transportation	8,326	\$608.6	2,314	27.8	\$142.8	23.5
Information	4,994	\$390.5	628	12.6	\$40.3	10.3
Finance and Insurance	7,022	\$536.3	614	8.7	\$27.6	5.2
Real Estate and Rental and Leasing	5,913	\$284.4	835	14.1	\$28.2	9.9
Professional, Scientific, and Technical Svcs	16,522	\$1,222.0	3,639	22.0	\$227.0	18.6
Mgmt of Companies and Enterprises	2,280	\$250.2	209	9.2	\$16.1	6.4
Admin Support/Waste Mgmt and Remediation	18,154	\$825.6	4,638	25.5	\$167.5	20.3
Educational Services	3,171	\$112.4	569	17.9	\$10.1	9.0
Health Care and Social Assistance	59,298	\$3,735.5	7,921	13.4	\$412.9	11.1
Arts, Entertainment, and Recreation	8,216	\$162.7	3,136	38.2	\$48.6	29.9
Accommodation and Food Services	43,594	\$983.7	14,957	34.3	\$265.3	27.0
Accommodation	13,384	\$328.2	7,248	54.2	\$136.0	41.4
Food Services and Drinking Places	30,210	\$655.5	7,709	25.5	\$129.2	19.7
Other Services (except Public Administration)	13,975	\$587.0	2,270	16.2	\$61.8	10.5
Public Administration	189	\$6.7	31	16.4	\$0.7	10.4
Local Government	48,700	\$2,301.7	4,658	9.6	\$172.3	7.5
State Government	25,665	\$1,620.0	2,614	10.2	\$95.8	5.9
Other/Unknown	432	\$19.5	136	31.5	\$5.5	28.4
Total	413,867	\$22,039	94,859	22.9	\$3,823	17.3

*This industry category includes support activities for oil and gas drilling and related operations.

OIL AND GAS

The oil and gas industry, which includes extraction and oilfield services, is the largest employer in Alaska's mining, quarrying, and oil and gas extraction sector and pays some of the highest average quarterly wages in the state (2.4 times the statewide average in 2024).

This group accounted for only about 4 percent of the nonresidents working in Alaska but made 13 percent of all nonresident wages in 2024.

Over 80 percent of oil and gas workers were employed in the remote North Slope Borough, and about 48 percent of them were nonresidents.

Anchorage and the Kenai Peninsula Borough also have significant oil and gas industry activity, but nonresidents made up much smaller shares of this industry's workers in those areas (19 percent each).

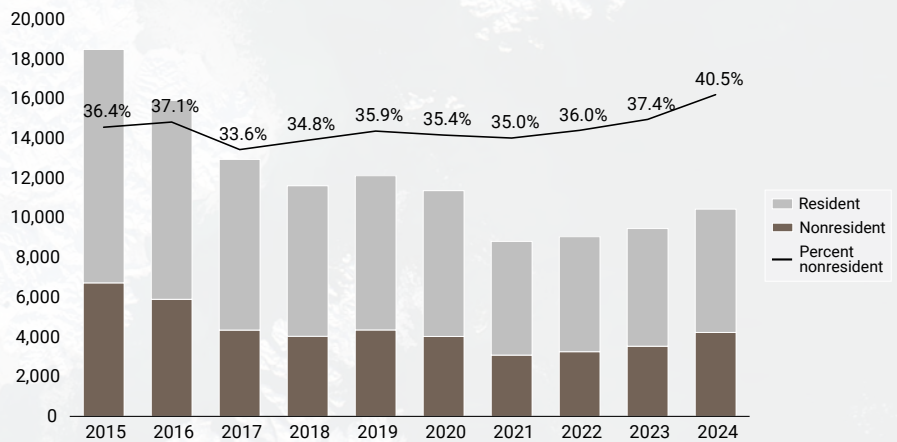
In 2024, the industry added workers for the third year in a row, and almost three-quarters were nonresidents. The nonresident share reached a new high for a second consecutive year.

Though oil and gas continued to rebound from 2021 when the worker count fell to its lowest point since at least 1990, the number of workers remained sharply below the 2015 high of more than 18,000.

At a glance

Percent nonresident	40.5%
Percent prior year	37.4%
10-year average	36.2%
Percent nonresident wages	33.5%
Percent prior year	31.5%
Total workers	10,435
Change from prior year	973 10.3%
Total nonresidents	4,226
Change from prior year	688 19.4%
Total residents	6,209
Change from prior year	285 4.8%
Avg nonresident quarterly wage	\$35,233
Avg resident quarterly wage	\$40,143

Oil and gas residency



20 largest occupations

Occupations in oil and gas extraction and related oilfield services. Private sector only.

	Total workers	Pct nonres
Service Unit Operators, Oil and Gas	1,608	47.8
Operating Engineers and Other Construction Equipment Operators	1,150	47.2
Maintenance and Repair Workers, General	563	43.2
Roustabouts, Oil and Gas	407	35.4
Heavy and Tractor-Trailer Truck Drivers	396	58.1
Petroleum Engineers	387	20.9
First-Line Supervisors of Construction Trades and Extraction Workers	336	38.7
Mobile Heavy Equipment Mechanics, Except Engines	323	52.6
Petroleum Pump System Operators, Refinery Operators, and Gaugers	314	48.1
Electricians	269	46.1
Engineers, All Other	224	31.3
Welders, Cutters, Solderers, and Brazers	195	53.3
Helpers: Extraction Workers	168	47.0
Construction Laborers	156	34.0
Construction Managers	132	40.9
General and Operations Managers	119	27.7
Maintenance Workers, Machinery	119	33.6
Derrick Operators, Oil and Gas	116	46.6
Carpenters	113	40.7
Helpers: Installation, Maintenance, Repair Workers	108	34.3