

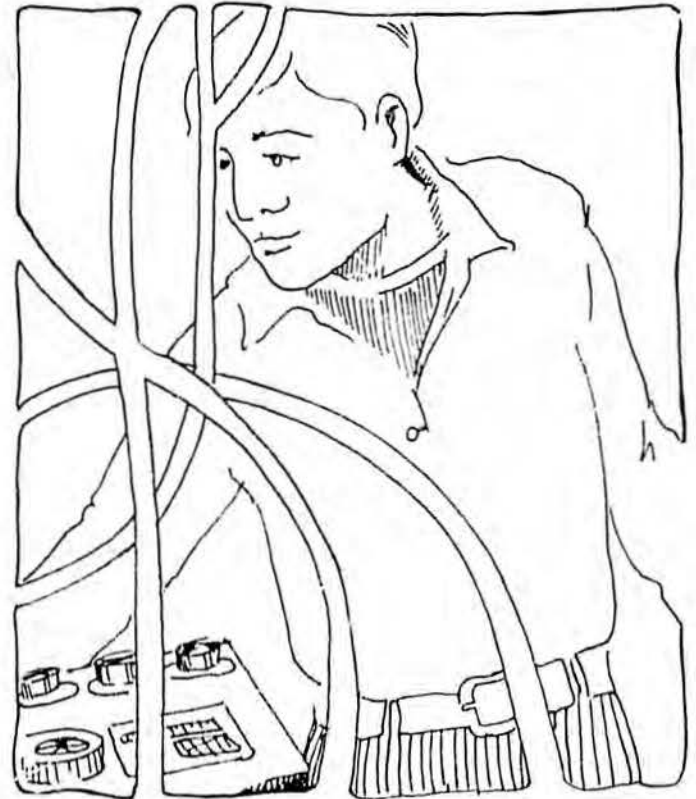
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# alaska state MANPOWER REVIEW

march  
1977

alaska department of labor JAY S. HAMMOND, GOVERNOR



ALASKA  
STATE MANPOWER REVIEW

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## TABLE OF CONTENTS

|   | Page |
|---|------|
| PREFACE . . . . .                                 | 1    |
| Summary Highlights . . . . .                      | 2    |
| 1970 through 1976 — PIPELINE IMPACT . . . . .     | 3    |
| Industry Analysis . . . . .                       | 3    |
| Area Analysis . . . . .                           | 4    |
| Unemployment Insurance Analysis . . . . .         | 12   |
| STATE MANPOWER PROFILE FOR ALASKA . . . . .       | 16   |
| EMPLOYMENT DEVELOPMENTS . . . . .                 | 17   |
| EMPLOYMENT TRENDS . . . . .                       | 19   |
| UNEMPLOYMENT TRENDS AND CHARACTERISTICS . . . . . | 22   |
| ECONOMIC OUTLOOK . . . . .                        | 29   |
| HOURS AND EARNINGS . . . . .                      | 29   |
| LABOR TURNOVER . . . . .                          | 32   |
| UNMET MANPOWER NEEDS . . . . .                    | 33   |
| EMPLOYMENT OUTLOOK . . . . .                      | 36   |
| Industry Employment Outlook . . . . .             | 37   |
| Occupational Employment Outlook . . . . .         | 38   |
| MANPOWER PROGRAM ACTIVITIES . . . . .             | 40   |

## PREFACE

The State Manpower Review (SMR) is a publication prepared for the State of Alaska to provide current and historical information on statewide employment and unemployment trends, characteristics of the unemployed, hours and earnings, labor turnover, and special manpower program activities.

The SMR is designed to serve the needs of a broad range of Labor Market Information users such as public officials, CETA planners, state and local officials, educators, community leaders, and the general public.

March, 1977 data is used throughout the report making it possible to maintain a certain level of consistency and making it possible to compare data.

## SUMMARY HIGHLIGHTS

**Population:** Alaska's population has increased 111,000 — or 37 percent — since 1970, growing to 413,300 people in 1976. The U.S. rate of increase over the same period was 5 percent.

**Employment:** From 1966 to 1973, Total Nonagricultural Wage and Salary employment experienced an annual growth rate of nearly 6 percent, as compared to a 2.7 percent increase across the United States. During the pipeline construction period, 1974—1976, Total Nonagricultural employment increased over 16 percent annually, for a total increase of 56 percent. Total employment from third quarter 1973 to third quarter 1976 went up nearly 70,000.

Nonagricultural Wage and Salary Employment decreased almost 34,000 from third quarter 1976 to first quarter 1977. Much of this was due to seasonality and the near completion of the pipeline.

Total Employment in 1977 is expected to be below that of 1976 as a result of completion of the pipeline project. By the end of 1978 employment is expected to begin adjusting to the pre-pipeline growth rate.

**Unemployment:** Historically, unemployment in Alaska ran about 3 percent higher on the average than the rest of the U.S. In March of 1977, however, unemployment hit 16 percent. Unemployment is expected to decrease during the summer then gradually rise till the first quarter of 1978, which will be the worst quarter for unemployment since the completion of the pipeline. After first quarter 1978, unemployment should decrease.

The construction industry contributes more to insured unemployment in the state of Alaska than any other industry. As a result insured unemployment is consistently lower from July through September.

**Hours and Earnings:** Employees in Alaska not only earn higher weekly wages but they work more hours per week than the average employee in the "Lower 48".

Total earnings should fall in 1977 due to less

overtime, lower proportion of construction workers, excess supply of labor, and less pressure on employers for higher wages caused by the decline in economic activity since the completion of the pipeline project.

**Jobs:** Opening received by Job Service Centers steadily increased from FY '74 to FY '76 but experienced a decrease in FY '77 of about 11,000 from FY '76 levels

From 1978 to 1982 positions should increase about 10,000 annually due to industry expansion. There should be about 15,700 openings per-year due to industry expansion plus death and retirement.

Much is being done to help the unemployed, underemployed, and economically disadvantaged to find jobs in Alaska. CETA, one of the many manpower programs offered in Alaska, spent about \$13,000,000 in FY '76 to help this cause.

**Pipeline:** About one-fourth of the areas in Alaska have been drastically affected by the pipeline while others have experienced only slight impacts.

## 1970 Through 1976 — PIPELINE IMPACT

Much has been said about the impact of the pipeline on the population, the economy, the labor force, and the way of life in Alaska. There is no precise way of knowing what effect "the Pipeline" had. To be sure, almost every aspect of Alaskan life has been drastically changed over the past seven years (1970 to 1976); the pipeline alone may not have caused all this change, though much can be attributed to it. Since this was a period when many people wanted to get away from the cement jungles and the overcrowded situation in many areas of the "lower 48," Alaska, (being the "Last Frontier" and the largest state in the union with the smallest population) appealed to many people who were trying to "get away from it all," not to mention stories of high wages and fortunes to be had.

Therefore, the following analysis is an attempt to disclose what effect the pipeline had on certain industries, how it affected labor forces of various areas and the Unemployment Insurance enrollments and benefits. Because all cannot be attributed to the "the pipeline," this analysis should be put in its proper perspective.

## INDUSTRY ANALYSIS

During the brief seven year period from 1970 to 1976, total population in Alaska increased 36.7 percent; total Civilian Labor Force nearly doubled; and Total Nonagricultural Wage and Salary Employment grew almost 84 percent. The three year period, 1974 to 1976, was when most of these drastic changes occurred due mostly to the pipeline project — the biggest private construction project in history.

Construction was the industry most affected by the pipeline project. From 1970 to 1973 construction made up about 7.5 percent of total Nonagricultural Wage and Salary Employment. It jumped to 22.0 percent in 1974, to 16.1 percent in 1975, then to 17.7 percent in 1976. The total increase from 70 to 76 was 23,300 — from 6,900 to 30,200 — an increase of 337 percent. See Table 12.

Because Contract Construction makes up a bigger portion of Total Nonagricultural Wage and Salary

TABLE 12  
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT  
1970 — 1976

| INDUSTRY   | % of Total Nonagricultural Wage & Salary Employment |      | Total Nonagricultural Wage & Salary Employment |         | % Change from 70 — 76 |
|--|---|------|--|---------|-----------------------|
|  | 1970  | 1976 | 1970   | 1976    |                       |
| TOTAL . . . . .  | 100%  | 100% | 93,100   | 171,100 | 83.8                  |
| MINING . . . . .   | 3.3   | 2.4  | 3,000  | 4,000   | 33.4                  |
| CONTRACT CONSTRUCTION . . . . .                                  | 7.5   | 17.7 | 6,900  | 30,200  | 337.7                 |
| MANUFACTURING . . . . .  | 8.4   | 6.1  | 7,800  | 10,300  | 32.1                  |
| TRANSPORTATION, COMMUNICATION,<br>and PUBLIC UTILITIES . . . . . | 9.8   | 9.3  | 9,100  | 15,800  | 73.7                  |
| TRADE . . . . .  | 16.6  | 16.2 | 15,400   | 27,600  | 79.3                  |
| Wholesale . . . . .  | 3.5   | 3.6  | 3,200  | 6,100   | 90.7                  |
| Retail . . . . .   | 13.1  | 12.6 | 12,200   | 21,500  | 76.3                  |
| FINANCE, INSURANCE, REAL ESTATE . . . . .                        | 3.4   | 4.2  | 3,100  | 7,100   | 129.1                 |
| SERVICES . . . . .   | 12.3  | 16.3 | 11,400   | 27,800  | 143.9                 |
| MISCELLANEOUS . . . . .  | 1.0   | .7   | 900  | 1,200   | 33.4                  |
| TOTAL GOVERNMENT . . . . .                                       | 38.2  | 27.6 | 35,600   | 47,100  | 32.3                  |
| Federal . . . . .  | 18.4  | 10.5 | 17,100   | 17,900  | 4.7                   |
| State . . . . .  | 11.1  | 8.2  | 10,300   | 14,100  | 36.0                  |
| Local . . . . .  | 8.7   | 8.9  | 8,100  | 15,200  | 87.7                  |

Employment than it used to, some other industry or industries must make up relatively less than before. Surprisingly enough, Government is that industry. In 1970, the Government percentage of Nonagricultural Wage and Salary Employment was 38.2; it decreased to 17.6 in 1976. Federal Government was the main cause of this decrease. Relatively, it dropped from 18.4 percent in 1970 to 10.5 percent in 1976, while in number it increased a total of only 800 over this period. The percentage of state government to Total Nonagricultural Wage and Salary Employment decreased from 11.1 to 8.2, while Local Government remained stable at about 8.8 percent. In number State Government employment grew about 3,700 and Local grew 7,100. As population and employment mushroomed, the ratio of Federal and State Government employment to the total was shrinking, but the local government ratio remained the same. Total Nonagricultural Wage and Salary Employment increased 83.8 percent during this seven year period: Federal Government increased only 4.7 percent; State Government increased 36.0 percent, but Local Government increased a comparable 87.7 percent.

Although all other industries' employment increased drastically over the years, their relative positions in Nonagricultural Wage & Salary Employment remained the same. The exception to this was the Services industry which experienced a relative increase of 4 percent. Its total employment increased 14.4 percent.

## AREA ANALYSIS

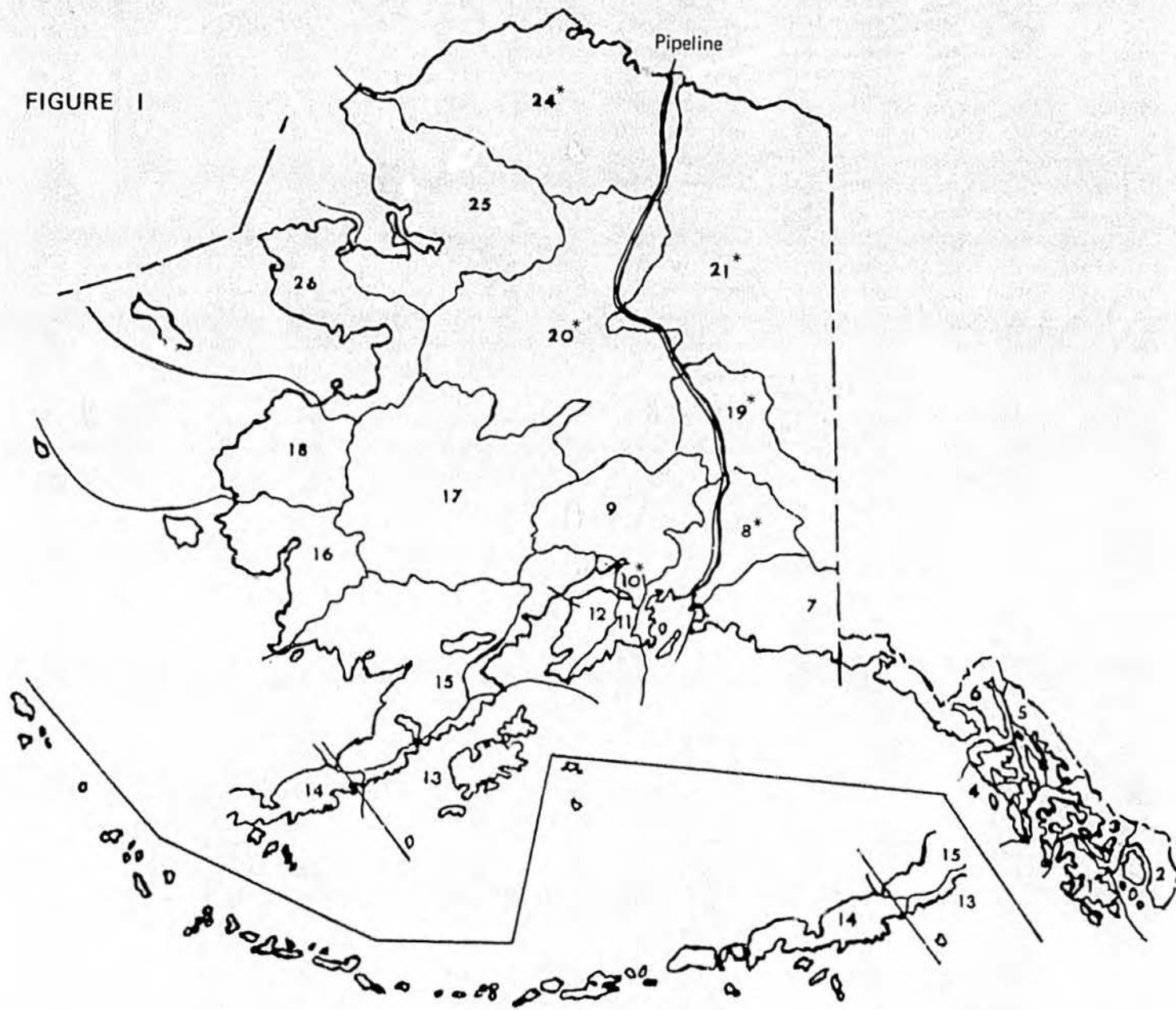
The impact of the pipeline on sub-state area Nonagricultural Wage and Salary Employment is the subject of this analysis. The areas represented are the 24 election districts described in Figure 1. This picture also shows the route of the trans-Alaska oil pipeline. The areas starred (\*) are those which were most affected by the pipeline project.

A close look at the graphs of Total Nonagricultural Wage and Salary Employment by area reveals that only six areas were substantially impacted by the pipeline project: Anchorage, Valdez—Chitina—Whittier, Fairbanks, Upper Yukon, Yukon—Koyukuk, and Barrow. It should be noted that each of these small graphs have a different scale, therefore they cannot be compared to each other in terms of numbers. They do show, however the relative increases and decreases in employment within their own areas by quarter from first quarter 1970 through fourth quarter 1976.



## 24 ELECTION DISTRICT AREAS

FIGURE 1



- |                                 |                      |
|---------------------------------|----------------------|
| 1. Prince of Wales              | 13. Kodiak           |
| 2. Ketchikan                    | 14. Aleutian Islands |
| 3. Wrangell-Petersburg          | 15. Bristol Bay      |
| 4. Sitka                        | 16. Bethel           |
| 5. Juneau                       | 17. Kuskokwim        |
| 6. Lynn Canal - Icy Straits     | 18. Wade Hampton     |
| 7. Cordova - McCarthy           | 19. Fairbanks*       |
| 8. Valdez - Chitina - Whittier* | 20. Yukon - Koyukuk* |
| 9. Palmer - Wasilla - Talkeetna | 21. Upper Yukon*     |
| 10. Anchorage*                  | 24. Barrow*          |
| 11. Seward                      | 25. Kobuk            |
| 12. Kenai - Cook Inlet          | 26. Nome             |

## **Anchorage**

The Anchorage area Nonagricultural Wage and Salary Employment more than doubled over this seven year period — from 37,650 to 77,200. There was a period of steady growth between '70 and '73, but in '74 and '75 Anchorage experienced sharp increases in employment. Government dominated the employment scene in 1970 comprising 37 percent of the Total Nonagricultural Wage and Salary Employment in that area. The Trade and Services industries came in second and third respectively. But combined, their total employment didn't match government employment. In 1976, government still employed the most people in Anchorage but it comprised only 25 percent of the total. Trades and Services have grown immensely since the start of the pipeline due to Anchorage being an entry port for many people migrating to Alaska to find work. Alyeska was classified in services with its March offices located in Anchorage. Many other service corporations had their main offices in Anchorage.

## **Faibanks**

Employment growth in the Fairbanks area was phenomenal, rising continuously for six quarters: the first quarter of '74 to the second quarter of 1975. (It is extremely unusual for Fairbanks not to experience a downturn in employment in the fourth and first quarters). In just one and one half years employment more than doubled. Since Fairbanks was the center of pipeline activity it can be assumed that most of this growth stemmed from the pipeline project. Like Anchorage, government employment dominated employment in 1970, but in 1976, employment was divided between construction, services, trades, transportation, and government. Mining and manufacturing have always been of minor importance in Fairbanks.

## **Upper Yukon & Barrow**

In the Upper Yukon and Barrow areas mining was of major importance before the pipeline. These areas, being in the path of the pipeline, and having small economic bases to start with, experienced tremendous growth in construction employment which increased about 1000 percent: from 300 in 1970 to 3300 in 1976. Total employment in Upper

Yukon increased almost 1,200 percent since 1970. The graph for Barrow reflects the high employment in 1969 caused by oil exploration (discovery) and initial build-up ("the false boom") for pipeline construction and the sharp drop in employment when the project was called off due to legal hangups in 1970.

## **Valdez—Chitina—Whittier**

Employment activity in the Valdez—Chitina—Whittier boomed from '74 to '76, increasing almost 900 percent. Since Valdez is the southern terminus where petroleum is transferred to tankers, a lot of construction took place to make the port ready including docking facilities, central facilities and tank farm. In 1970, average construction employment was about 20 while in third quarter 1976 it was 6,700. There are permanent facilities at Valdez that require a sizable workforce after the end of the construction period.

## **Yukon—Koyukuk**

The Yukon—Koyukuk area is also one of the areas where major prepipeline employment was government in 1970, but switched to construction in '74, '75, and '76. Total employment increased about 500 percent from 1,200 in '70 to 5,800 in '76. Construction grew from almost nothing to approximately four thousand in three years.

## **Less Affected Areas**

Other areas in the state were not affected directly by the pipeline project although many of them grew at an accelerated rate. This growth was partially due to the large influx of people who could not find jobs on the pipeline but settled in other communities throughout the state upon finding jobs which developed from the momentum of an expanding statewide economy. Outside of the six principally impacted areas major growth occurred in the Juneau, Kodiak, Palmer—Wasilla—Talkeetna, and Sitka areas.

One thing that is obvious after a look at the graphs is the extreme seasonality in all areas of Alaska. Historically, the second and third quarters are usually times of high employment, while the first and fourth quarters experience low employment. In some areas

employment in the third quarter is almost triple the employment in the first quarter. This is especially true in those areas dependent on natural resources (primarily fishing and logging) for employment.

#### **Aleutian Islands**

The Aleutian Islands are an exception since its third and fourth quarters are times of high employment. Shell-fishing takes place at this time causing food processing employment to reach its peak then.

#### **Bethel**

Employment in Bethel increased steadily over the past several years but its economy is not quite as volatile as most other areas in the state. Over half of the employment here is government related — a major reason for the economic stability. Located in Bethel are regional offices for the Bureau of Indian Affairs, hospitals, and schools.

#### **Bristol Bay**

Bristol Bay has not experienced an increase in employment, and in 1974 was considered a depressed area caused by extremely poor salmon returns. Because fishing and food processing are the major industries in Bristol Bay, employment is extremely seasonal. Government is really the only other industry here.

#### **Cordova—McCarthy**

The Cordova—McCarthy area also has government and food processing as its major industries with food processing employment negligible from October through March. This area has experienced only slight growth since 1970.

#### **Juneau**

Employment in Juneau has grown steadily from '70 to '76. Most of this was due to the growth of state and local government and spin-off effects in support industries. Therefore, total employment increased about 3,800 in seven years. Most industries in Juneau are fairly stable except the construction industry which usually picks up in May and slows down in November.

#### **Southeastern**

Most of the other Southeastern areas — Sitka, Wrangell—Petersburg, Ketchikan, and Prince of Wales — have manufacturing as their main industry. Manufacturing in these areas consists of: food processing; and logging, lumber, and pulp processing. Both are very seasonal and account for the drastic peaks and valleys in employment. High government employment in these areas lends some stability to the economy. Both Ketchikan and Sitka experienced growth from '70 to '76 but Wrangell—Petersburg and Prince of Wales remained relatively stable.

#### **Kodiak**

Kodiak has grown a lot since '70 mostly because of the growth in canneries, fisheries, and food processing. Besides manufacturing, government is the only other large industry here.

#### **Lynn Canal—Icy Straits**

Manufacturing and Transportation are big in the Lynn Canal—Icy Straits area. Logging and lumber processing was healthy in past years in the Haines area, however current difficulties in this sector are showing adverse effects in total employment. Transportation is an important industry in both Haines and Skagway: Haines is the end of the Alcan Highway in Southeastern Alaska; Skagway is a stopping point for the White Pass—Yukon Railroad. This area did not experience much growth since '70.

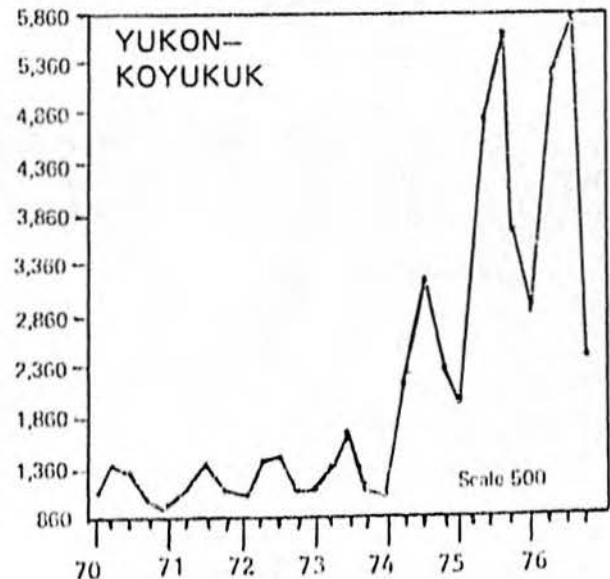
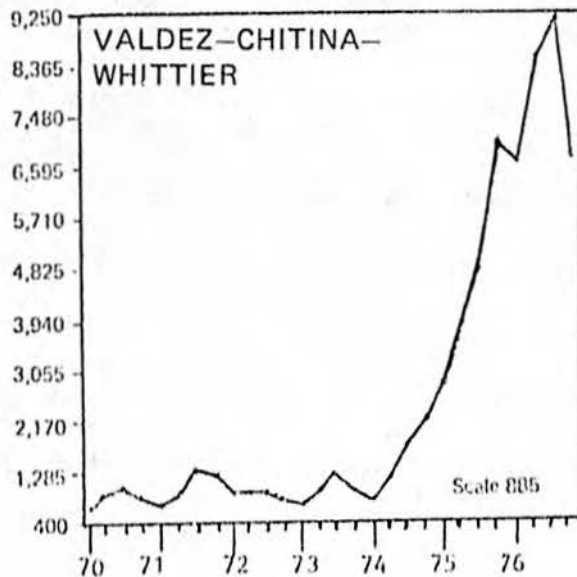
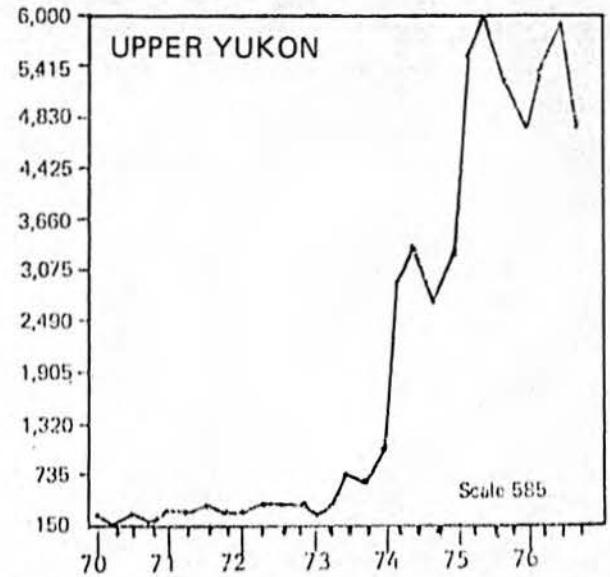
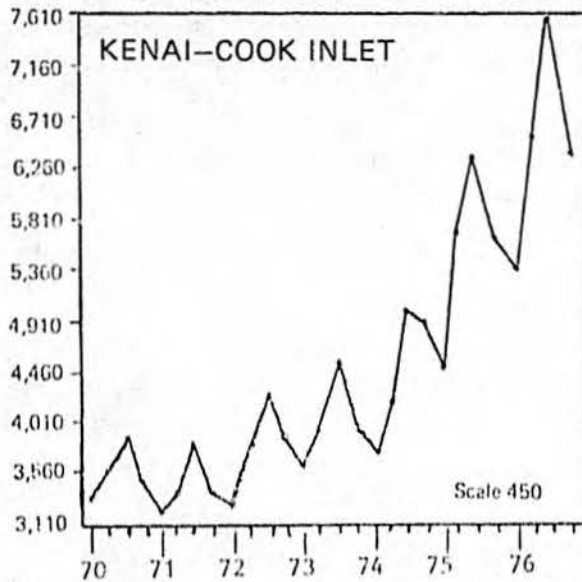
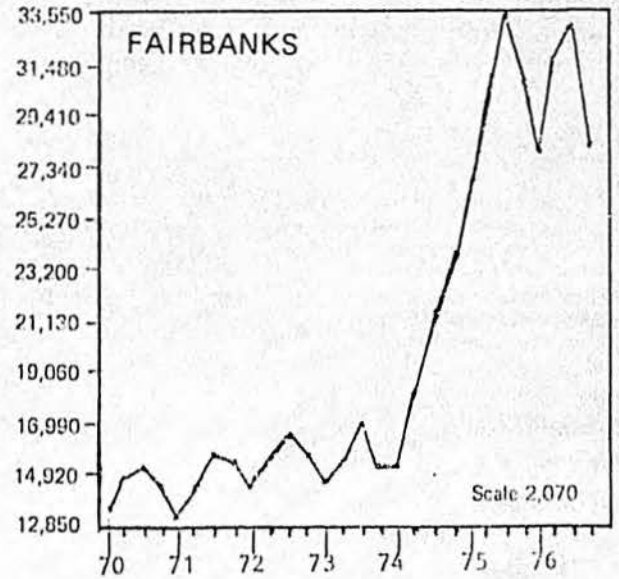
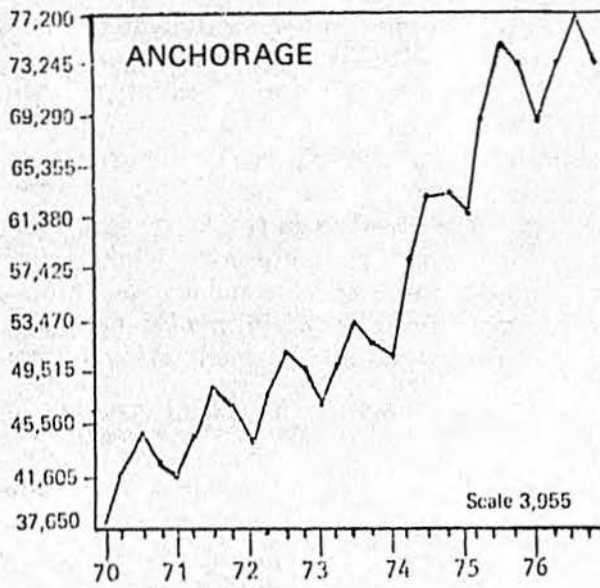
#### **Seward, Wade Hampton**

Government employment is predominant in both the Seward and Wade Hampton areas. Seasonal fluctuations in employment are caused by the food processing industry in the second and third quarters when fishing picks up. These areas also experienced relatively small growth in seven years.

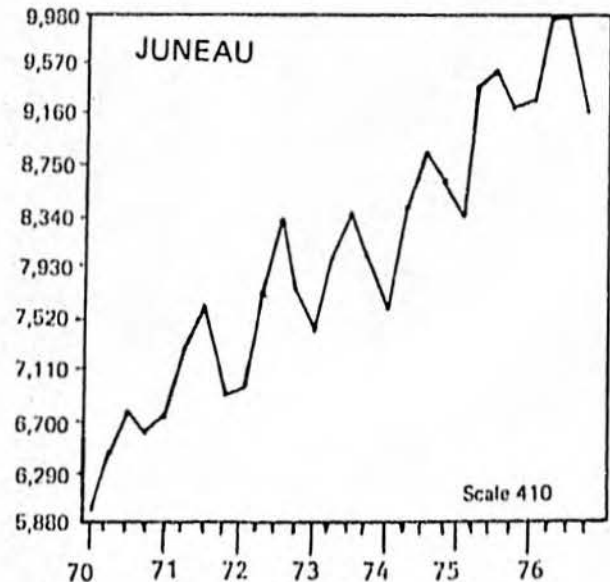
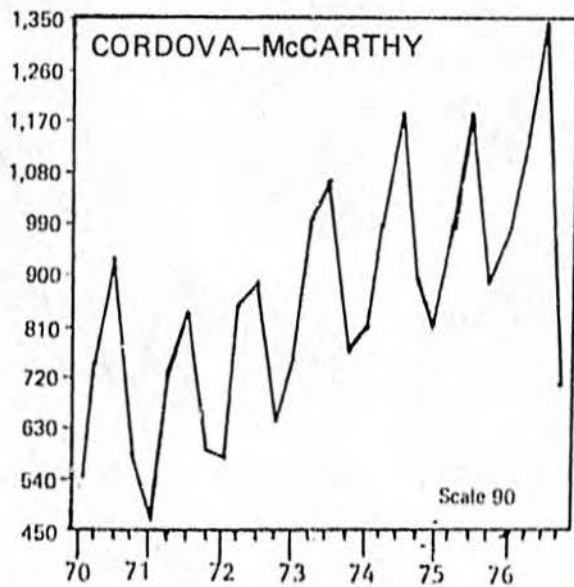
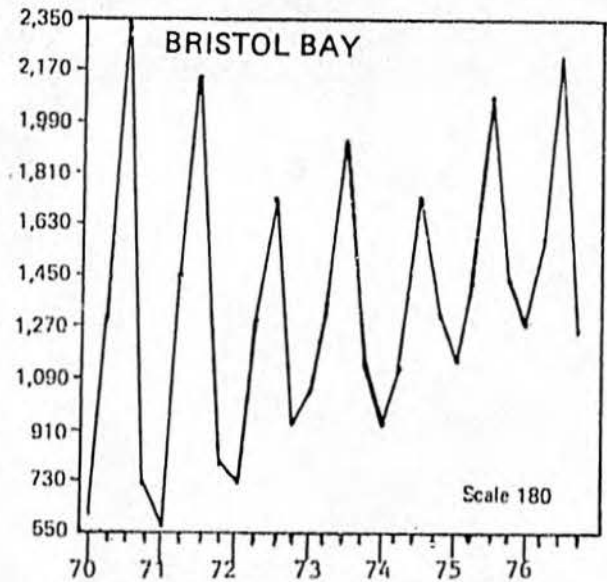
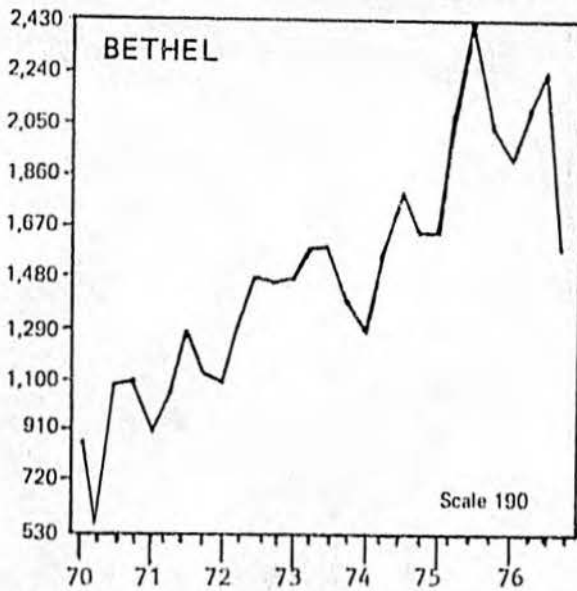
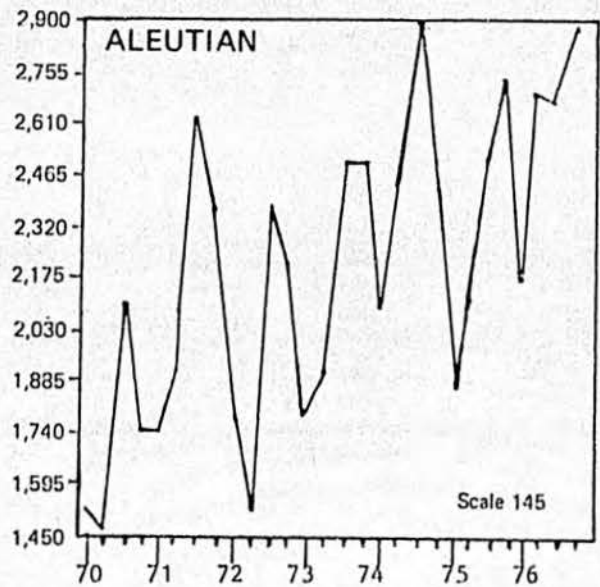
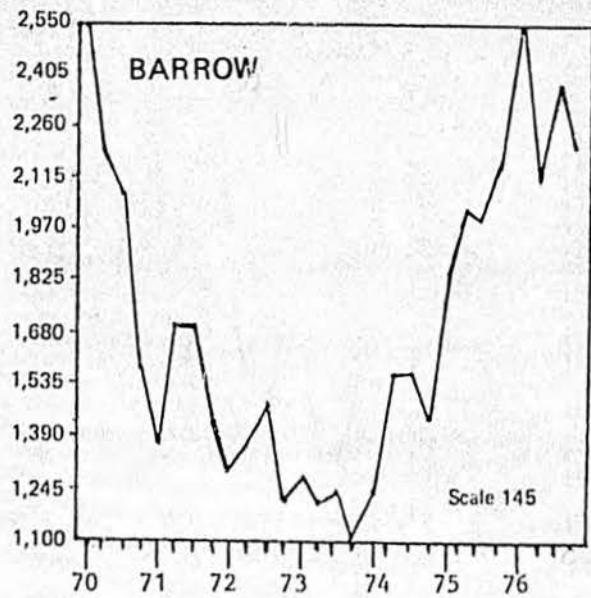
#### **Kobuk, Kuskokwim, Nome**

Kobuk, Kuskokwim, and Nome have grown a little from '70 to '76, but they have very few private industries. Nome gold mine operations, due to recent revival, stimulates employment in the summer and there is limited construction activity. Usually, these areas' main sources of employment are government related with services, transportation, and trade to support it.

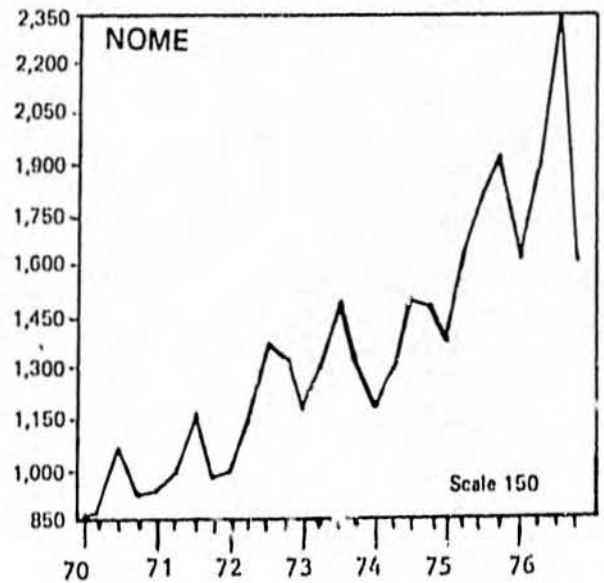
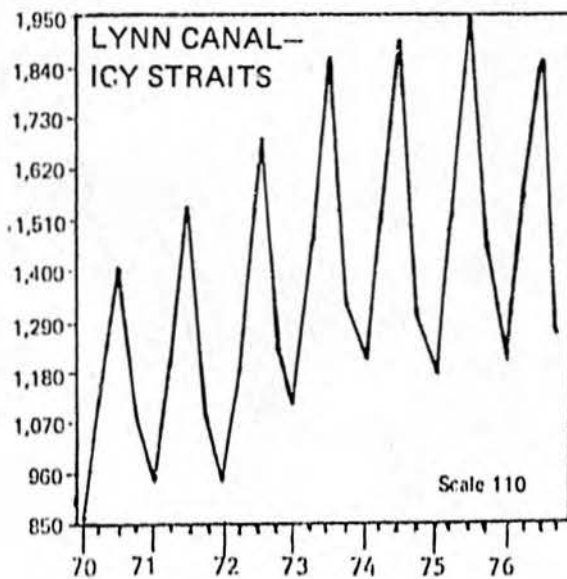
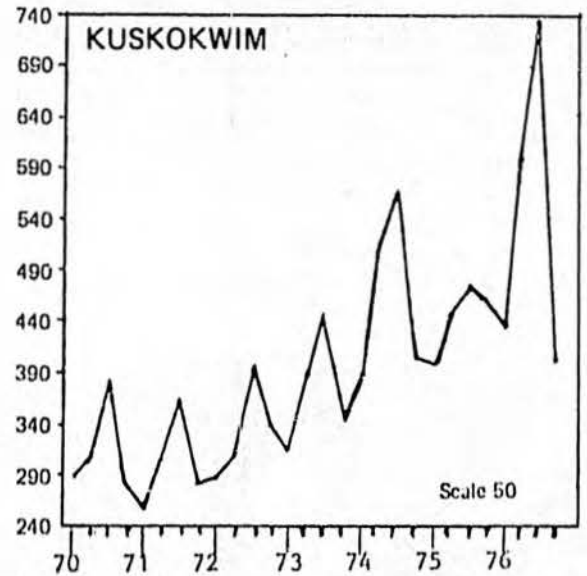
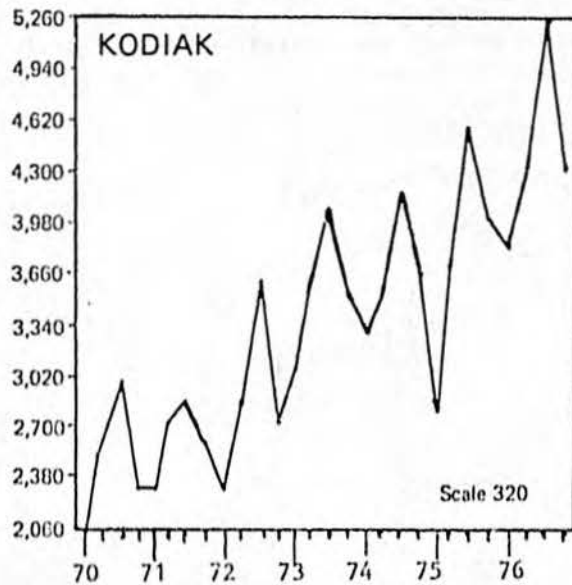
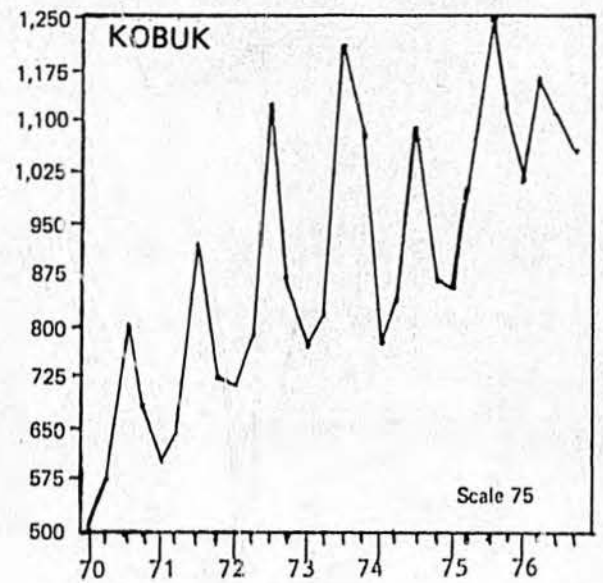
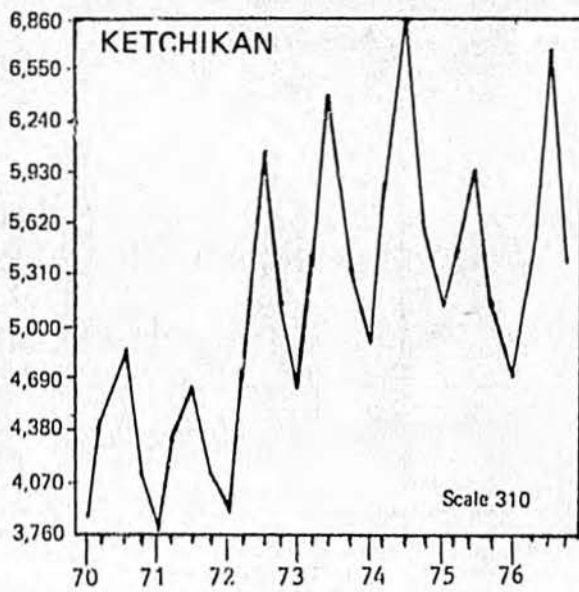
TOTAL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT BY AREA 1970 - 1976



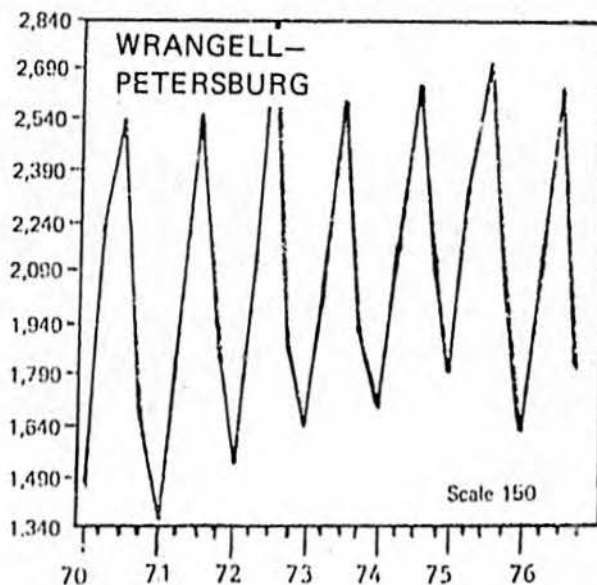
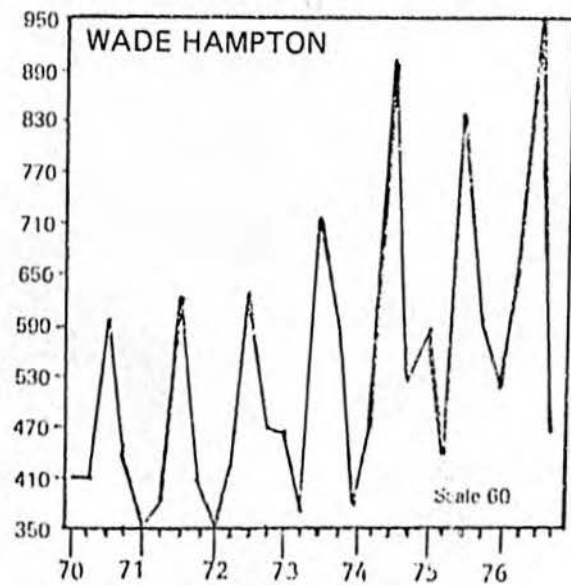
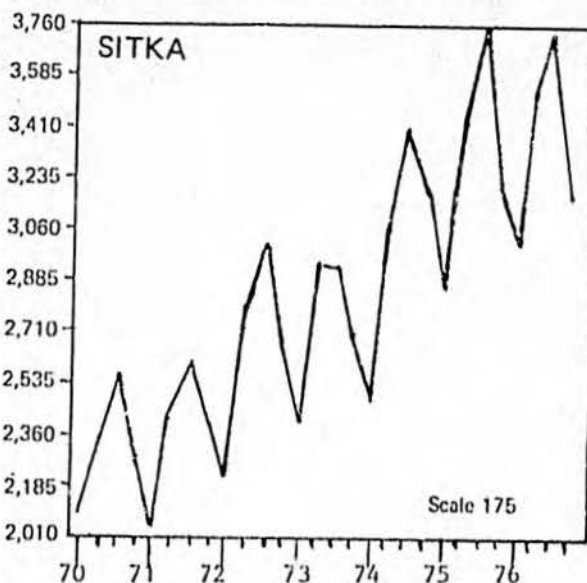
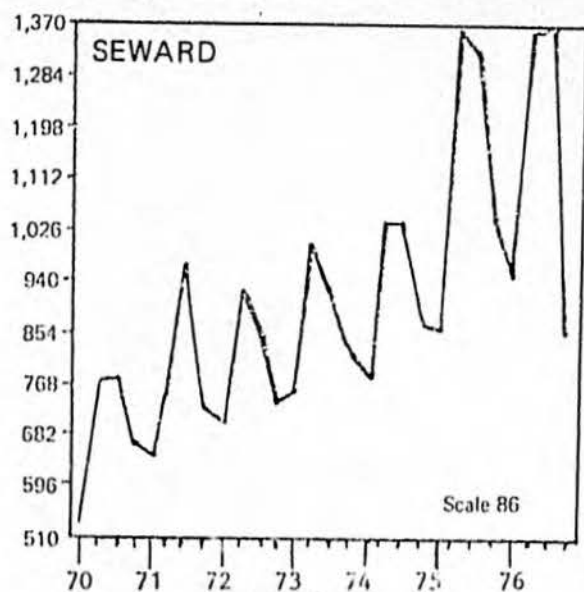
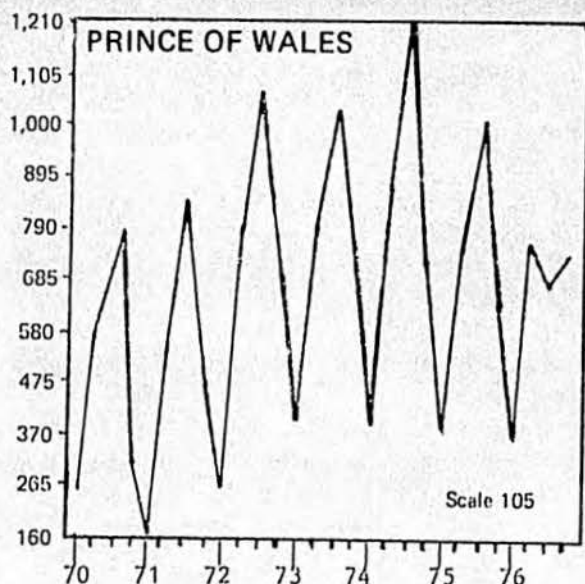
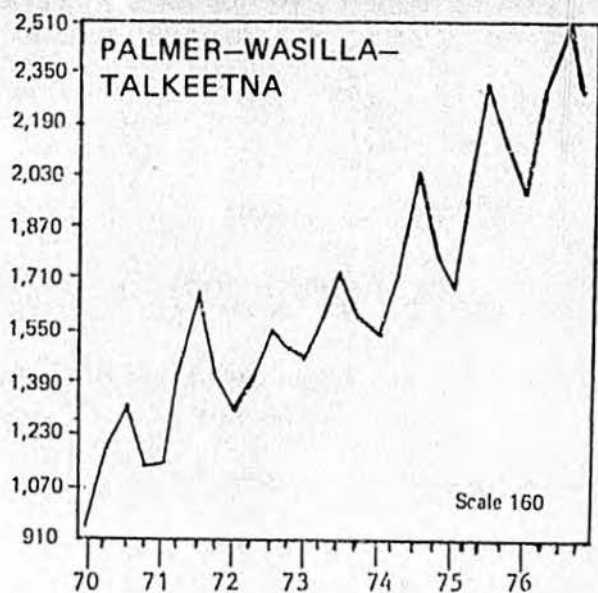
**TOTAL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT BY AREA 1970 - 1976**



**TOTAL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT BY AREA 1970 - 1976**



**TOTAL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT BY AREA 1970 - 1976**



### Palmer—Wasilla—Talkeetna

The Palmer—Wasilla—Talkeetna area grew steadily from '70 to '76 in all industries except mining and manufacturing which are of minor importance here. Palmer is near the site for the new capital besides being close to the rapidly expanding Anchorage area. It is also one of the key agricultural centers in the state. All these factors have caused a steady growth over the past seven years in this area.

### Kenai—Cook Inlet

Most Employment in the Kenai—Cook Inlet area was dependent on the Mining and Manufacturing industries in 1970. With the pipeline came a lot of construction employment so that it is now almost as vital an industry as mining and manufacturing. The food processing and construction industries make employment in this area very seasonal.

### Prognosis

Those areas which were affected most by the pipeline project will also experience more post-pipeline unemployment than other areas. Unless there is a stable economic base — a foundation for employment — these areas will probably experience a serious recession. Anchorage and to some extent Fairbanks have a stable economic base and although they will experience a rise in unemployment more serious economic downturns will occur in Upper Yukon,

Barrow, and Yukon—Koyukuk. Employment should remain fairly stable in Valdez as it is the southern terminal for the pipeline and has permanent facilities there.

### UNEMPLOYMENT INSURANCE ANALYSIS

The Unemployment Insurance (UI) Program in Alaska experienced some interesting changes since the commencement of the pipeline project. Before an analysis can be made, however, three components of the program must be introduced and defined. These are Intrastate, Interstate Liable, and Interstate Agent categories of UI claims.

Intrastate claims are claims filed in the state of Alaska and paid by the state of Alaska. People filing these claims live and have recently worked in Alaska.

Interstate Liable claims are those that are filed in another state but are paid by the state of Alaska. These claims are filed by people who had worked in Alaska, became unemployed, and moved to another state.

Those claims which are filed in the State of Alaska but paid by another state are Interstate Agent claims. People filing these claims have moved to Alaska but are receiving unemployment insurance from the state where they were last employed. In summary:

---

| <u>Claims</u>           | <u>Paid By</u>                     | <u>Filed In</u>          |
|-------------------------|------------------------------------|--------------------------|
| Intrastate .....        | Alaska                             | Alaska                   |
| Interstate Liable ..... | Alaska                             | State where now residing |
| Interstate Agent .....  | State where previously<br>Employed | Alaska                   |

Figure J shows average covered employment across the state and total UI weeks filed in Alaska (Intrastate and Interstate Agent claims). Total covered employment more than doubled from 1970 to 1976 with most of the growth occurring between 1974 and 1976. Much of this growth was due to the large influx of pipeline construction workers covered by Unemployment Insurance. Total weeks claimed in Alaska jumped to an average of 42,000 monthly in 1976 as opposed to an average of 20,000 monthly in 1970.

FIGURE J

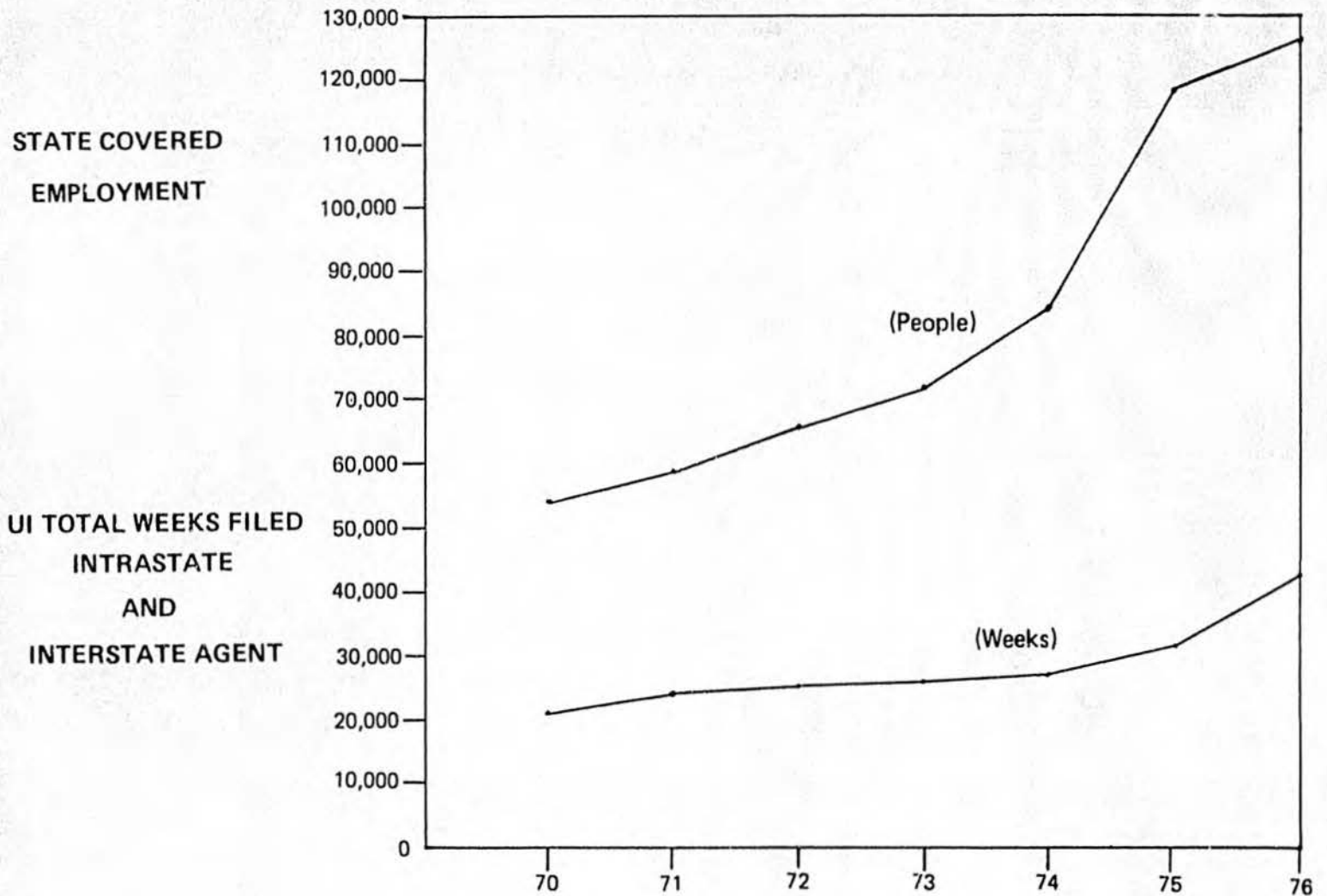
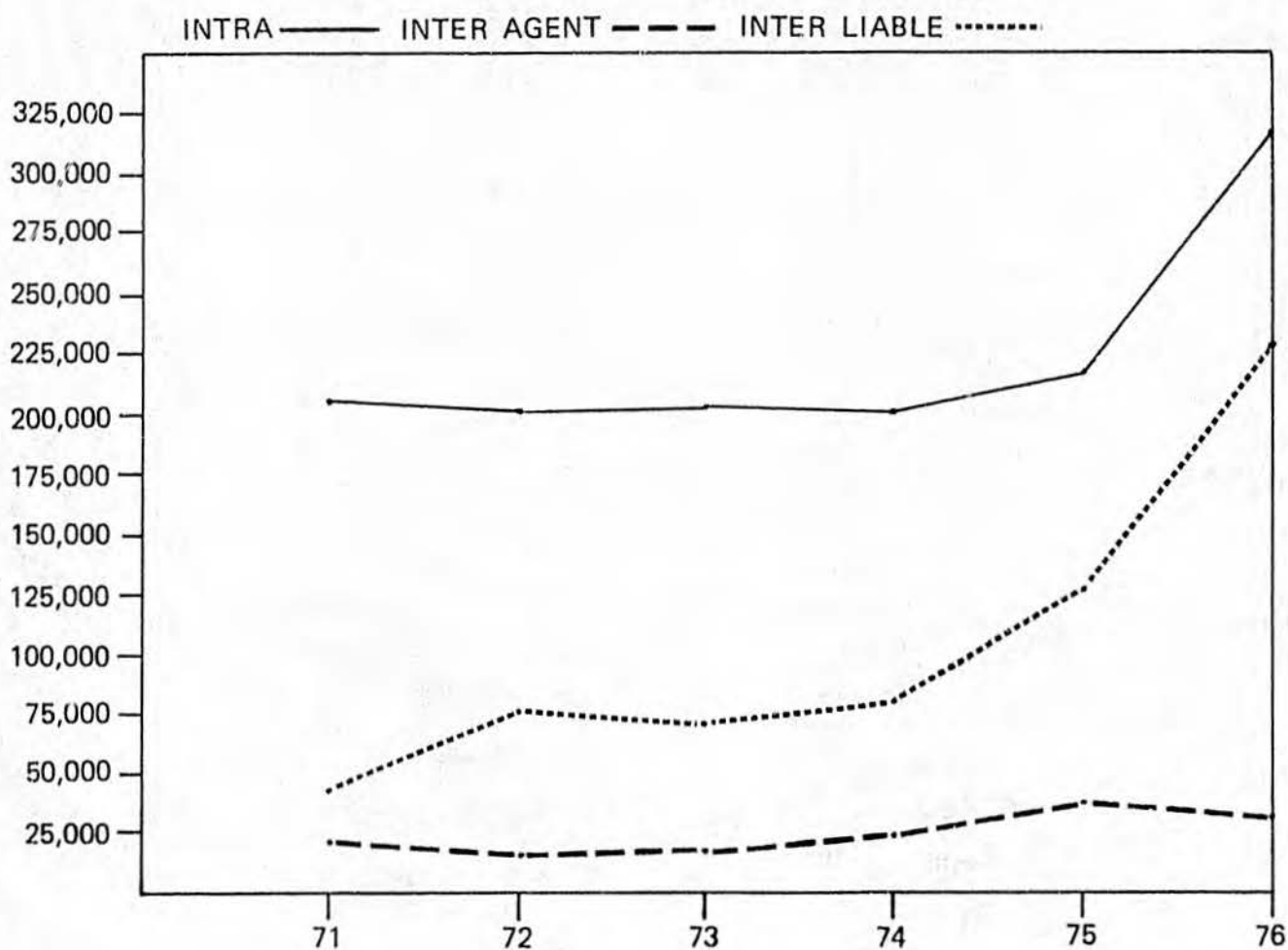


Figure K breaks down continued weeks claimed into Intrastate, Interstate Agent, and Interstate Liable. This graph gives a good idea as to what sort of effect the pipeline had on the Unemployment Insurance program. Interstate Agent claims were relatively stable in '71, '72, and '73; rose in '74 and '75; then declined again in 1976. In 1974 and 1975 many of unemployed from other states came to Alaska seeking jobs on the pipeline. They were still claiming Unemployment Insurance in their old state but filing in Alaska causing the Interstate Agent claims to rise. As expected, while Interstate Agent claims were decreasing in 1976, Interstate Liable claims expanded immensely. Many of the people who moved to Alaska to work on the pipeline had worked long

enough to qualify for Unemployment Insurance here. At the end of 1976 when the pipeline project was near completion, many workers (especially construction) were laid off. These people then migrated to one of the southern 48 states and were paid Unemployment Insurance compensation by Alaska. Interstate Liable Claims increased from about 75,000 weeks to 225,000 weeks in just a three year period ('74-'76) and are now not far behind Intrastate weeks claimed. This means that almost as many people are drawing Alaska Unemployment Insurance compensation outside the state (non-residents) as there are people drawing compensation in-state (residents).

**FIGURE K**  
**CONTINUED CLAIMS (Weeks)**

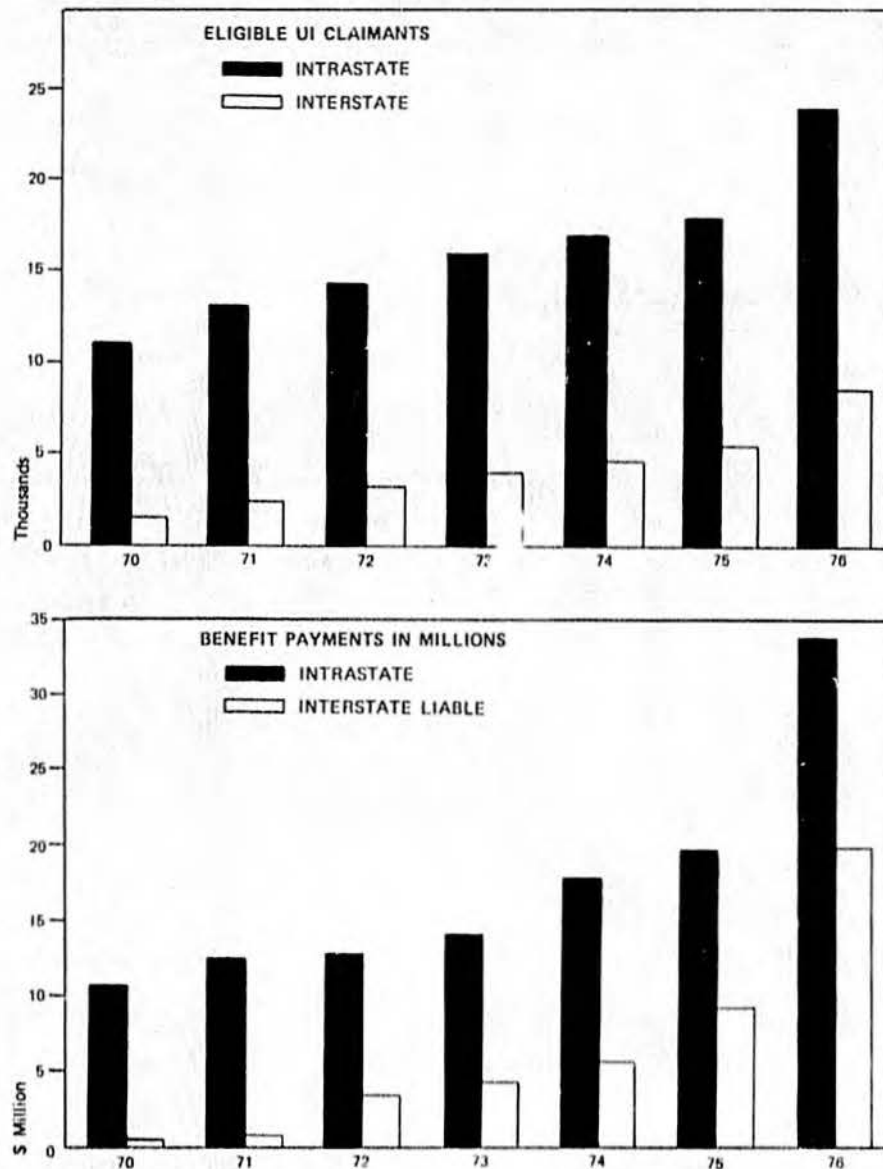


Intrastate claims grew tremendously from '75 to '76: increasing about 100,000. Many Alaska residents were laid off near the fourth quarter of 1976 making it necessary for them to draw Unemployment Insurance.

Participation in the Unemployment Insurance program cannot continue to climb (provided there is not another huge construction project in the near future). In a short while many of the people who are now drawing unemployment will exhaust their benefits. They will have to quit drawing unemployment insurance causing total participation in the program and total payments to drop.

Figure L shows the number of eligible claimants in thousands and the amount of Benefit Payments in millions of dollars for Intrastate and Interstate Liability from '70 to '76. These charts reflect the huge increases of participation in the Unemployment Insurance program since 1970. It should be noted that benefit amounts were raised in 1973 causing much of the increase in benefit payments.

FIGURE L



## STATE MANPOWER PROFILE FOR ALASKA

|  |                       |   |
|--|-----------------------|---|
| <u>Population:</u>                                 | July 1, 1976          | 413,289 — a 36.7 percent gain since 1970.<br>— U.S. increased 5 percent over the same period.                   |
| <u>Civilian Labor Force:</u>                       | 1976 Average          | 198,946 — a 10.6 percent gain over 1975.<br>— U.S. increased 2.4 percent over 1975.                             |
|  | March, 1977 estimates | 190,870 — a 4.1 percent decrease from the 1976 average.<br>— U.S. increased 1.8 percent over the 1976 average.  |
| <u>Nonagricultural Wage and Salary Employment:</u> | 1976 Average          | 171,078 — a 6.1 percent gain over 1975.<br>— U.S. increased 2.4 percent over 1975.                              |
|  | March, 1977 estimates | 154,700 — a 9.6 percent decrease from the 1976 average.<br>— U.S. shows 1.3 percent increase over 1976 average. |
| <u>Manufacturing Employment:</u>                   | 1976 Average          | 10,331 — a 7.6 percent gain over 1975.<br>— U.S. increased 3.3 percent over 1975.                               |
|  | March, 1977 estimates | 9,300 — a 10 percent decrease from the 1976 average.<br>— U.S. increased 1.1 percent over 1976 average.         |

### EMPLOYMENT IN MAJOR ALASKAN INDUSTRIES: 1976 Average

|                        |        |
|------------------------|--------|
| Government . . . . .   | 47,100 |
| Construction . . . . . | 30,200 |
| Services . . . . .     | 27,800 |
| Trade . . . . .        | 25,600 |

### UNEMPLOYMENT RATES:

|                                       | Total     | % of Labor Force |
|---------------------------------------|-----------|------------------|
| Alaska 1976 Average . . . . .         | 21,000    | 10.6             |
| March, 1977 est. for Alaska . . . . . | 30,200    | 16.0             |
| U.S. 1976 Average . . . . .           | 7,302,000 | 7.7              |
| March, 1977 est. for U.S. . . . .     | 7,100,000 | 7.3              |

## EMPLOYMENT DEVELOPMENTS

The last full year for major pipeline employment was 1976. Employment in the state of Alaska had been increasing, and most of the State had been prospering, while the "lower 48" had been coming out of the recession. The situation this year will be slightly reversed.

Employment has decreased drastically from one year ago. Although from February of 1977 to March of 1977 there was an amazing increase in total employment of 5,900, total employment was down 8,000 from March 1976. (See Table 1.) The main reason for this decrease was a slowdown in pipeline activities, which was completed in June of 1977. March of 1977 was the last month for hiring on the pipeline, causing the huge increase in employment between February and March. April has shown a decline in employment because certain pipeline

activities have ceased. Employment through the summer will remain relatively stable but will decline through the fall and winter.

From March 1976 to March 1977, total Nonagricultural Wage and Salary Employment dropped 7,400 — a substantial decrease. Even though mining and manufacturing employment increased by 1,300 apiece, construction employment offset this with a decrease of 5,100. Transportation, Communications and Public Utilities employment decreased about 900 over the same period. The service industry is an easy entry, easy exit type of industry; the 3,400 drop in employment in services and miscellaneous is indicative of this. When the pipeline activity started to decline, many of these services made their exit. While wholesale trade was decreasing, retail trade was increasing, therefore, there was a total decrease in the trade industry of only 100. The rest of the industries employment statewide declined only slightly over the past year.

TABLE 1

### State of Alaska Labor Force Summary by Place of Residence

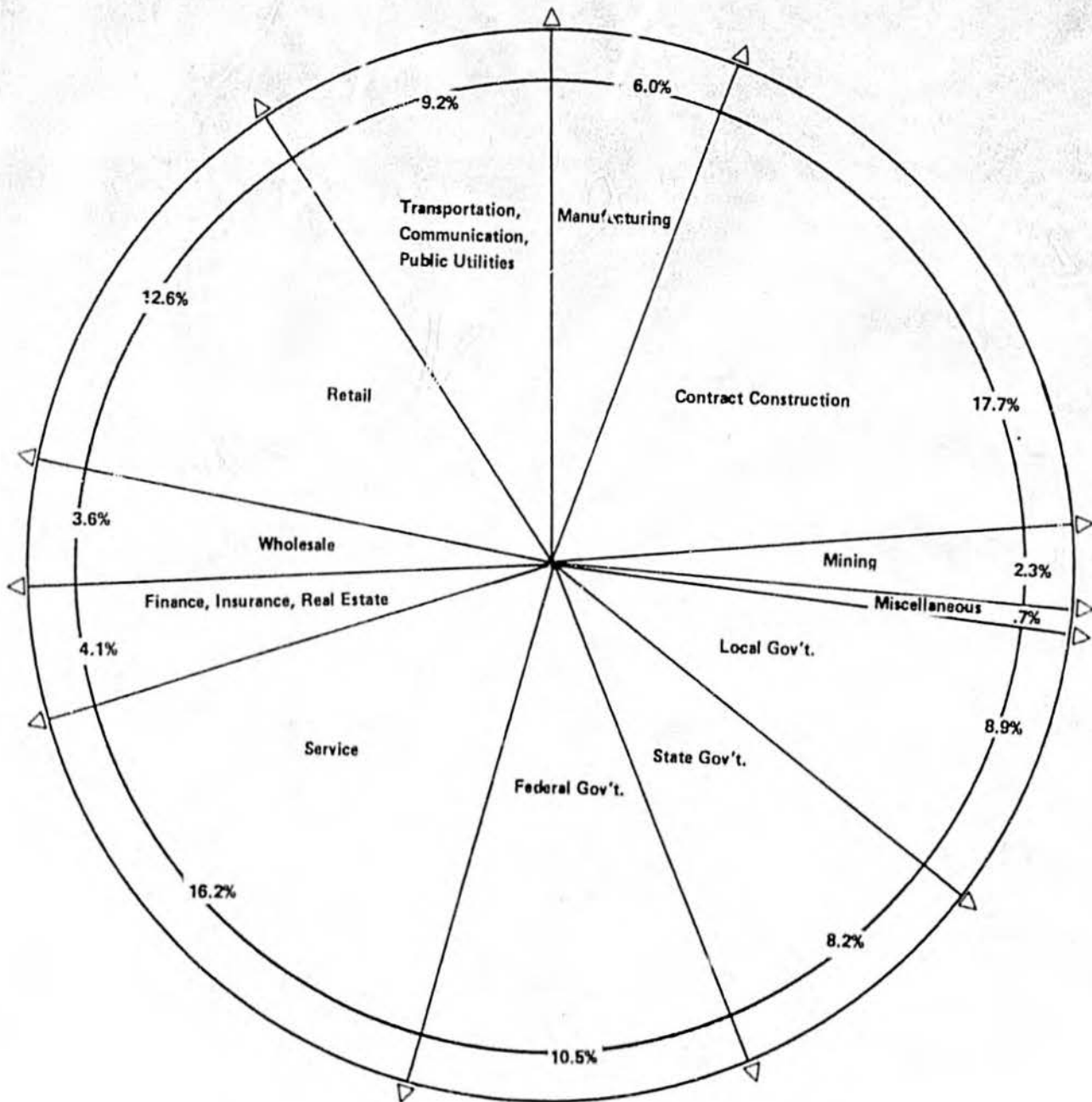
|                             | Mar. 1977 | Feb. 1977 | Mar. 1976 | Change From |           |
|-----------------------------|-----------|-----------|-----------|-------------|-----------|
|                             |           |           |           | Feb. 1977   | Mar. 1976 |
| Civilian Labor Force .....  | 190,850   | 184,800   | 192,450   | +6,050      | -1,600    |
| Unemployment .....          | 30,400    | 30,250    | 24,000    | + 150       | +6,400    |
| Percent of Labor Force..... | 15.9      | 16.4      | 12.5      |             |           |
| Total Employment.....       | 160,450   | 154,550   | 168,450   | +5,900      | -8,000    |

TABLE 2

### Total Nonagricultural Wage and Salary Employment by Industry for State of Alaska.

| Industry                          | March 1977 | March 1976 | Change  |
|-----------------------------------|------------|------------|---------|
| Total . . . . .                   | 154,700    | 162,100    | - 7,400 |
| Mining . . . . .                  | 5,100      | 3,800      | +1,300  |
| Construction . . . . .            | 21,700     | 26,800     | - 5,100 |
| Manufacturing . . . . .           | 9,300      | 8,000      | +1,300  |
| Trans., Comm., P.U. . . . .       | 14,300     | 15,200     | - 900   |
| Trade . . . . .                   | 26,000     | 26,100     | - 100   |
| Wholesale . . . . .               | 5,400      | 5,100      | + 700   |
| Retail . . . . .                  | 20,600     | 20,000     | + 600   |
| Finance, Insurance, R.E. . . . .  | 7,300      | 6,600      | + 700   |
| Service & Miscellaneous . . . . . | 25,100     | 28,500     | - 3,400 |
| Government . . . . .              | 45,900     | 47,100     | - 1,200 |
| Federal . . . . .                 | 17,500     | 17,700     | - 200   |
| State . . . . .                   | 14,500     | 13,800     | + 700   |
| Local . . . . .                   | 13,900     | 15,600     | - 1,700 |

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT  
 INDUSTRY PERCENTAGE  
 1976



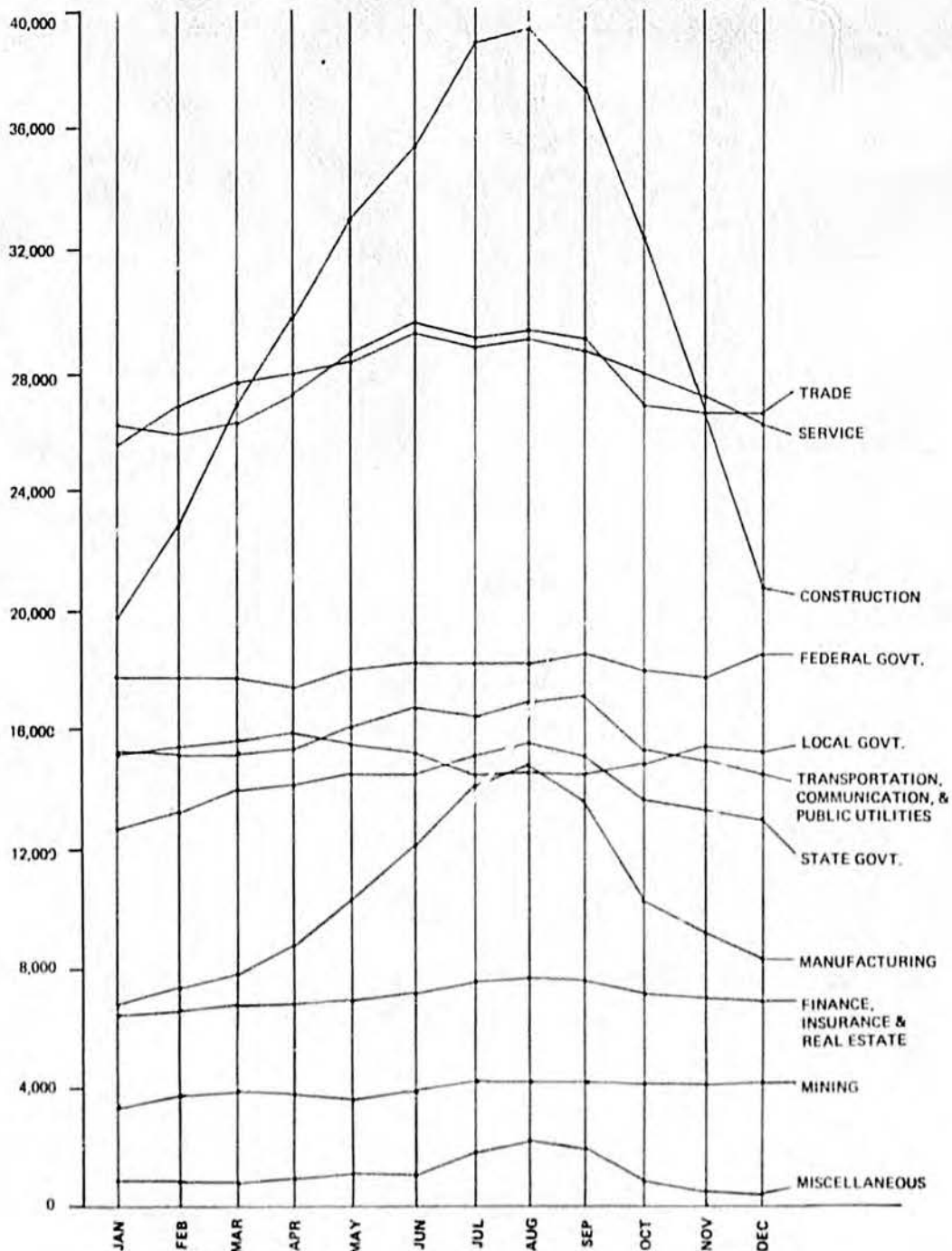
The pie chart shows the percentage of Total Nonagricultural Wage & Salary Employment by Industry for 1976.

## EMPLOYMENT TRENDS

During a typical year in Alaska, employment peaks out in August after which it dwindles to its lowest point in either December or January when it starts to rise again. (See Figure A). This trend is also true of most of the other states, but it is more noticeable in Alaska because of the great degree of seasonality caused by the extreme changes in the weather.

The **Contract Construction** industry is the most seasonal industry in the state. Employment can vary by as much as 20,000 in just a few months time. A great percentage of all construction in Alaska ceases when freezing weather arrives. Freezing weather **occurs** in and around Fairbanks as early as September, the Anchorage area often starts freezing in October, and Juneau and Southeast Alaska construction operations are usually slowing down by November. As soon as the weather is ripe for construction, hiring begins again. This situation is

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT BY INDUSTRY, 1976



sometimes partially remedied by building the shell of the project in the summer, making it possible for construction to continue inside the shell during the winter months.

**Mining**, although a small industry in Alaska, is also very seasonal. Hardrock mining virtually ceases during the wintertime, however, these decreases in mining employment are offset by on-shore oil drilling activity which in many cases must be done during the winter months. As much oil exploration is done in environmentally sensitive areas, drilling for oil can best be done when the ground surface is frozen and therefore less subject to environmental damage. Off-shore oil drilling is possible the year around. These conditions tend to stabilize employment in some sectors of the mining industry.

**Food Processing, Logging, Lumber, and Pulp** are the main sources of manufacturing in Alaska. Employment in the food processing sector is closely related to fishing activity. Commercial fishing for salmon, halibut, etc., lasts from about June through September. Crabbing takes place all year, except in the spring which is the molting season. Other shell fishing occurs during the winter months in the Petersburg, Kodiak, and Aleutian vicinities. Logging operations are usually down in the wintertime, depending on the weather. Since the bulk of Alaska's lumber products are exported to Japan, long term employment trends in lumber and pulp operations vary according to local and Japanese market conditions. Lumber and pulp milling operations have little seasonality due to stockpiling of raw logs, but seasonality conditions in the food processing and logging industries generally cause total manufacturing employment to fall during the winter months.

**Communications and Public Utilities** employment is stable throughout the year, but **Transportation** is a different matter. Both air and marine transportation increases in the summer because of tourism and shipping of building materials and consumer goods during peak months of activity. There is a noticeable decline in water transportation during the wintertime. Barge traffic in the Northern coastal areas is only open for a few weeks during each summer because of the shifting ice pack, while in southern coastal areas year round activity exists, but at greatly reduced levels during the winter months. Bush air travel slows up considerably in the winter because of bad weather and general winter downturn, and all air transportation is reduced during the winter months when the level of economic activity subsides.

**Retail Trade** shows little seasonality but it does move with the tide of population and tourism. Population

usually swells in the summer because students return from school when the weather is more conducive to outside work and job prospects are better. Tourism also increases in the summer during peak travel and vacation times. Tourism, a very important industry in Alaska, is one major reason why retail trade is at its best from May through September. Trade usually dips in October, but rises in November and December because of Christmas activity, after Christmas there is a slight decline until May when the cycle repeats itself.

**Wholesale Trade** tends to follow the course of the construction, heavy industries, and retail trade; therefore, its heaviest season is also summer.

**Services** such as theatres, garages, doctors and lawyers remain relatively constant all year. Business services which cater to the construction industry have their heaviest season in the summer. Hotels, motels and restaurants are busiest when tourism is at its peak.

**Finance, Insurance and Real Estate** experiences little seasonality. Employment remains fairly constant year around.

**State and Federal Government** increases slightly in the summer because of the hiring for road maintenance and fire fighting. **Local Government** may experience a drop in employment May through August because of the lay-off of school teachers. All government levels usually maintain their employment all year, and because government is a very large industry in Alaska, this tends to have a stabilizing effect on the economy.

TABLE 3

STATE OF ALASKA RESIDENT LABOR FORCE, UNEMPLOYMENT AND EMPLOYMENT 1976  
HANDBOOK METHODOLOGY (NON-CPS ADJUSTED)\*

|   | Jan.    | Feb.    | Mar.    | Apr.    | May     | June    | July    | Aug.    | Sept.   | Oct.    | Nov.    | Dec.    | Annual Average |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------------|
| Total Civilian Workforce  | 178,200 | 183,600 | 192,400 | 195,800 | 205,900 | 212,700 | 215,400 | 218,900 | 212,200 | 202,800 | 193,400 | 185,400 | 199,700        |
| Work Stoppages  |         |         |         |         |         |         |         |         |         |         |         |         |                |
| Total Unemployment  | 22,800  | 22,500  | 24,000  | 20,800  | 21,800  | 21,700  | 18,300  | 18,400  | 17,800  | 18,800  | 22,300  | 23,600  | 21,000         |
| Percent of Workforce  | 12.8    | 12.2    | 12.5    | 10.6    | 10.6    | 10.2    | 8.5     | 8.4     | 8.4     | 9.3     | 11.6    | 12.8    | 10.6           |
| Total Employment  | 155,400 | 161,100 | 168,400 | 175,000 | 184,100 | 191,000 | 197,100 | 200,500 | 194,400 | 184,000 | 171,100 | 161,800 | 178,700        |
| STATE OF ALASKA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1976<br>BY PLACE OF WORK |         |         |         |         |         |         |         |         |         |         |         |         |                |
| Nonag. Wage & Sal. Emp.   | 149,700 | 155,300 | 162,100 | 168,300 | 176,400 | 183,300 | 188,800 | 192,500 | 187,400 | 171,800 | 162,900 | 154,500 | 171,100        |
| Mining  | 3,400   | 3,700   | 3,800   | 3,700   | 3,600   | 3,900   | 4,300   | 4,300   | 4,300   | 4,200   | 4,100   | 4,200   | 4,000          |
| Contract Construction   | 19,900  | 22,800  | 26,800  | 29,800  | 33,000  | 35,400  | 38,700  | 39,400  | 37,300  | 32,400  | 26,400  | 20,900  | 30,200         |
| Manufacturing   | 6,800   | 7,500   | 8,000   | 9,000   | 10,500  | 12,000  | 14,100  | 14,800  | 13,100  | 10,300  | 9,400   | 8,500   | 10,300         |
| Trans-Comm & P.U.   | 15,200  | 15,200  | 15,200  | 15,400  | 16,100  | 16,700  | 16,500  | 16,900  | 17,100  | 15,300  | 15,000  | 14,500  | 15,800         |
| Trade   | 26,100  | 25,800  | 26,100  | 27,300  | 28,600  | 29,600  | 29,000  | 29,400  | 29,000  | 26,800  | 26,500  | 26,500  | 27,600         |
| Wholesale Trade   | 6,000   | 6,000   | 6,100   | 6,200   | 6,200   | 6,400   | 6,200   | 6,300   | 6,100   | 6,000   | 5,800   | 5,800   | 6,100          |
| Retail Trade  | 20,100  | 19,700  | 20,000  | 21,100  | 22,400  | 23,200  | 22,800  | 23,100  | 22,900  | 20,800  | 20,700  | 20,700  | 21,500         |
| Finance-Ins. & R.E.   | 6,400   | 6,500   | 6,600   | 6,700   | 6,900   | 7,300   | 7,700   | 7,900   | 7,700   | 7,300   | 7,200   | 7,100   | 7,100          |
| Service   | 25,500  | 26,700  | 27,600  | 28,000  | 28,500  | 29,200  | 28,700  | 29,000  | 28,700  | 28,000  | 27,200  | 26,400  | 27,800         |
| Miscellaneous   | 900     | 900     | 900     | 1,000   | 1,200   | 1,200   | 1,900   | 2,300   | 2,000   | 1,000   | 600     | 500     | 1,200          |
| Federal Government  | 17,700  | 17,700  | 17,700  | 17,500  | 18,000  | 18,300  | 18,300  | 18,300  | 18,500  | 18,000  | 17,700  | 17,600  | 17,900         |
| State Government  | 12,600  | 13,200  | 13,800  | 14,000  | 14,500  | 14,500  | 15,100  | 15,500  | 15,100  | 13,600  | 13,400  | 13,000  | 14,000         |
| Local Government  | 15,200  | 15,400  | 15,600  | 15,900  | 15,500  | 15,200  | 14,500  | 14,700  | 14,600  | 14,900  | 15,400  | 15,300  | 15,200         |

\* Handbook methodology is a 70 step procedure used to determine the Civilian Labor Force. This is not CPS (Current Population Statistics) adjusted.

## UNEMPLOYMENT TRENDS AND CHARACTERISTICS

Approximately 96 percent of all workers in Alaska are engaged in Nonagricultural Wage and Salary Employment, 85.7 percent of which are covered by Unemployment Insurance. Because data on total unemployment is very hard to gather and may not be extremely accurate, this section will be concerned only with the insured unemployed.\*

Some industries create more unemployment than others. The relationship of each industry's Insured Unemployment Rate (IUR) to the state total IUR can provide some insight to the degree unemployment is created within that industry. If an industry's IUR deviates positively from the state IUR, then that industry creates higher unemployment than is the average for the state. Correspondingly, if the industry's IUR deviates negatively from the state IUR, then that industry creates less unemployment than the state average, and thus tends to more stabilize the state's economy.

Figure B shows that four industries in Alaska deviate positively from the state IUR: construction, food processing, mining (other than gas and oil) and log, lumber and pulp (which deviates positively only part of the year). The impact of each of these industries on the state total IUR varies. In 1976, construction employed 22.3 percent of all covered employment in the state, whereas food processing employed only 3.7 percent, log, lumber and pulp only 3.0 percent, and mining only 0.3 percent. Since construction employs the greatest number of covered employment in the state, and its annual average IUR deviates farthest from the state IUR, it can be assumed that construction is a major contributor in creating unemployment and affecting the pattern and rate of the state IUR.

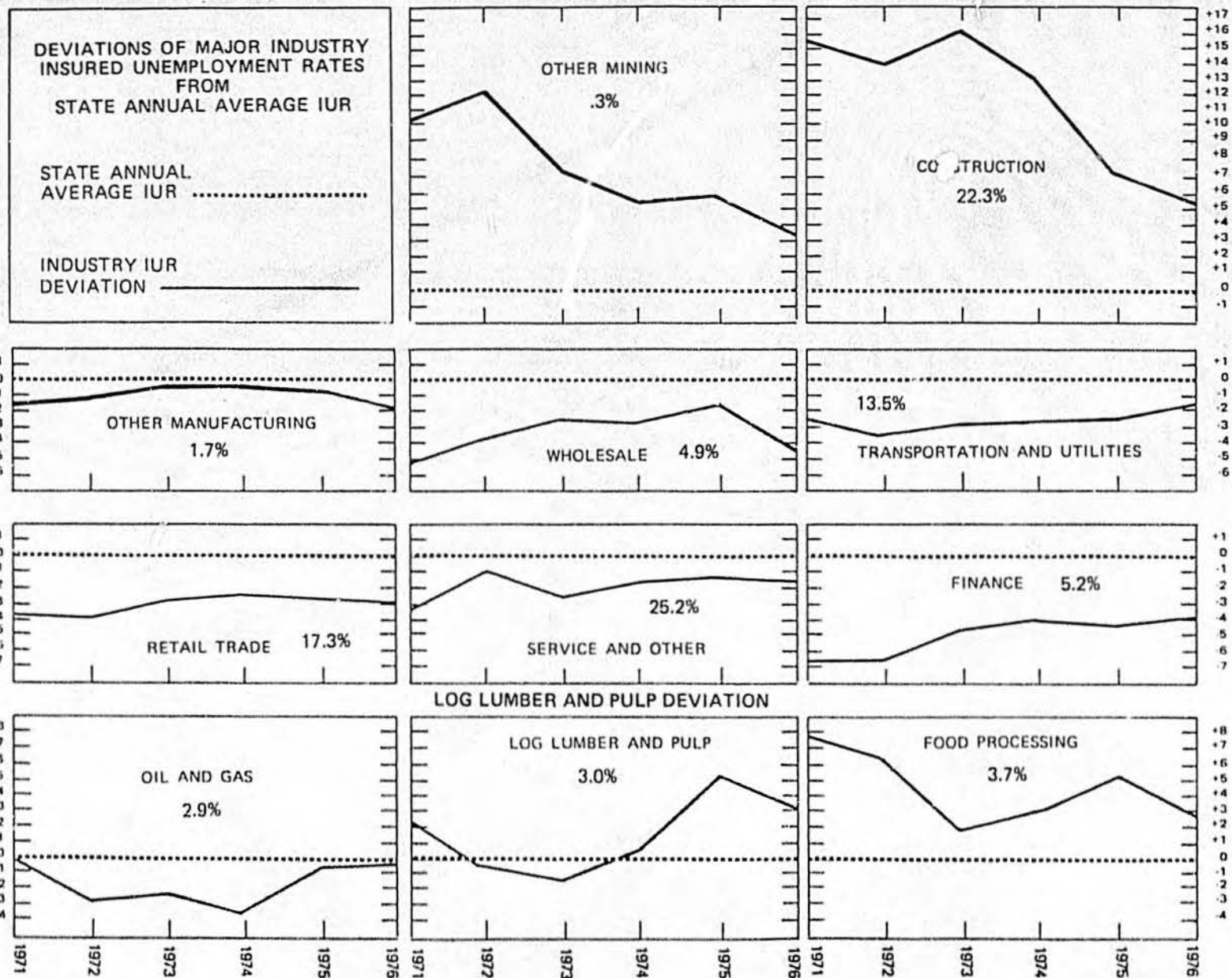
Insured unemployment represents those people filing claims under various state unemployment insurance programs. Generally, to be included in the insured unemployment count, the jobless claimant must have been on a payroll of a firm covered by unemployment insurance prior to becoming unemployed; employment must have ended involuntarily; he or she must have had a requisite level of earnings; and a sufficient period of covered employment during a certain period. In addition, the claimant must be actively seeking work and must be ready to accept suitable employment during any week for which he or she is eligible for benefits.

---

\*Insured unemployment does not necessarily reflect total unemployment. In addition to those who are not currently covered by unemployment insurance, such as state and local government, agricultural and domestic workers, many of the unemployed who do not show on UI statistics are high school and college graduates who have never before held permanent positions making it impossible for them to qualify for unemployment insurance. Others in this predicament are women returning to the labor market, those insured who have exhausted their benefits, and those who are insured but who do not feel that filing for benefits is personally acceptable. Therefore, the total number of the insured unemployed represents only about half of the total unemployment. A review of insured unemployment data will give the impression that most of the unemployed are older males since they currently make up the bulk of the unemployed that are insured. In reality, most of the unemployed are actually younger people in the age group of 18-24 who have not had sufficient work experience to qualify for unemployment insurance.

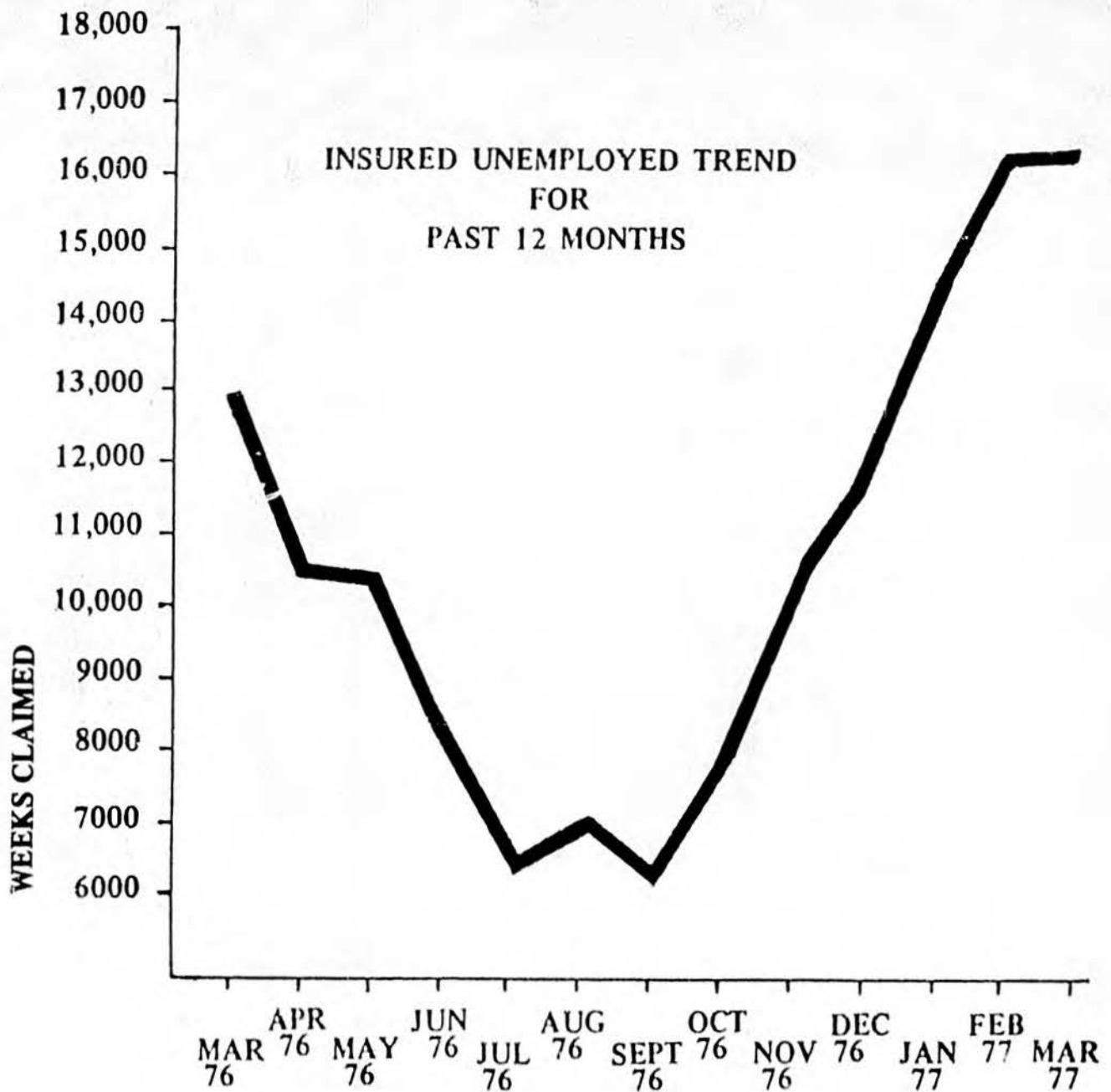
Insured unemployment will more closely approximate total unemployment in the near future due to extension of unemployment insurance coverage to state and local government workers and certain agricultural and domestic workers.

FIGURE B



Because economic activity is greatest in Alaska from July through September, insured unemployment tends to be lowest at that time. Figure C shows the insured unemployment trend from March 1976 to March 1977. Unemployment steadily decreased from March till July, and steadily increased from September through the next March. Insured Unemployment was considerably higher in March of 1977 than March of 1976 probably due to a decrease in economic activity caused by the near completion of the pipeline.

FIGURE C



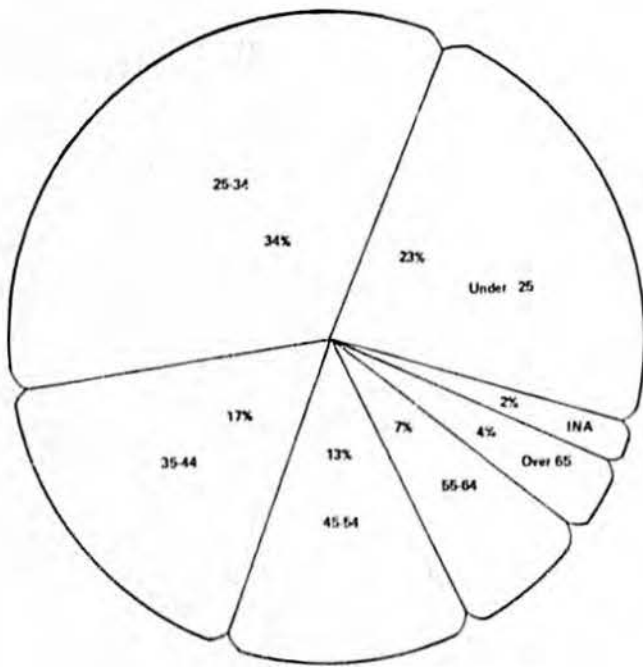
The Insured Unemployed in Alaska are represented by both sexes, all ages, all occupations, and from every industry; however, a close look at the pie charts reveals that a large portion of the insured unemployed are men, between the ages of 25 and 44, whose occupation is structural work, and who had last worked in the construction industry. Table 4 shows total weeks claimed for one year from April 1976 to March 1977. The percentage of weeks claimed by women is also calculated in that table. Most of the unemployed women are more evenly distributed throughout all age categories; their occupation is usually in clerical, sales or services; and their last job was in either the Finance, Insurance and Real Estate or Services Industries.

Table 5 shows characteristics of the insured unemployed taken from the 203 survey which counts

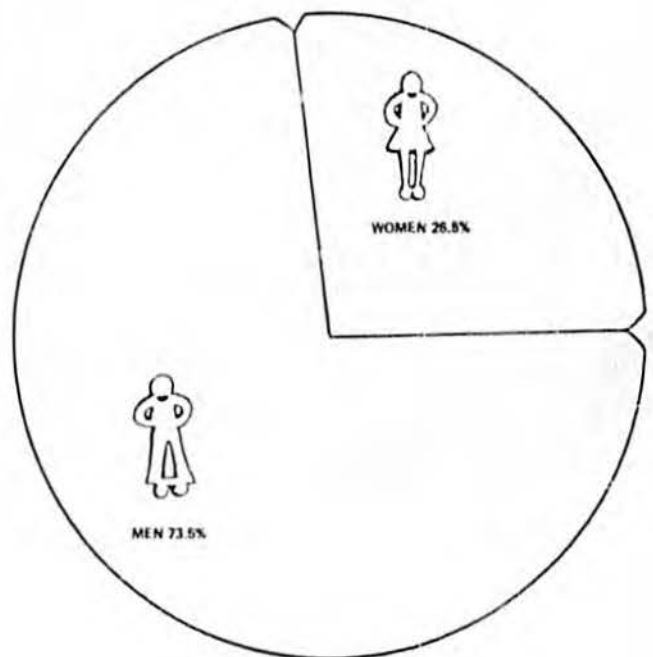
the number of weeks claimed for March of 1977. Total weeks claimed in March of 1977 was 3,500 more than last year at the same time.

March data shows that 75 percent of all weeks claimed for 1977 were from claimants 45 years old and under. This is comparable to March 1976 data. The largest percentage increase in weeks claimed from March 1976 to March 1977 was in the less than 25 years category; an addition of 1336 weeks claimed resulted in a 50.9 percent increase. Weeks claimed by the 25-34 age category ranked second with a percentage increase of 32.3. There was virtually no change in the number of claims filed by those in the 65 years and over category. The ratio of all women claimants to total claimants in March 1977 average 21.9 percent which was a small increase over the 21.2 percent average of March 1976.

PERCENTAGE OF WEEKS CLAIMED BY AGE



PERCENTAGE OF WEEKS CLAIMED BY SEX

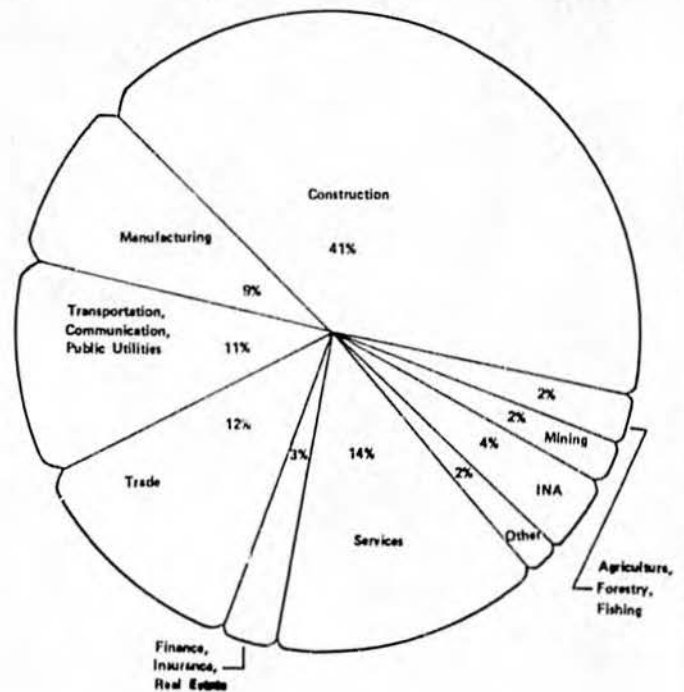


The occupational category which accounted for the most unemployment in March 1977 was structural work. Over half of the unemployed males were previously employed in this occupation. Females experienced the most unemployment in the occupational categories of clerical, sales and service. These figures were comparable to those of March 1976.

A further analysis of March data shows that the construction industry continues to be the major industry from which most claims originate. In terms of the insured unemployed profile, 49.3 percent of all claims are based on earnings from construction employment and 92.7 percent of all construction claims are filed by men. Women base most of their claims on earnings from the Trade, Finance, Insurance, Real Estate, and Service industries. While

there has been only a 5.8 percent increase in the percentage of weeks claimed by women in the manufacturing industry over the past year, this slight increase can be attributed to the fact that the manufacturing industry "shuts down" in the off season because of a lack of raw materials, i.e., fish.

PERCENTAGE OF WEEKS CLAIMED BY INDUSTRY



PERCENTAGE OF WEEKS CLAIMED BY OCCUPATION

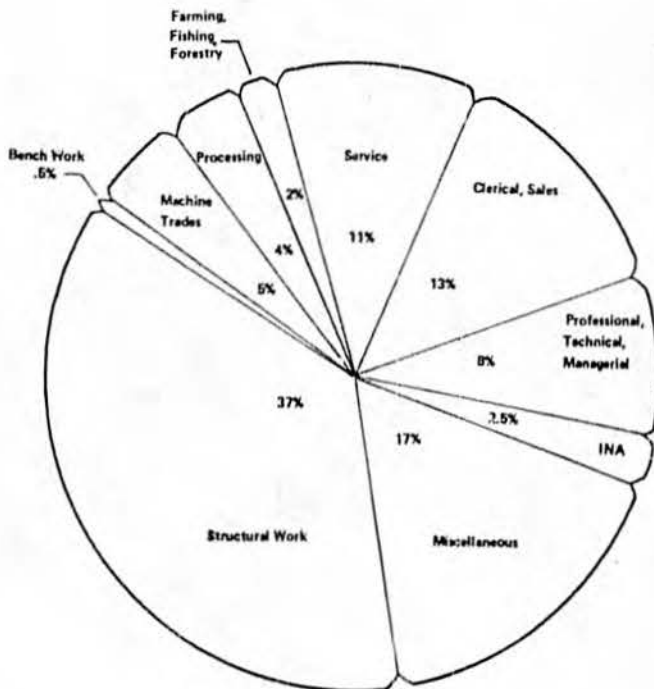


TABLE 4

Distribution of State of Alaska Unemployment Insurance weeks claimed by Age and Sex, Occupation and Sex, and Industry and Sex. Totals for months from April 1976 through March, 1977.

| AGE                                    | TOTAL WEEKS CLAIMED |        |         | % DIST. | % OF WEEKS CLAIMED BY WOMEN |
|--|---------------------|--------|---------|---------|-----------------------------|
|  | MEN                 | WOMEN  | TOTAL   |         |                             |
| < 25                                   | 20,840              | 8,992  | 29,832  | 23      | 30                          |
| 25-34                                  | 33,154              | 11,869 | 45,023  | 34      | 26                          |
| 35-44                                  | 16,792              | 5,959  | 22,751  | 17      | 26                          |
| 45-54                                  | 13,076              | 4,305  | 17,381  | 13      | 25                          |
| 55-64                                  | 7,685               | 2,019  | 9,704   | 7       | 21                          |
| over 65                                | 1,588               | 446    | 2,034   | 2       | 22                          |
| INA***                                 | 3,821               | 1,314  | 5,135   | 4       | 26                          |
| Total Weeks Claimed**                  | 96,956              | 34,904 | 131,860 | 100%    |                             |
| <u>OCCUPATION</u>                      |                     |        |         |         |                             |
| Professional, Technical and Managerial | 6,236               | 4,043  | 10,279  | 8       | 39                          |
| Clerical, Sales Service                | 3,678               | 13,060 | 16,738  | 13      | 78                          |
| Farming, Fishing and Forestry          | 5,103               | 9,433  | 14,541  | 11      | 65                          |
| Processing                             | 3,015               | 180    | 3,195   | 2       | 6                           |
| Machine Trades                         | 2,521               | 2,221  | 4,742   | 4       | 47                          |
| Bench Work                             | 6,389               | 386    | 6,775   | 5       | 6                           |
| Structural Work                        | 353                 | 281    | 634     | 0.5     | 44                          |
| Miscellaneous                          | 47,000              | 1,925  | 48,925  | 37      | 4                           |
| Other                                  | 20,257              | 2,425  | 22,682  | 17      | 10                          |
| INA***                                 | 29                  | 27     | 56      | 6       | 48                          |
| Total Weeks Claimed**                  | 2,375               | 918    | 3,293   | 2.5     | 28                          |
|  | 96,956              | 34,904 | 131,860 | 100.0%  |                             |
| <u>INDUSTRY</u>                        |                     |        |         |         |                             |
| Agric., Forestry, Fishing              | 2,827               | 140    | 2,967   | 2       | 5                           |
| Mining                                 | 2,945               | 177    | 3,122   | 2       | 6                           |
| Construction                           | 49,280              | 4,230  | 53,510  | 41      | 8                           |
| Manufacturing                          | 7,945               | 3,371  | 11,316  | 9       | 30                          |
| Trans., Comm., P.U.                    | 10,490              | 3,725  | 14,215  | 11      | 26                          |
| Trade (Wholesale & Retail)             | 7,995               | 7,881  | 15,876  | 12      | 49                          |
| Finance, Insurance, Real Estate        | 1,510               | 2,018  | 3,528   | 3       | 57                          |
| Services                               | 9,076               | 10,006 | 19,082  | 14      | 52                          |
| Other                                  | 2,074               | 1,157  | 3,231   | 2       | 36                          |
| INA***                                 | 2,814               | 2,199  | 5,013   | 4       | 44                          |
| Total Weeks Claimed**                  | 96,956              | 34,904 | 131,860 | 100%    |                             |

\* Figures are for the weeks including the 19th of the month.

\*\* Due to biweekly claiming system for Alaska, the 203 survey of claimant characteristics includes roughly 50% of beneficiaries claiming benefits for two weeks. This amount approximately represents 100% of the beneficiaries claiming for one week. The sample number of weeks claimed having been inflated or deflated to equate with actual weeks claimed (210 report).

\*\*\* Information not available.

TABLE 5

Distribution of State of Alaska Unemployment Insurance weeks claimed by Age and Sex, Occupation and Sex, and Industry and Sex for March 1977.\*

| AGE                                    | TOTAL WEEKS CLAIMED |       |        |         | % OF WEEKS CLAIMED BY WOMEN |
|--|---------------------|-------|--------|---------|-----------------------------|
|  | MEN                 | WOMEN | TOTAL  | % DIST. |                             |
| < 25                                   | 2,917               | 1,046 | 3,963  | 24.2    | 26.4                        |
| 25-34                                  | 4,435               | 1,125 | 5,650  | 34.4    | 21.5                        |
| 35-44                                  | 2,226               | 512   | 2,738  | 16.7    | 18.7                        |
| 45-54                                  | 1,721               | 437   | 2,158  | 13.2    | 20.3                        |
| 55-64                                  | 1,004               | 231   | 1,235  | 7.5     | 18.7                        |
| over 65                                | 153                 | 57    | 210    | 1.3     | 27.1                        |
| INA***                                 | 350                 | 96    | 446    | 2.7     |                             |
| Total Weeks Claimed**                  | 12,806              | 3,594 | 16,400 | 100.0%  |                             |
| <u>OCCUPATION</u>                      |                     |       |        |         |                             |
| Professional, Technical and Managerial | 660                 | 277   | 937    | 5.7     | 29.6                        |
| Clerical, Sales Service                | 391                 | 1,335 | 1,726  | 10.5    | 77.3                        |
| Farming, Fishing and Forestry          | 538                 | 977   | 1,515  | 9.2     | 64.5                        |
| Processing                             | 357                 | 26    | 383    | 2.3     | 6.8                         |
| Machine Trades                         | 279                 | 256   | 535    | 3.3     | 47.9                        |
| Bench Work                             | 750                 | 46    | 796    | 4.8     | 5.8                         |
| Structural Work                        | 55                  | 22    | 77     | .5      | 28.6                        |
| Miscellaneous                          | 6,610               | 270   | 6,880  | 42.0    | 3.9                         |
| INA***                                 | 2,844               | 284   | 3,128  | 19.1    | 9.1                         |
| Total Weeks Claimed**                  | 322                 | 101   | 423    | 2.6     |                             |
| Total Weeks Claimed**                  | 12,806              | 3,594 | 16,400 | 100.0%  |                             |
| <u>INDUSTRY</u>                        |                     |       |        |         |                             |
| Agric., Forestry and Fishing           | 339                 | 12    | 351    | 2.1     | 3.4                         |
| Mining                                 | 232                 | 22    | 254    | 1.6     | 8.7                         |
| Construction                           | 7,485               | 592   | 8,077  | 49.3    | 7.3                         |
| Manufacturing                          | 982                 | 420   | 1,402  | 8.5     | 30.0                        |
| Trans., Comm., and Public Utilities    | 1,218               | 404   | 1,622  | 9.9     | 24.9                        |
| Trade (Wholesale & Retail)             | 903                 | 758   | 1,661  | 10.1    | 45.6                        |
| Finance, Insurance, Real Estate        | 175                 | 225   | 400    | 2.4     | 56.3                        |
| Services                               | 1,120               | 950   | 2,070  | 12.6    | 45.9                        |
| Other                                  | 200                 | 72    | 272    | 1.7     | 26.5                        |
| INA***                                 | 152                 | 139   | 291    | 1.8     |                             |
| Total Weeks Claimed**                  | 12,806              | 3,594 | 16,400 | 100.0%  |                             |

\* Figures are for the weeks including the 19th of the month.

\*\* Due to biweekly claiming system for Alaska, the 203 survey of claimant characteristics includes roughly 50% of beneficiaries claiming benefits for two weeks. This amount approximately represents 100% of the beneficiaries claiming for one week. The sample number of weeks claimed having been inflated or deflated to equate with actual weeks claimed (210 report).

\*\*\* Information not available.

## ECONOMIC OUTLOOK

Total unemployment from 1971 to 1974 averaged 10.4 percent. The next year, 1975, was an all time low for unemployment with an annual average of 8.3 percent. Total Unemployment increased again in 1976 to 10.6 percent and jumped to 16.0 percent in April 1977. This increase in unemployment has long been anticipated. Pipeline employment has been running 8 to 10 percent of total employment, and practically all hiring for the pipeline ceased by the end of March. Pipeline windup not only caused an increase in unemployment in the construction industry, but it is also reasonable to assume that unemployment to some lesser degree did and will continue to rise in support industries. Unemployment will hit hardest in Fairbanks, and all along the pipeline corridor, although Anchorage may feel some repercussions of the completion of the pipeline, also. An exception to the post pipeline unemployment trend may occur at the port of Valdez where late work continues and where shifts will occur in employment from construction to operation activities. The State unemployment picture should remain stable until the fall of 1977, when another increase will occur. Unemployment will be at its worst the first quarter of 1978. Following the 1978 peak of unemployment the state should enjoy a moderate level of growth as various government projects begin construction, and the Alaska Native Corporations continue to exercise economic influence.

## HOURS AND EARNINGS

The following hours and earnings analysis is based on data from the "Statistical Quarterly," a publication developed by the Research and Analysis Section of the Alaska Department of Labor. This data is gathered from questionnaires sent out monthly to a sample of Alaskan employers in connection with the Bureau of Labor Statistics 790 report. Figures D and E show average hours worked per week and average hourly earnings, by month and industry, for 1975. Not only does the construction industry experience the highest wages, but it also works more hours per week than any other industry. Part of the reason why average hourly earnings are so high for the construction industry is that they work so many overtime hours. Average hourly earnings is a quotient of the weekly wage divided by the number of hours worked per week. This means that the more overtime hours worked at time and a half rates, the higher will be the average hourly earnings. The mining industry also works many overtime hours per week causing this industry to rank second in average

hourly earnings. Most other industries work approximately 40 hours per week. One notable exception to this pattern occurs in the food processing industry which shows many overtime hours in July, (which is usually the month when the most salmon are caught). These fish must be processed immediately to prevent spoiling. Even though many overtime hours are worked in the month of July, this industry has the lowest average hourly earnings of any industry in Alaska throughout the year. This is explained by the low-skilled occupations which comprise the bulk of this industry's employment.



AVERAGE HOURS WORKED PER WEEK, BY MONTH & INDUSTRY, 1976

FIGURE D

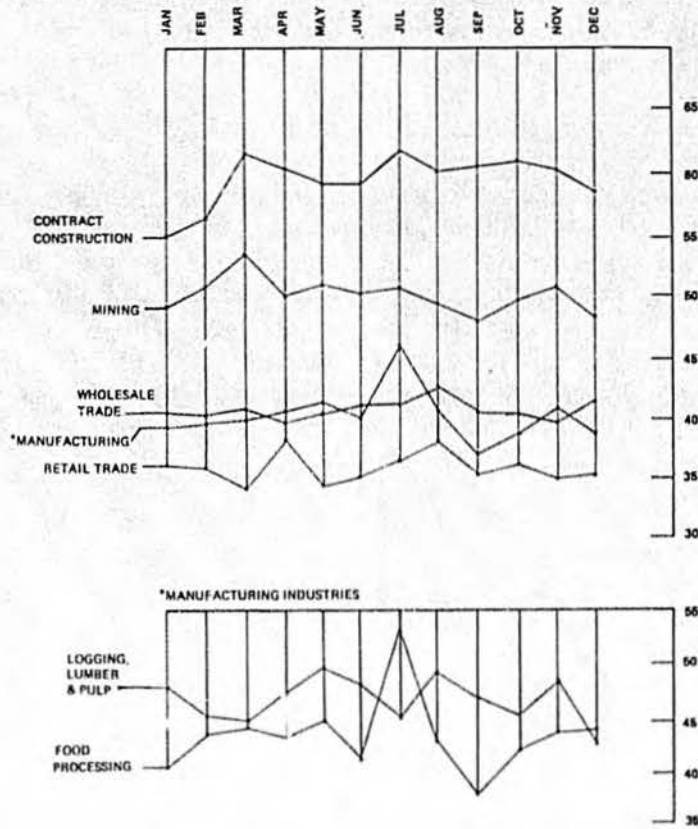
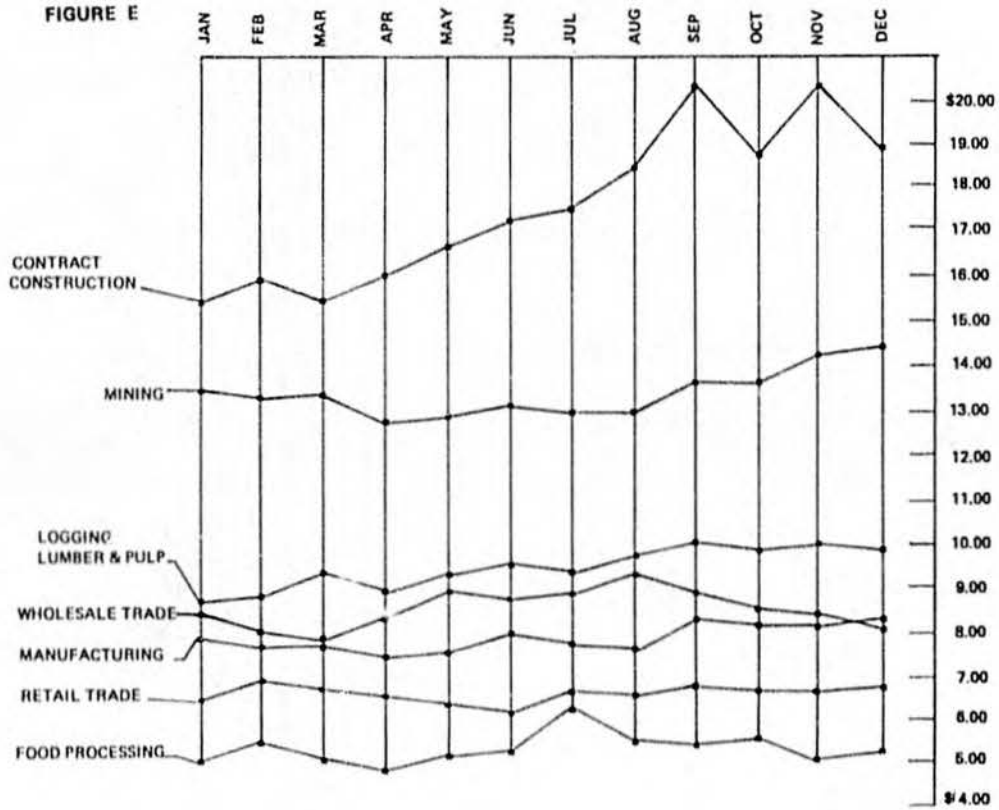


FIGURE E



AVERAGE HOURLY EARNINGS, BY MONTH AND INDUSTRY, 1976

Average weekly earnings in mining remained stable from December 1975 to December 1976. This was a result of lower average weekly hours coupled with higher average hourly earnings. From December 1975 to December 1976, weekly earnings increased for all other industries in the state, with the exception of the trade industry. Average weekly earnings jumped \$129 from \$366 in December 1975 to \$1,095 in December 1976 in the Construction industry; \$66 in the Food Processing industry from \$137 to \$203; \$21 in the Wood products industry from \$355 to \$376; and \$12 in Finance, Insurance and Real Estate from \$191 to \$203. See Table 6 below.

Hours and earnings for the construction industry are expected to fall in 1977 because of completion of the pipeline project. Overtime hours will be affected which in turn will affect the average hourly earnings. Earnings in all other industries will also most likely decrease in 1977 as a result of lower economic activity and less pressure on employers to pay higher wages to retain experienced workers. During the pipeline era, wages rose in industries other than construction because of the great pressure on employers to increase wages or else lose their employees to pipeline jobs. In 1977, the situation is reversed because of the scarcity of jobs, therefore, people will tend to take less ideal jobs without as heavy an emphasis on wages.

TABLE 6

\*AVERAGE HOURLY EARNINGS' HOURS WORKED PER WEEK, AND AVERAGE WEEKLY EARNINGS

| Industrial Classification         | Average Weekly Earnings |           | Average Weekly Hours |           | Average Hourly Earnings |           |
|-----------------------------------|-------------------------|-----------|----------------------|-----------|-------------------------|-----------|
|                                   | Dec. 1975               | Dec. 1976 | Dec. 1975            | Dec. 1976 | Dec. 1975               | Dec. 1976 |
| Mining . . . . .                  | 698.78                  | 697.84    | 51.8                 | 48.8      | 13.49                   | 14.30     |
| Contract Construction . . . . .   | 966.49                  | 1,095.46  | 62.8                 | 58.3      | 15.39                   | 18.79     |
| Manufacturing . . . . .           | 275.77                  | 312.70    | 34.3                 | 38.7      | 8.04                    | 8.08      |
| Food Processing . . . . .         | 137.00                  | 203.58    | 27.4                 | 39.0      | 5.00                    | 5.22      |
| Logging, Lumber & Pulp . . . . .  | 355.21                  | 376.27    | 39.6                 | 38.2      | 8.97                    | 9.85      |
| Wholesale Trade . . . . .         | 366.56                  | 334.43    | 40.5                 | 41.7      | 8.31                    | 8.02      |
| Retail Trade . . . . .            | 266.06                  | 237.22    | 36.8                 | 35.3      | 7.23                    | 6.72      |
| Finance, Insurance & R.E. . . . . | 191.60                  | 203.88    | -                    | -         | -                       | -         |

\* These figures are obtained from a selected sample of employers under the cooperative Current Employment Statistics program conducted jointly by the Employment Security Division, Alaska Department of Labor, and Bureau of Labor Statistics, U. S. Department of Labor.

Listed below is a comparison of average weekly earnings and average weekly hours for the State of Alaska and the U. S. average for December 1976.

Average Weekly Earnings and Hours for Alaska and the United States by Industry

December 1976

| Industry                         | Average Weekly Earnings |          | Average Weekly Hours |        |
|----------------------------------|-------------------------|----------|----------------------|--------|
|                                  | U.S.                    | Alaska   | U.S.                 | Alaska |
| Mining . . . . .                 | \$293.23                | 697.84   | 43.7                 | 48.8   |
| Contract Construction . . . . .  | 289.98                  | 1,095.46 | 36.8                 | 58.3   |
| Manufacturing . . . . .          | 220.05                  | 312.70   | 40.6                 | 38.7   |
| Wholesale Trade . . . . .        | 137.97                  | 334.43   | 33.9                 | 41.7   |
| Retail Trade . . . . .           | 118.63                  | 237.22   | 32.5                 | 35.3   |
| Finance, Insurance, R.E. . . . . | 162.58                  | 208.88   | 36.7                 | NA     |

Earnings are high in Alaska compared to U. S. average earnings. A combination of the higher cost of living, more hours worked per week and seasonality contributes to the high wages in Alaska.

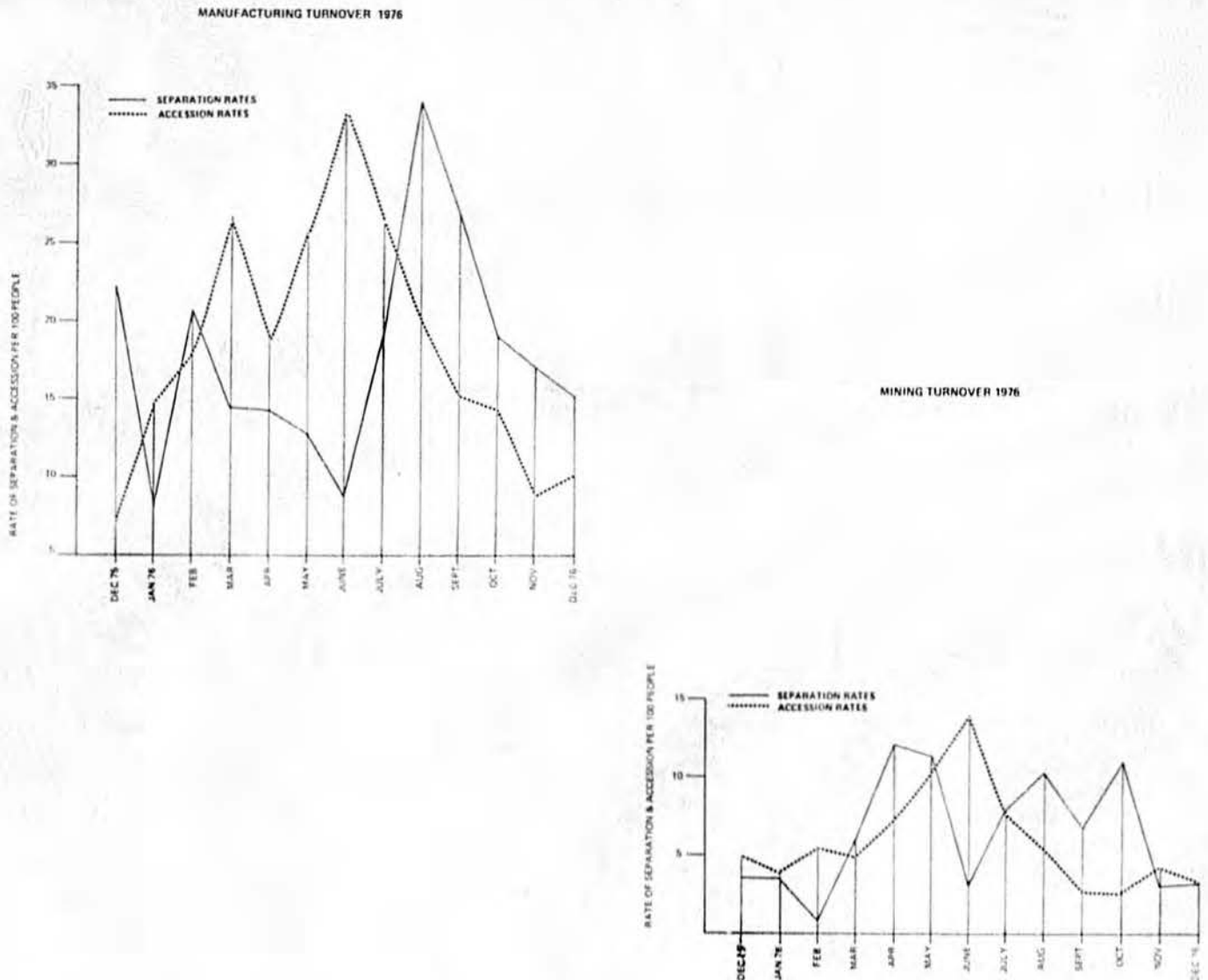
## LABOR TURNOVER

The Department's Labor Turnover Statistics program measures turnover for only the mining and manufacturing industries. Labor Turnover seeks to measure the movement of workers in and out of employment status. Accession rates measure the total movement into employment which consists mostly of new hires and recalls. Separation rates measure the movement of employees out of the industry. The major part of separations are caused by quits and layoffs, but retirements and deaths are also counted.

Figure F shows Labor Turnover rates for Manufacturing and Mining for 1976. This graph gives some idea of how seasonal these industries are.

Manufacturing, which consists of Food Processing, Logging, Lumber and Pulp, has extremely high rates of turnover. June, is the peak time for hiring while August and September are when most layoffs occur. Being a more stable industry, mining doesn't experience as much turnover as manufacturing although it also experiences its peak hiring period in June. In the mining industry accession rates were higher in December 1975 than in December 1976. The opposite was true for manufacturing. Total separation rates were higher in 1975 than in 1976 for both Mining and Manufacturing. Although mining separation rates decreased only .1 of a person out of 100 from 1975, manufacturing separation rates decreased by a substantial 6.8 people out of 100. As shown in Table 7, Food Processing is much more volatile than Wood Products.

FIGURE F



The Alaska rate of turnover was much higher than U.S. turnover rates. While Alaska has historically had high rates of turnover because of the volatile nature of Alaskan industries, this was exacerbated by the fact that Alaska was experiencing a "boom" while the rest of the nation was recovering from a recession.

Voluntary turnover (quits) is expected to decrease in 1977. High unemployment means that people will hang on to their present jobs. There will be fewer quits and fewer hires, but it is possible that layoffs will be higher in 1977. Still the overall outlook should show substantially less turnover.

## UNMET MANPOWER NEEDS

Total openings received at Employment Service Centers across the state have decreased one-third from March 1976 to March 1977. Before the pipeline impact in 1974, total job openings recorded by our Manpower Centers was 12,900. 1975 and 1976 experienced a major increase in job openings, which then declined in 1977 to 1975 levels. The "wrapping up" of the pipeline project is one possible reason for the steep decline in job openings. Although construction workers are not hired through employment centers, many industries that supported pipeline activity did use Employment Service Centers. With completion of the project it is likely that these industries will not be needing or hiring as many people as before.

TABLE 7  
\*LABOR TURNOVER IN SELECTED ALASKA INDUSTRIES

|                             | ACCESSION RATES |        |           |        | SEPARATION RATES |        |        |        |         |        |
|-----------------------------|-----------------|--------|-----------|--------|------------------|--------|--------|--------|---------|--------|
|                             | TOTAL           |        | NEW HIRES |        | TOTAL            |        | QUITS  |        | LAYOFFS |        |
|                             | Dec 75          | Dec 76 | Dec 75    | Dec 76 | Dec 75           | Dec 76 | Dec 75 | Dec 76 | Dec 75  | Dec 76 |
| Mining                      | 4.9             | 3.6    | 3.4       | 3.0    | 3.5              | 3.4    | 1.8    | 1.5    | .4      | 1.1    |
| Manufacturing               | 7.4             | 10.3   | 4.6       | 5.3    | 22.2             | 15.4   | 3.1    | 4.8    | 17.6    | 9.4    |
| Food Processing             | 9.2             | 18.5   | 6.7       | 8.7    | 43.4             | 12.0   | 3.7    | 8.2    | 37.4    | 2.2    |
| Logging, Lumber<br>and Pulp | 8.1             | 1.8    | 3.0       | 1.0    | 7.3              | 19.2   | 2.2    | 0.4    | 3.5     | 18.2   |

\* These figures are obtained from a selected sample of employees under the cooperative Current Employment Statistics program conducted jointly by the Employment Security Division, Alaska Department of Labor, and the Bureau of Labor Statistics, U.S. Department of Labor.

Those positions which have been open for 30 days or more are considered hard to fill. Of all openings received in FY 1977, 10 percent were classified as hard to fill. More than 80 percent of all openings left unfilled at the end of March, 1977 were hard to fill. There were generally two main reasons: these

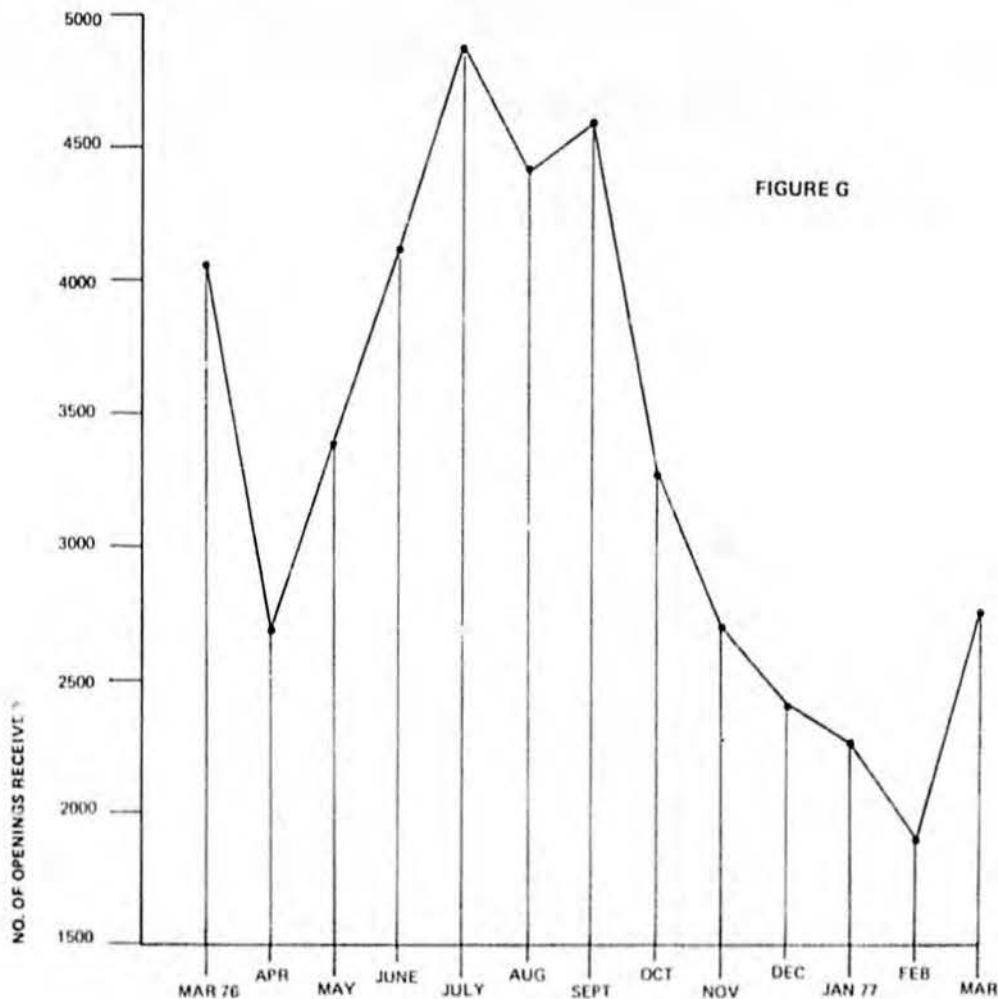
positions were left vacant: the first reason being that the offered wage was perceived as being too low, the second was that there was a lack of qualified applicants. It should be noted however, that the supply of qualified applicants oftentimes depends on the prevailing wage.

FISCAL YEAR TO DATE\*

TOTAL OPENINGS RECEIVED

|                                      |        |
|--------------------------------------|--------|
| July 73 through March 1974 . . . . . | 12,900 |
| July 74 through March 1975 . . . . . | 21,200 |
| July 75 through March 1976 . . . . . | 33,952 |
| July 76 through March 1977 . . . . . | 22,596 |

\*April through June data is not included to maintain consistency throughout the report (i.e. March data throughout).



TOTAL OPENINGS RECEIVED IN EMPLOYMENT SERVICE CENTERS STATEWIDE  
MARCH 76 TO MARCH 77

Figure G shows that most openings are received July through September with very few received from November through March.

Clerical and Sales, Services, and Miscellaneous occupations made up well over two-thirds of the openings received and three-fourths of the openings left vacant for more than 30 days. Those clerical areas which experienced the bulk of unfilled positions are secretarial occupations, stenography, typing, filing occupations and computing and accounting recording occupations. Low wages compounded by the need of experienced and qualified applicants caused this imbalance in the labor market. The service occupations which realized the highest rate of openings were all food service related occupations. These occupations generally offered low wages and poor working hours. Timber cutting occupations held 602 of the 799 hard to fill openings in the

miscellaneous category. These occupations existed primarily in remote areas, were considered hazardous and required a high degree of skill. See Table 8.

It should be noted that a large portion of the firms who sought employees and people who sought employment may not have used the services of Job Service. Many professional positions and all journeyman level union positions were filled outside of job service, as these places generally use their own recruitment procedures (professional magazines or hiring halls) and promote from within. The bulk of Job Service work has been in filling white collar, clerical, and common laborer positions. This understanding will help put the preceding analysis in its proper perspective.

NONAGRICULTURAL JOB OPENINGS BY OCCUPATION

| OCCUPATIONS                            | OPENINGS RECEIVED FISCAL YEAR TO DATE MARCH 31, 1977 | FILLED | UNFILLED |                 |
|--|--|--------|----------|-----------------|
|  |  |        | TOTAL    | 30 DAYS OR MORE |
| ALL                                    | 22,596   | 19,668 | 2,894    | 2,358           |
| Professional, Technical and Managerial | 1,319  | 847    | 203      | 134             |
| Clerical & Sales                       | 6,946  | 4,941  | 830      | 604             |
| Service                                | 5,427  | 4,452  | 477      | 345             |
| Farming, Fishing and Forestry          | 754  | 717    | 28       | 20              |
| Processing                             | 1,459  | 1,399  | 163      | 161             |
| Machine Trades                         | 722  | 608    | 91       | 75              |
| Bench Work                             | 297  | 240    | 42       | 34              |
| Structural Work                        | 3,077  | 2,814  | 230      | 186             |
| Miscellaneous*                         | 4,530  | 3,596  | 830      | 799             |

| OCCUPATIONS                            | OPENINGS RECEIVED FISCAL YEAR TO DATE ENDING MARCH 31, 1976 | FILLED | UNFILLED |                 |
|--|---|--------|----------|-----------------|
|  |   |        | TOTAL    | 30 DAYS OR MORE |
| ALL                                    | 33,952  | 18,881 | 3,020    | 2,223           |
| Professional, Technical and Managerial | 1,845   | 753    | 242      | 176             |
| Clerical and Sales                     | 9,566   | 4,488  | 945      | 607             |
| Service                                | 7,440   | 3,768  | 616      | 411             |
| Farming, Fishing and Forestry          | 372   | 290    | 18       | 17              |
| Processing                             | 1,517   | 800    | 210      | 188             |
| Machine Trades                         | 1,300   | 868    | 144      | 113             |
| Bench Work                             | 373   | 182    | 32       | 29              |
| Structural Work                        | 5,768   | 4,148  | 466      | 423             |
| Miscellaneous*                         | 5,771   | 3,584  | 338      | 259             |

Source: ESARS

\* Miscellaneous occupations include transportation, packaging and handling, logging, extraction of minerals, production and distribution of utilities, amusement, and graphic art work.

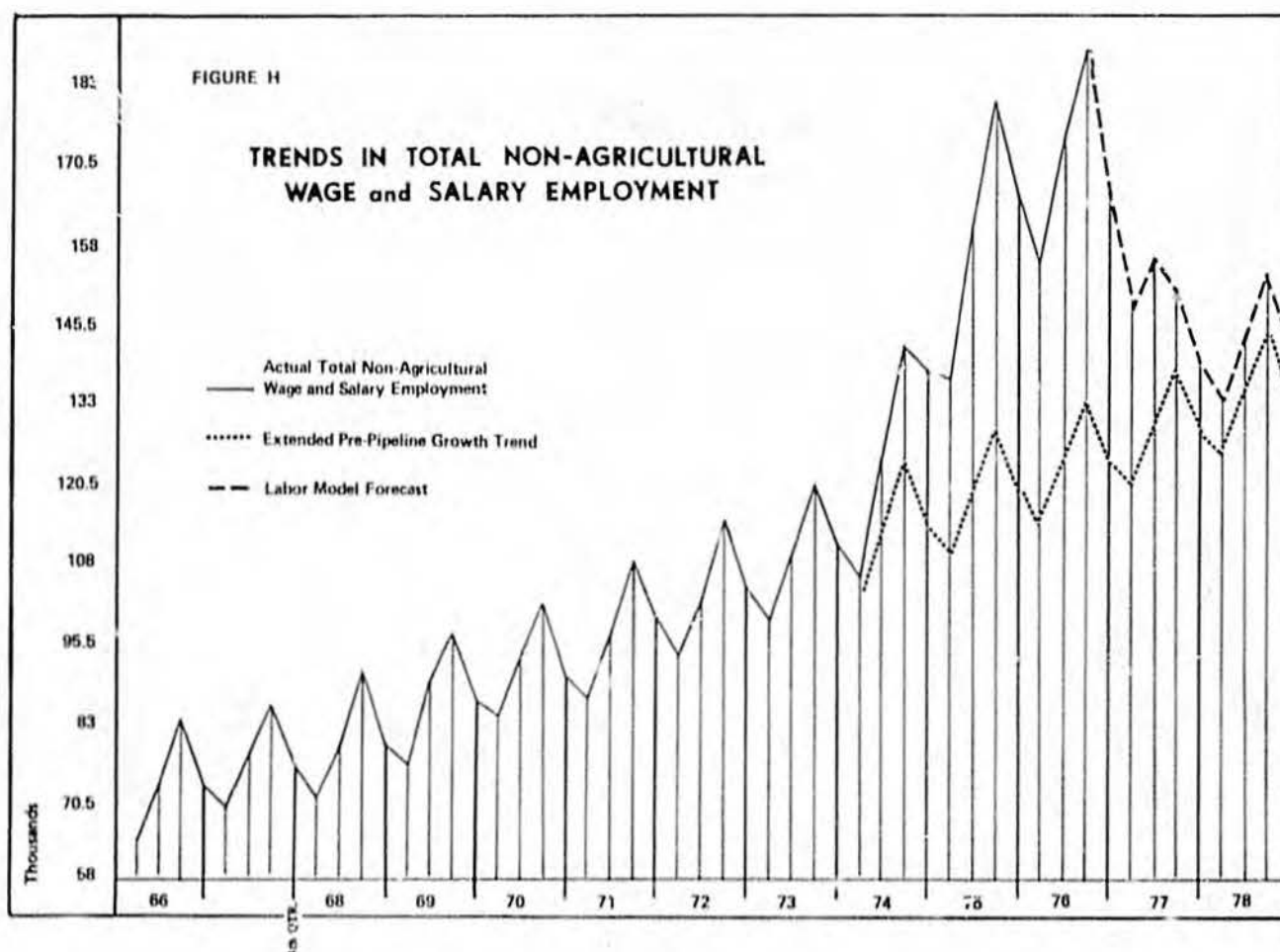
## EMPLOYMENT OUTLOOK

Total employment in Alaska includes all those people who are working within the state excluding military. Nonagricultural Wage and Salary Employment, on the other hand, excludes agricultural workers, domestics, military personnel, unpaid family workers and other self-employed persons. Since 1970, Nonagricultural Wage and Salary employment has made up at least 95 percent of the estimated total employment in the state, and in 1975 it made up 98 percent of estimated total employment in the state.

From 1966 to 1973, Total Nonagricultural Wage and Salary employment experienced an annual growth rate of nearly 6 percent, as compared to a 2.7 percent increase across the United States. During the pipeline construction period, 1974-1976, Total Nonagricultural employment increased over 16 percent annually, for a total increase of 56 percent. Total employment from third quarter 1973 to third

quarter 1976 went up nearly 70,000. Figure H shows actual Nonagricultural Wage and Salary employment and a Research and Analysis model forecast of what it will be in the latter part of 1977 and 1978. It also shows actual Nonagricultural Wage and Salary employment compared to forecasted Nonagricultural Wage and Salary Employment. The forecast extends pre-pipeline growth rates — the growth rate had there been no pipeline.

In the latter half of 1977 there will be little significant pipeline construction. Total Nonagricultural Wage and Salary Employment is forecasted to decline 12.7 percent in 1977 and will continue to decline 3 percent more in the winter of 1978 before it will begin adjusting to normal growth. (Normal growth being the employment growth rate before the pipeline project.) The first quarter of 1978 is expected to be the low tide for total employment. After this point employment is expected to rise slow but steadily.



## INDUSTRY EMPLOYMENT OUTLOOK

The Research and Analysis staff developed an econometric model forecasting population, unemployment, and employment by industry for 1977 and 1978. Much of the following information originated from this model. The "Alaskan Economic Outlook 1966-1978" gives an indepth explanation of this model. Table 9 shows Nonagricultural Wage and Salary employment for 1970 and 1975, and predicted employment for 1978. Employment in 1978 will be less than it was during the pipeline era, but about the same as 1977. After 1978, Nonagricultural Wage and Salary Employment is expected to increase at a steady rate.

Mining activity will most likely slow down when oil development in Prudhoe Bay shifts to production after oil begins to flow in the Summer of 1977. Exploration for oil in the Gulf of Alaska will continue, but employment opportunities for Alaskans in off-shore oil development are slight. Almost all employees hired to work on off-shore rigs will be from outside the state. Despite the lack of direct employment opportunities in oil exploration in the gulf, these exploratory activities are staged from on-shore facilities on the Alaska coast, and Alaskans may be able to find jobs with firms supporting this activity.

TABLE 9

Nonagricultural Wage and Salary Employment by Industry  
(Annual average)

|                                       | 1970   | 1975    | 1978*   |
|---------------------------------------|--------|---------|---------|
| Total . . . . .                       | 93,100 | 161,300 | 144,600 |
| Mining . . . . .                      | 3,000  | 3,800   | 4,600   |
| Construction . . . . .                | 6,900  | 25,900  | 10,700  |
| Manufacturing . . . . .               | 7,800  | 9,600   | 10,800  |
| Transp.-Comm. Utilities . . . . .     | 9,100  | 16,500  | 13,600  |
| Comm. & Public Utilities . . . . .    | 2,700  | 4,500   | 4,100   |
| Transportation . . . . .              | 6,400  | 12,000  | 9,500   |
| Trade . . . . .                       | 15,400 | 26,200  | 24,500  |
| Wholesale . . . . .                   | 3,200  | 5,900   | 4,800   |
| Retail . . . . .                      | 12,200 | 20,300  | 19,700  |
| Finance, Ins. & Real Estate . . . . . | 3,100  | 6,000   | 5,900   |
| Services . . . . .                    | 11,400 | 25,100  | 21,500  |
| Government . . . . .                  | 35,600 | 47,200  | 51,000  |
| Federal . . . . .                     | 17,100 | 18,300  | 18,100  |
| State & Local . . . . .               | 18,400 | 28,900  | 32,900  |
| Misc. & Unclassified . . . . .        | 900    | 1,000   | 2,000   |

\* Preliminary projections May, 1977.

### ASSUMPTIONS

- 1) No gas pipeline impact through the forecast period.
- 2) No capitol move.
- 3) No significant construction projects.
- 4) That pipeline construction employment will continue to decline according to Alyeska estimates.

**Construction** employment experienced the largest increase in employment in industry during the pipeline era and will likewise experience the largest decline after the project's completion. The forecast for 1977 shows construction dropping 46 percent, and 33 percent in 1978, leveling off somewhere above the predicted growth trend without pipeline influence. There are still some major construction projects scheduled for 1977 that have state and federal funding, but in the first half of 1978 construction projects available will be completed, causing a further decline in employment in this industry. At this point construction should start on the up swing again.

**Manufacturing** is the largest sector in the national economy, comprising 25 percent of nonagricultural employment, as opposed to Alaska where it makes up only 6 percent of the state's total nonagricultural employment. Manufacturing is expected to grow slowly in 1977 and 1978. There are no optimistic forecasts for the fishing industry, but there is an increasing interest in the harvesting of bottom fish by Alaskan fishermen that could bring new employment to the industry. The wood products industry should experience moderate growth over the next two years.

**Transportation** will show a decline in employment of approximately 12.5 percent in 1977, leveling off to a 2.1 percent decline in 1978.

Assuming that **Communications** employment is directly proportional to the scaling up or down of large projects, it is projected to decline 17 percent in 1978. The airforce has recently contracted with the RCA Service Company for support functions at thirteen Aircraft Control and Warning (AC & W) Squadrons throughout Alaska. The contract will eliminate over a thousand military jobs at these locations. This will most likely result in another sudden flux of civilian workers into the communications industry. Other Public Utilities are expected to increase about 8 percent by 1978.

**Wholesale and Retail Trade** shows a drop in employment of 11.8 percent in 1977 and another 1.8 percent decline in 1978. Wholesale trade is much more responsive to economic activity and will therefore show a larger drop in employment than will retail trade. Retail trade will experience most of its decline in employment in 1977.

Because the **Finance, Insurance and Real Estate** industry is relatively stable, employment in this industry will not drop much through 1978. Investment management and insurance, the sectors which increased most in employment from 1973 to 1976, will show a relatively larger decline in employment in 1977 and 1978.

**Services** experienced the largest increase in employment (88.5 percent) during the three year pipeline project. It is anticipated that services will experience a 23.5 percent decline over 1977 and 1978. Most of this decline will be in services directly related to pipeline support.

**Federal, State and Local** government employment makes up more than one quarter of Alaska's labor force. Federal government employment is expected to remain stable through 1978, and state and local government employment is forecasted to increase 12.8 percent by 1978. This should add some additional underlying stability to Alaska's otherwise volatile economy.

## OCCUPATIONAL EMPLOYMENT OUTLOOK

The darkest post pipeline period for Alaska is expected to be the first (winter) quarter of 1978. After this the economy should start on the upswing again at pre-pipeline growth rates.

Between 1978 and 1982 regular industry expansion will account for the following annual increases in various occupations. The average annual job openings represent openings from industry expansion plus openings resulting from retirement and death.

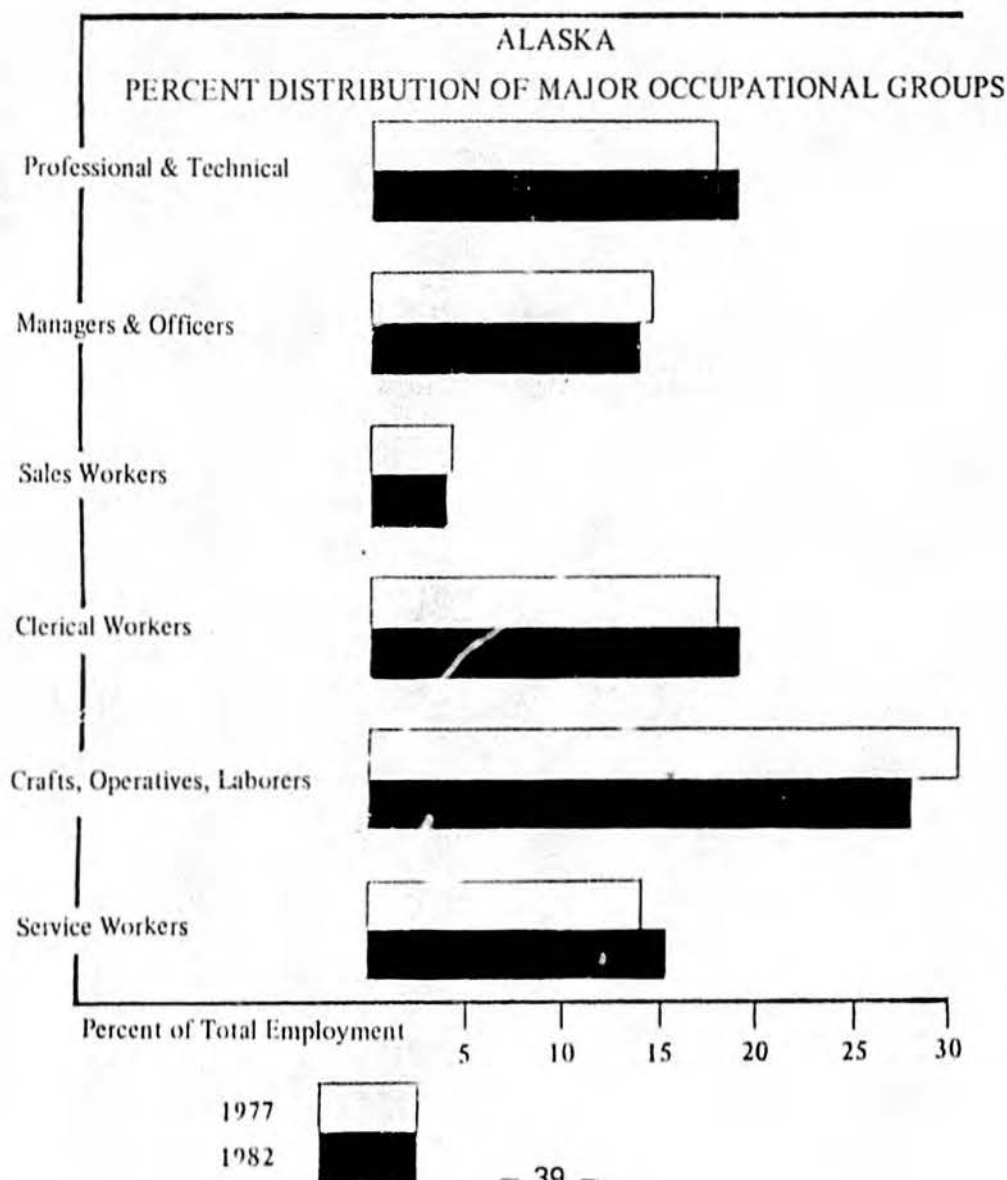
| Occupations                           | Positions Increased<br>Annually<br>From 1978 to 1982 | Average Annual<br>Job Openings<br>From 1978 to 1982 |
|---------------------------------------|--|---|
| Professional & Technical . . . . .    | 2,115  | 3,140   |
| Managers & Officers . . . . .         | 1,325  | 1,910   |
| Sales . . . . .                       | 440  | 585   |
| Clerical . . . . .                    | 2,155  | 3,955   |
| Service . . . . .                     | 1,802  | 2,865   |
| Crafts, Operators, Laborers . . . . . | 2,300  | 3,250   |
| Farmers & Farm Workers . . . . .      | 0  | NA  |

During the five year projection period, job openings due to industry expansion plus death and retirement are the greatest for the clerical occupations. This is followed by vacancies in the craft, operative and laborer category. Job openings for farmers and farm workers are expected to offer the least opportunity.

Clerical positions, which now comprise 18.3 percent of Alaska's total employment, are projected to

increase this share to 19.1 percent by 1982. A similar increase is expected for service positions which currently make up 14.5 percent of the state's employment. The greatest change is projected for the craft, operative, and laborer occupations which will decline from the present 30.1 percent of the occupational composite to 28 percent in 1982.

TABLE 10





MANPOWER  
PROGRAM  
ACTIVITIES

**COMPREHENSIVE EMPLOYMENT AND TRAINING ACT (CETA)**

The State of Alaska implements four titles of the Comprehensive Employment and Training Act: Titles I, II, III, and VI. These programs are financed totally with federal government monies.

The purpose of Title I is to provide employment and training opportunities to the unemployed, underemployed or economically disadvantaged Alaskan. Programs included under this title are Vocational Skill Training or Classroom Training (CT), On-the-Job Training (OJT), and Work Experience (WE). Classroom training is any training conducted in an institutional setting designed to provide individuals with the technical skills and information required to perform a specific job or group of jobs. On-the-job training is training conducted in a work environment designed to enable individuals to learn a bona fide skill and/or qualify for a particular occupation through demonstration and practice. Work experience is a short-term and/or part-time work assignment with a public employer or a private

nonprofit employing agency. The main goal of Title I is for eligible participants to acquire self-sufficiency.

Titles II and VI of this act provide for Public Service Employment (PSE) for unemployed and underemployed persons. Public Service Employment is an activity designed to provide transitional jobs for the unemployed and underemployed who are in turn providing needed public services. The Title II main target is people who live in areas of substantial unemployment (6.5 percent or more for three consecutive months) and who have been unemployed for at least 30 days. Title VI provides PSE to the long-term unemployed and AFDC (Aid to Families with Dependent Children) recipients. These programs place special emphasis on the unemployed disabled and Vietnam-era veterans.

Besides the Standard Metropolitan Statistical Area Prime Sponsor (Anchorage) and the balance of state prime sponsor, Alaska has thirteen Alaskan Native Corporations Title III Prime Sponsors. Title III provides summer employment to economically disadvantaged youth between the ages of 14 and 21.

FY 1976 - July 1, 1975, through September 30, 1976

5 Quarters

|                                | <u>PSE</u>  | <u>OJT</u>                        | <u>CT</u>   | <u>WE</u>   | <u>Services</u> |
|--------------------------------|-------------|-----------------------------------|-------------|-------------|-----------------|
| Total Enrollment . . . . .     | 1,837       | 650                               | 2,193       | 8,817       | 1,717           |
| Total Dollars Spent . . . . .  | \$5,298,845 | \$1,214,994                       | \$2,093,631 | \$3,981,903 | \$280,391       |
| Entered Employment . . . . .   | 4%          | 37%                               | 32%         | 4%          | 84%             |
| Cost Per Participant . . . . . | \$ 2,885    | \$ 1,869                          | \$ 955      | \$ 468      | \$ 163          |
| Total Enrollment - - - - -     | 14,584      | Total Cost - - - - - \$12,869,664 |             |             |                 |

Balance of State CETA activity for FY '77 to date is shown below:

CETA Activity From Oct. 2, 1976 to June 30, 1977

3 Quarters

|                                    | <u>Total Served</u> | <u>Total Terminations</u> | <u>Entered Employment</u> | <u>Federal Outlay</u> |
|------------------------------------|---------------------|---------------------------|---------------------------|-----------------------|
| Title I . . . . .                  | 1,209               | 586                       | 155                       | \$2,052,136           |
| Special Governor's Grant . . . . . | 296                 | 107                       | 36                        | 259,146               |
| Title II . . . . .                 | 775                 | 678                       | 144                       | 1,853,351             |
| Title VI* . . . . .                | 504                 | 174                       | 47                        | 1,173,581             |

\*The period covered for Title VI is only from January 31, 1977 to June 30, 1977.

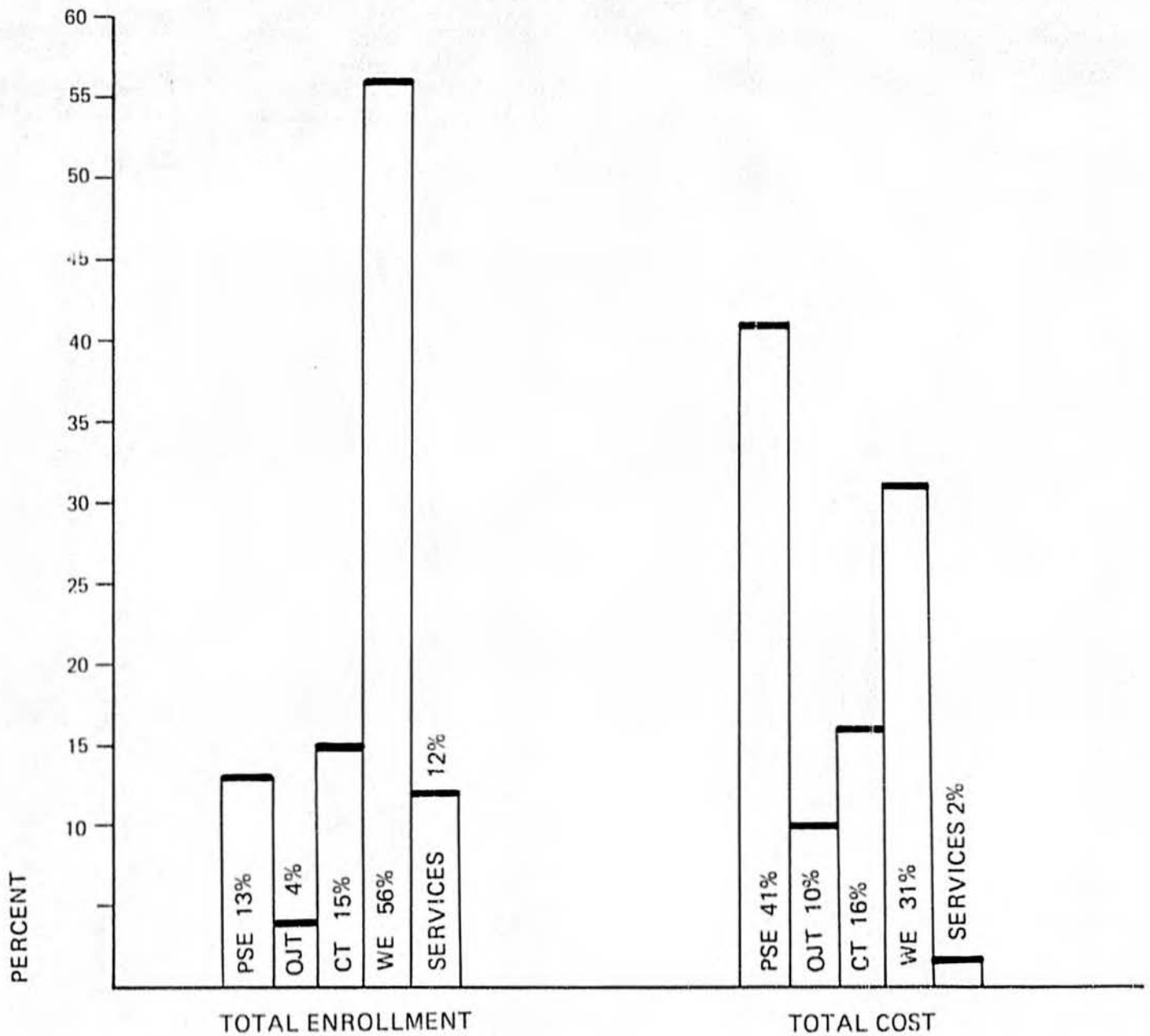
Participants in the above programs are also eligible for Support Services. Included in these services are:

- 1) Health Care and Medical Services;
- 2) Child Care;
- 3) Transportation;
- 4) Residential Support;
- 5) Assistance in Securing Bonds;
- 6) Family planning services; and
- 7) Legal Services.

Shown below are totals of Balance of State CETA participants by type of training. The period covered is Fiscal Year 1976 (July 1, 1975 through September 30, 1976).

### CETA PROGRAM ENROLLMENT & COST DISTRIBUTION

JULY 1, 1975 – SEPT. 30, 1976



## WIN (Work Incentive Program)

The WIN program is designed primarily to help employable welfare recipients find jobs and thereby achieve economic independence. All applicants for and recipients of Aid to Families with Dependent Children (AFDC) who are 16 years of age or older are required to register for WIN as a condition of eligibility for AFDC. WIN registrants are required

to accept appropriate employment or preparation for employment, when offered, as a condition of continued AFDC eligibility.

To make maximum use of available dollars in FY '77, the program will seek to increase its OJT/PSE participants by 77 percent, increase the placements by 20 percent, and increase the amount of welfare savings by 27 percent.

### WIN PROGRAM ACCOMPLISHMENTS & GOALS STATE OF ALASKA

|  | Program Registrants | OJT/PSE* Participants | OJT/PSE* Expenditures | Total Employed Welfare Grant Reduced | Total Off Welfare | Welfare Savings |
|--|---------------------|-----------------------|-----------------------|--------------------------------------|-------------------|-----------------|
| FY '76 + 3rd Accomplishments . . . . . | 1,761               | 77                    | \$248,483             | 339                                  | 283               | \$621,600       |
| FY '77 Goals . . . . .                 | 1,830               | 136                   | 261,525               | 761                                  | 338               | 790,960         |

\*OJT/PSE – On-the-job training/Public Service Employment.

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## Veteran Services

The Alaska Employment Service Centers give preferential treatment to Veteran applicants as required by law. Our Employment Centers are responsible for providing veterans with job counseling, employment placement or job training according to their needs. Nearly 9,500 new veteran applications and renewals were serviced between January and June of 1977. Of the 13,800 total applicants placed in this period of time, 2,640 of these were veterans, 1,900 were Vietnam era veterans and 160 were handicapped veterans.

## Youth Conservation Corps

The Alaska Region of the Forest Service sponsors many Human Resource Programs, one of which is the Youth Conservation Corps (YCC). The YCC gives the youth of today an opportunity to work in and develop an appreciation for our natural resources through environmental awareness training in land use ethics in Alaska, besides accomplishing needed conservation work on public lands. This program provides employment for 15-18 year old males and females from all social, economic, ethnic, and racial

backgrounds. Presently, the number of enrollees in Alaska is only 153 since the number of enrollee slots per state is based upon population, thus limiting desired goals for expansion. This year over \$1 million in projects will be accomplished in the YCC program.

## National Young Adult Conservation Corps

A new program that is being offered by the Forest Service is the National Young Adult Conservation Corps (NYACC). The NYACC was passed into law on May 13, 1977 and will provide youth between the ages of 16-24 with gainful employment, for at least one year in duration. Plans are being made to provide in excess of 1,000 positions per year for the next five years. This program is intended to enhance current Forest Service and community development programs and increase the participants employability.

## Vocational Rehabilitation

The mission of the Division of Vocational Rehabilitation is to return persons to work who have reduced employability or who are unemployable as a result of a physical or mental handicap. Vocational Rehabilitation takes a handicapped individual and

TABLE 11

PROJECTION OF THE STATE'S ENROLLMENT IN  
VOCATIONAL PROGRAMS  
FY 1978 - 1982

| Occupational Programs   | (Actual)*<br>FY 1976 | FY 1977 | FY 1978 | FY 1978 | FY 1980 | FY 1981 | FY 1982 |
|---|----------------------|---------|---------|---------|---------|---------|---------|
| Agriculture . . . . .   | 74                   | 174     | 188     | 219     | 250     | 280     | 313     |
| Distribution . . . . .  | 2,835                | 2,835   | 2,977   | 3,471   | 3,964   | 4,440   | 4,968   |
| Health . . . . .  | 483                  | 483     | 507     | 591     | 675     | 756     | 846     |
| Occupational . . . . .  | 1,049                | 1,049   | 1,101   | 1,284   | 1,466   | 1,642   | 1,837   |
| Home Economics  |                      |         |         |         |         |         |         |
| Office . . . . .  | 14,012               | 14,012  | 14,713  | 17,155  | 19,591  | 21,942  | 24,553  |
| Technical . . . . .   | 555                  | 555     | 583     | 679     | 775     | 868     | 971     |
| Trades & Industry . . . . .   | 10,624               | 10,624  | 11,116  | 12,961  | 14,801  | 16,577  | 18,550  |
| Consumer & Home-Making . . . . .  | 5,181                | 5,181   |         |         |         |         |         |
| <b>TOTAL . . . . .</b>  | <b>34,813</b>        |         |         |         |         |         |         |
| <b>Level of Instruction:</b>  |                      |         |         |         |         |         |         |
| Secondary . . . . .   | 25,474               | 25,474  | 26,748  | 31,188  | 35,617  | 39,891  | 44,638  |
| Postsecondary . . . . .   | 2,112                | 2,112   | 2,218   | 2,586   | 2,953   | 3,307   | 3,701   |
| Adult   |                      |         |         |         |         |         |         |
| Preparatory . . . . .   | 816                  | 816     | 857     | 999     | 1,141   | 1,278   | 1,430   |
| Apprenticeship . . . . .  | 1,332                | 1,332   | 1,399   | 1,469   | 1,678   | 1,879   | 2,103   |
| Supplemental . . . . .  | 5,079                | 5,079   |         |         |         |         |         |
| <b>TOTAL . . . . .</b>  | <b>34,813</b>        |         |         |         |         |         |         |
| <b>Enrollment of Special Programs (All levels)</b>                          |                      |         |         |         |         |         |         |
| Disadvantaged . . . . .   | 65                   | 65      | 68      | 79      | 90      | 101     | 113     |
| Cooperative . . . . .   | 1,267                | 1,267   | 1,330   | 1,551   | 1,771   | 1,983   | 2,219   |
| Work Study . . . . .  | 66                   | 66      | 69      | 80      | 91      | 102     | 114     |
| Depressed Areas . . . . .   | 1,803                | 1,803   | 1,893   | 2,207   | 2,520   | 2,822   | 3,158   |
| <b>Enrollments of Persons with Special Needs (all levels, all programs)</b> |                      |         |         |         |         |         |         |
| Disadvantaged . . . . .   | 6,924                | 6,924   | 7,270   | 8,477   | 9,681   | 10,843  | 12,133  |
| Handicapped . . . . .   | 2,765                | 2,765   | 1,903   | 3,385   | 3,866   | 4,330   | 4,845   |

\*From Alaska DOE report for FY 1976 to D/HEW. Projections for FY 1978-FY 1982 are based on estimated annual percentage increases in Federal and State/Local funding. FY 1977 is estimated the same as FY 1976, because funding levels were about the same.

provides him with all of the services required to make him employable in an occupational area which is compatible with his disability. Such services may include any or all of the following: diagnosis; physical and/or mental restoration; training; and placement in a specific job compatible with the client's disability.

From July 1, 1976 to June 30, 1977, 462 handicapped individuals were rehabilitated. Of these 27 percent were classified as severely disabled. It is projected that during the similar period from July 1, 1977 to June 30, 1978 roughly 500 will be rehabilitated by the Division of Vocational Rehabilitation.

## VOCATIONAL EDUCATION

### Vocational Education

Vocational Education is any training intended to prepare an individual for an occupation in a specific trade. Community colleges, unions, private schools and high schools can all be centers for teaching vocational education programs. Table 11 shows actual FY 1976 and projected enrollments for FY 1977—FY 1982 in vocational education programs across the state of Alaska.

It should be noted that many CETA participants are enrolled in vocational education programs; therefore, some duplication of numbers will occur. Special

emphasis will be given to the Alaska Skill Center located in Seward, the Anchorage Career Development Center located in Anchorage, and the Hutchison Career Development Center located in Fairbanks.

The Anchorage Career Development Center and the Hutchison Career Development Centers are both non-residential training Centers. Bus transportation is provided for high school students who attend both the Development Center and an area high school. These Centers are designed to enable persons over 16 years of age who are unemployed or underemployed to acquire new skills and obtain entry level positions which would otherwise be closed to them.

The Alaska Skill Center is a residential Manpower Training Center serving Alaskans in need of entry level training, upgrading of skills, and employability development. The Center currently operates four cluster training areas: mechanics, food service, office occupations, and basic building trades. Courses range from 10 to 28 weeks with opportunities to extend in order to complete G.E.D.'s or receive additional skills training. The Center has provided vocational skills training and related adult education for approximately 4,000 students since January, 1970. Fifty percent of those students completed their ultimate training goals, while many others completed lower skill levels. Statistics for the calendar year 1976 and projections for 1977 and 1978 are listed below:

| <u>Calendar Year</u> | <u>CETA Enrollees</u> | <u>Total Enrollees</u> | <u>CETA Graduates</u> | <u>Total Graduated</u> | <u>Percent Graduated</u> | <u>Overall Placement</u> |
|----------------------|-----------------------|------------------------|-----------------------|------------------------|--------------------------|--------------------------|
| 1976 . . . . .       | 499                   | 580                    | 255                   | 305                    | 52%                      | 44%                      |
| 1977 . . . . .       | 550                   | 635                    | 325                   | 387                    | 61%                      | 68%                      |
| 1978 . . . . .       | 550                   | 650                    | 350                   | 430                    | 66%                      | 68%                      |

Listed below are 1976 Enrollment Figures for the Anchorage Career Development Center. Data for the Hutchison Career Development center was not available.

Anchorage School District Career Center  
1976 Final Enrollment Count

|     |  |
|-----|--|
| 100 | Auto/Truck Mechanic  |
| 50  | Body and Fender  |
| 30  | Commercial Art   |
| 40  | Recreational Vehicle (Small Engine)                              |
| 30  | Air Frame and Engine   |
| 40  | Carpentry  |
| 30  | Masonry  |
| 20  | Electrical   |
| 28  | Surveying/Drafting   |
| 27  | Graphic Arts (Printing)  |
| 8   | Media Productions (Audio Visual)                                 |
| 55  | Data Processing (Keypunch, fundamentals, programming, operating) |
| 65  | Tourism  |
| 40  | Health Occupations   |
| 23  | Child Care   |
| 55  | Cosmotology  |
| 35  | Food Sales/Service/Preparation                                   |
| 30  | Wild Land Fire Management  |
| 50  | Wild Life and Fisheries  |
| 15  | Horticulture   |
| 35  | Emergency Medical Technician                                     |
| 806 | TOTAL  |

### TWEP

The Tribal Work Experience Program (TWEP) sponsored by the Bureau of Indian Affairs (BIA) is new in Alaska. It is a self-esteem program intended to assist those eligible for general assistance. Both the community and applicant benefit from the program. As the applicant gains work experience, the community profits from labor and services provided by the workers. TWEP workers are not used to displace employed persons or fill vacancies in established positions. Projects are suggested by Community leaders and discussed with TWEP coordinators, the organization sponsoring the project furnishes supplies and materials, and TWEP furnishes labor and services. Types of employment involve working in retail outlets, public service centers, city repairs and construction. TWEP is presently serving Juneau, Angoon, Sitka, Haines, Klukwan, and Hoonah.



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