

SCOMM

9:69

REPORT OF OPERATIONS OF THE

PAUL COFFEE

FEDERAL CREDIT UNION AS OF **30 APRIL 1977**
 CHARTER NUMBER **17524**

STATEMENT OF FINANCIAL CONDITION

As of 30 APRIL 1977		As of 30 APRIL 1977			
Acct. No.	Assets	End of this Period	Acct. No.	Liabilities and Equity	End of this Period
700	Loans:		800	Accounts Payable:	
701	Loans	\$ 39950 92	801	Accounts Payable	\$ 34 67
	Total	\$			
719	Less Allowance for Loan Losses		820	Dividends Payable	
	Net	\$ 39950 92	840	Taxes Payable:	
730	Cash:				
731	Cash	13 478 29	860	Other Liabilities:	
740	Investments:				
750	Accrued Income:				
760	Prepaid and Deferred Expenses:		900	Shares:	
			901	Shares	51 387 57
770	Fixed Assets: (Net)		931	Regular Reserve	33 57 49
			940	Undivided Earnings	
774	Furniture and Equipment		950	Net Income (Loss)	7 49 48
790	Other Assets:				
	RETURN CHECK	100 00			
	NON INS GUARANTEE	2000 00			
	Total Assets	\$ 55 529 21		Total Liabilities and Equity	55 529 21

We certify, to the best of our knowledge and belief, this statement and the related statements are true and correct and present fairly the financial position and the results of operations for the periods covered.

Treasurer **Rullidge A. W. aka** Officer: _____

STATISTICAL REPORT As of **30 APRIL 1977**

	Number	Amount	Number	Amount
1. Delinquent Loans:				
a. 2 to less than 6 months	3	10 22 16		
b. 6 to less than 12 months	1	9 28 08		
c. 12 months and over				
d. Subtotal	4	19 50 24		
2. Current and less than 2 months delinquent				
3. Total Loans	28	39 950 92		
4. Loans Made:				
a. Loans made year to date	23	25,370 74		
b. Loans made since organ.	343			
5. No. Members' & Nonmembers' Accounts at End of Period	193			
6. No. of Potential Members	1300			
7. Lns. Charged off Since Org.		19 80 00		
8. Recoveries on Lns. Charged off Since Organization		532 33		

STATEMENT OF INCOME

For the Period Ending **30 APRIL 1977**

Acct. No.	This Period From To Date	Year To Date
100	Operating Income:	
111	Interest on Loans	\$ 115 46 \$ 900 21
113	Inc. from Lns. of Liq. Cr. Unions	
	Total	\$ \$
119	Less-Interest Refund	
	Net	\$ \$
121	Income from Investments	
131	Fees and Charges	
151	Miscellaneous Operating Income	
	Total Operating Income	\$ \$ 900 21
200	Operating Expenses:	
210	Compensation	\$ \$
220	Employee Benefits	
230	Travel & Conference Expenses	
240	Association Dues	66 13
250	Office Occupancy Expenses	
260	Office Operations Expenses	35 02
270	Educat. & Promot. Expenses	
280	Loan Servicing Expenses	
290	Professional & Outside Services	
300	Provision for Loan Losses	
310	Members' Insurance	39 58
320	Fed. Supv./Exam. Expenses	10 00
330	Cash Over and Short	
340	Interest on Borrowed Money	
350	Annual Meeting Expense	
360	Misc. Operating Expenses	
	Total Operating Expenses	\$ \$ 150 73
	Income (Loss) From Operations	\$ \$
400	Non-Operating Gains (Losses):	
420	Gain (Loss) on Investments	\$ \$
430	Gain (Loss) on Disp. of Assets	
	Total Non-Operating Gains (Losses)	\$ \$
	Income (Loss) Before Dividends	\$ \$
380	Dividends	
	Net Income (Loss)	\$ 749 48

Housing grows scarcer in Boston's South End

Renovation boom fades for low-income tenants

Ly Luix Overbea
Staff writer of
The Christian Science Monitor

Boston

New and renovated housing for low-income people, especially in the South End, is becoming scarcer, say officials of Low Cost Housing Corporation. And they are worried.

Leaders of the corporation — founded 10 years ago by a minister to revive a decaying South End area bordering downtown Boston — expressed their feelings in interviews and at a banquet as they celebrated their project's 10th anniversary.

"The old spirit of the South End and interest in the area in available housing at reasonable cost have waned," said Rutledge A. (Rudy) Waker, executive director of Low Cost. "Abandoned buildings once available to us for rehabilitation for \$1 are no longer available. This area is now seeking the well-to-do and forgetting the traditional South End."

Although Mr. Waker sees the Low Cost program — explained in a 68-page booklet, "I Say Try," describing the nonprofit corporation's "grass roots" housing-development program — as coming to a close in the South End, he sees the effort expanding to other sections of Boston.

"We were organized to work in the South End," Mr. Waker said. "But there is a need for our services in other parts of the city. And other cities around the nation are seeking advice from us. We have developed a whole delivery package that saves people money, and other cities are inviting us to give them the know-how."

Motive: revival

Founded in 1965 by the Rev. Samuel Tyler, then minister of Trinity Church in Copley

Square, Low Cost was conceived as a do-it-yourself effort, utilizing volunteers who could be suburbanites or community people, white or black. The motive was to revive the South End.

Since Mr. Waker was employed in 1965 as executive director, Low Cost has salvaged 150 buildings, acquired at \$1 each, and transformed them into living quarters at low rents. Three "spinoff" private firms have been formed and utilized to make the Low Cost package a reality.

Low Cost supporters fear, however, that the South End spirit that made their work possible is fading away. Recently the city razed a building, at 28 Warwick Street, which corporation members felt had been reserved for rehabilitation. This action disturbed Low Cost participants.

"We are upset over this attitude," said Mrs. Betty Meredith, chairman of the Low Cost board. "Many people are coming to us looking for places they can afford, and we cannot serve them. No additional residences are available to the poor in the South End."

State Rep. Melvin H. King (L) of the South End, former board chairman, told the banquet, "We shall redouble our efforts and energy; we must seek more support and funds to continue the tradition established by Sam Tyler and Trinity Church."

Problems become critical

"Housing problems in Boston are critical, but the city prefers to tear down rather than rehabilitate. Low Cost Housing is all about people of all races working together to help people with needs."

Volunteers speaking at the dinner praised the grass-roots program for scattering Low Cost Housing units throughout the South End in mixed communities, racially and economically.

Under the Low Cost formula, says Mr. Waker, housing is developed with a 33 percent saving from traditional methods. The grass-roots program utilizes the nonprofit corporation as developer, volunteers and trainees as workers, and grants and gifts to reduce borrowing and cut costs.

Through these efforts Low Cost has developed a working team and crew that with expertise in "rehabbing" old structures.

The three spinoff businesses are LCH Mortgage Corporation, LCH Materials Corporation, and the Mississippi Construction Corporation, which supply financing, materials, and construction at reasonable cost.

"Our grass-roots program offers a potential for creating housing for low-income people," said Mr. Waker.

Experience of other cities studied

'Homesteading' in Boston —despite skepticism

By Jeannye Thornton
Staff writer of The Christian Science Monitor

Boston

While a city official says it can't be done in Boston, a kind of "urban homesteading" is taking place a few blocks from City Hall.

David Strohm, an administrative aide to whom Mayor Kevin H. White has given the task of designing a homestead program for Boston, says the concept really is not feasible here.

The City Council, impressed by the success of urban homesteading in Wilmington, Del., passed an ordinance to initiate a program here.

"But," says Mr. Strohm, "in Boston, 90 percent of the housing available for homesteading is three family houses with about 18 rooms. It would cost about \$30,000 each to rehabilitate them," he says.

This view is challenged by Rutledge A. Waker, executive director of the Low Cost Housing Corporation. He says his group has rehabilitated such housing for much less than \$30,000. The Low Cost Housing Corporation has renovated 50 buildings — mostly in the South End — since it began in 1968.

Using volunteers taught and guided by professionals, Low Income, Inc., has restored housing it purchased from the Boston Redevelopment Authority at \$1 a building — some of the same kinds of buildings which would be available for homesteading. Mr. Waker says he believes that with a similar project the City of Boston could have the same rewarding results Low Cost Housing Corporation has.

Low Cost has restored housing at less than half what it was spending to rehabilitate similar housing under Federal Housing Authority (FHA) guidelines before it began its Grass Roots Project. It cost about \$17,000 to rehabilitate an apartment under FHA guidelines, Mr. Waker explained, but only about \$8,000 in the Grass Roots program, which salvages materials from demolition and gets leftovers from construction companies.

Buildings renovated

Single-family houses and a community center, as well as other buildings with from 2 to 10 family units, have been renovated and rehabilitated by the nonprofit corporation. Currently, Low Cost renovates substandard housing conforming to city codes, at the rate of about one apartment every 10 days or one house a month.

The first Grass Roots rehabilitated home sold by Low Cost Housing Corporation was a three-flat building which was bought by a low-income family for about \$30,000. A separate mortgage corporation established by the Low Cost Housing Corporation provided the loan.

"Our system can be effective to bring urban homesteading to more people in Boston," Mr. Waker says. "It is a concept that can provide more housing for the poor, give the poor an opportunity for home ownership, and rid the city of the blight caused by dilapidated buildings — if the concept is put to work on buildings and not just on paper."

Corporations possible

The City of Boston can form corporations similar to Low Cost, he contends, or allow them to be established by citizens who want to rehabilitate housing and live in it, possibly as landlords.

Mr. Waker and his assistants say people can be trained to do particular tasks in the construction business and pay off their own mortgages by working on buildings owned by the corporation or other individuals. The Low Cost crew consists of carpenters, electricians, plumbers, painters, plasterers, and brick masons — many of whom were trained through on-the-job experience and qualified as licensed workmen.

"The urban-homesteading concept is just not the panacea for urban problems that most people seem to think it is," says Mr. Strohm. Homesteading program



By Barth J. Falkenberg, staff photographer

Homesteading—city style

Boston debates self-help housing program

directors, however, in Wilmington, Del.; Philadelphia; and Baltimore — where programs are beginning — disagree.

Homesteading concept praised

They hail the 100-year-old homesteading concept as a way to "entice young white couples back to the city" (in Wilmington) and as a way to "preserve some historic buildings" (in Baltimore).

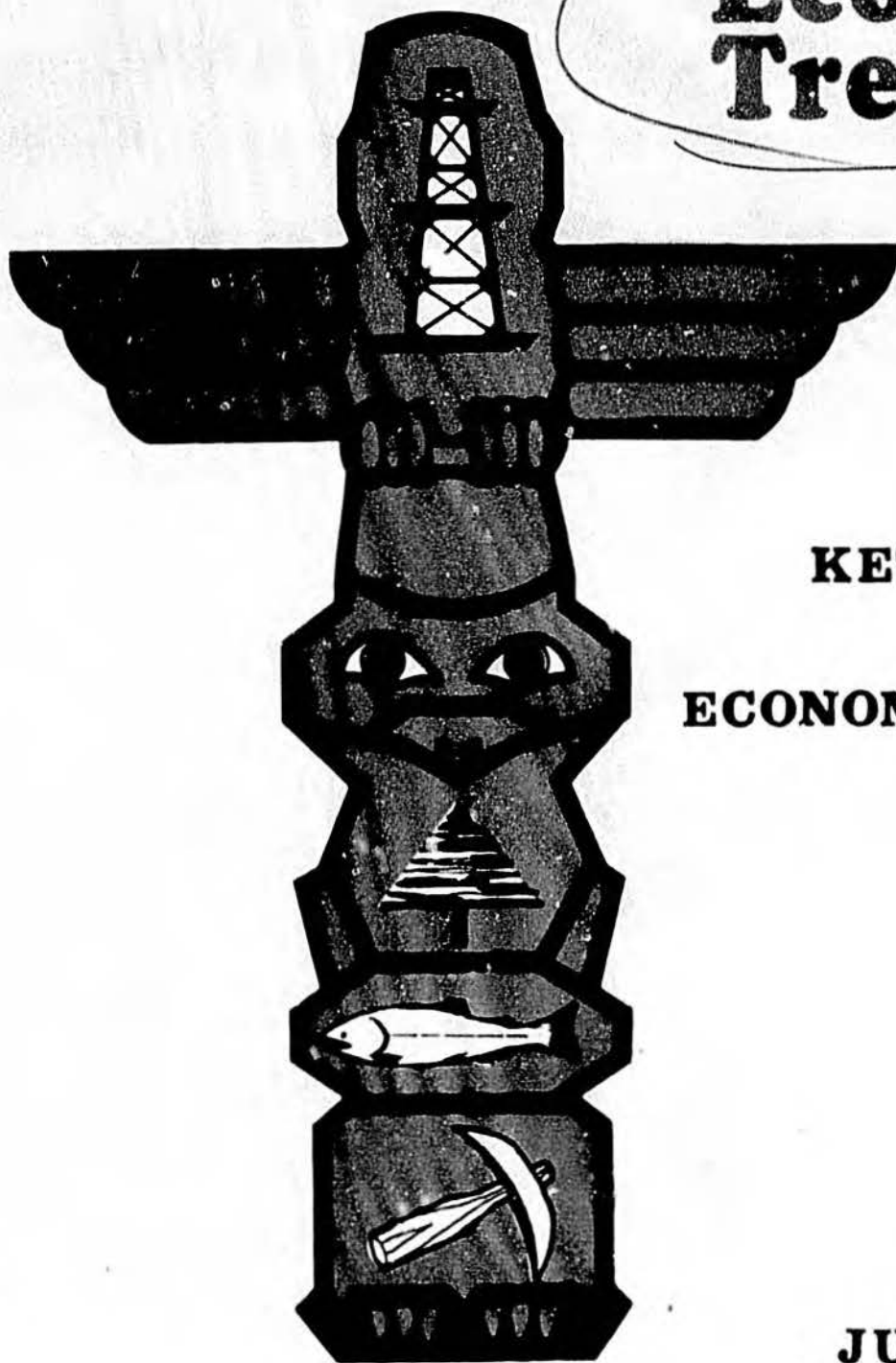
Actually, Wilmington is the only city which has had an opportunity to see the program in action, and housing coordinator Edward Gulczynski proclaims it a success.

The 10 houses the city awarded in August and 7 in November are already being rehabilitated, and one homesteader, Mrs. Annie Barksdale, moved into her home Nov. 1. She obtained a \$8,000 loan from a local bank, hired a contractor, and is paying less on her loan than she paid in rent before becoming a homeowner, Mr. Gulczynski says.

In Philadelphia, homesteading will begin in the spring when more than 100 homes will be awarded. The first 10 houses of the 1,400 available in Baltimore are to be awarded this month.

ALASKA Economic Trends

get subscription



KETCHIKAN'S ECONOMIC OUTLOOK

JUNE 1975

STATE OF ALASKA • DEPARTMENT OF LABOR

Employment Security Division • Research and Analysis Section

KETCHIKAN'S ECONOMIC OUTLOOK

The following article was written by Rod Brown, research supervisor, and is the result of a personal visit to the Ketchikan area in May of this year. With the exception of background data which is collected and maintained by the Research and Analysis Section, the information contained in this article was obtained through various publications and numerous interviews.

A special thanks is extended to those individuals who gave their time and cooperation in helping make this analysis as complete and accurate as possible.

As a contrast to the rapid growth and flurry of activity occurring in the northern part of the State, Ketchikan is presently experiencing an economic slowdown.

A spring visitor in the city of Ketchikan would have noticed a deep underlying sense of apprehension flowing throughout the entire area of that southeastern Alaska city. The reason for this apprehensive mood is certainly understandable since that community's basic industries are experiencing substantial difficulties. Historically, Ketchikan has relied heavily on timber and fishing related industries as its economic base. In years past this reliance has proved healthy as Ketchikan has continued to grow at a slow but steady pace. More recently, however, a soft housing market in both Japan and the United States and generally poor economic conditions coupled with a declining salmon fishery have given rise to concern over Ketchikan's narrow economic base. In fact, one of the higher priority items to be undertaken by the Ketchikan Gateway Borough's Overall Economic Development Program (OEDP) is the development of an economic diversification policy. Present local economic conditions and talk of a possible pulp mill closure resulting from stringent Environmental Protection Agency regulations have underscored the need for diversification. Some areas of diversification that are presently being considered through the OEDP are marine transportation services (including an Alaska state ferry supplementary maintenance base, marine repair and maintenance facilities, and the development of a regional trans-shipment center, distribution port, and container cargo facilities), tourism development, and expansion of resource base industries (i.e. fishing, timber and mining). The following sections will discuss various segments of Ketchikan's economy as viewed in the spring of this year.

Logging, Lumber and Pulp. During the growth years

of Ketchikan's timber industry, fishing was that community's economic foundation. In recent years the declining fisheries have been offset by maturing timber related industries, resulting in a stable and thriving community with timber becoming the economic mainstay. The influence of the timber industry in Ketchikan is exemplified by the fact that almost one-fourth of the labor force is directly employed in that industry. Further, the area's largest employer, Ketchikan Pulp Company, can almost be taken synonymously with Ketchikan's timber industry. According to KPC brochures, that firm directly and indirectly employs nearly 2,000 people in their logging, pulp mill, and sawmill operations, and they spend over three million dollars per month locally for wages, supplies, and logs. Basically, as that firm fares, so fares the community of Ketchikan. Fortunately, KPC is a diversified firm in itself, and is therefore, in a better position to cope with changing market and economic conditions. Recently, an added concern has been the possibility of a closure of pulp mill operations due to strict EPA regulations. Should such a closure occur, the effects would be long lasting and quite profound. In a preliminary analysis of the economic impact of changes in operating levels of the Ketchikan Pulp Mill, Dr. George Rogers, economist, estimates that the area's total employment would fall "from the 1974 level of 7,948 to somewhere between 4,320 and 5,940, and total population...from 15,740 to between 8,640 and 11,880."

Assuming that a pulp mill closure will not come about, the future is not all that bad. While tight times can be expected in the interim, the long range outlook is good. As world market conditions improve, KPC's pulp operations will eventually get back into full swing. It is important to note that Ketchikan Pulp's recent 6 week shutdown was due to inventory problems resulting from the soft world pulp market and not from EPA restrictions. Should

poor market conditions continue, more shutdowns can be expected. Present plans call for the Ketchikan Pulp Mill to be shut down during most of July and again for a shorter period this fall.

A recent picture of Ketchikan, which further attests to poor timber market conditions, will show rows of cants stockpiled everywhere, awaiting shipping. In that respect logging and sawmill operations are in much the same state as pulp production. However, logging will continue through most of October, and weather and market conditions permitting, may continue into December. In contrast to pulp operations, logging and sawmill production will see a slowdown in activity to adjust to market conditions rather than complete shutdowns.

While the present situation is the result of poor market conditions, future operations will undoubtedly be affected by rising operating costs, such as stumpage prices, wages, and insurance rates. The present formula used by the U.S. Forest Service for setting stumpage fees has increased stumpage costs drastically, unfortunately at a time when economic conditions are poor. It is noteworthy, however, that a considerable lag exists between the time of a timber sale and the active or completed harvest. Thus, the next year or two will see harvesting of timber purchased at lower prices. One encouraging fact in this picture of uncertainties is that present rates of timber harvest can be maintained indefinitely. Hopefully, existing problems or inequities can be worked out and Ketchikan's primary industry will see some improvements.

Fishing: The depressed state of Alaska's fisheries is certainly not a new story. Coming at a time when Ketchikan's primary industry is suffering from soft market conditions and rising operating costs, an anticipated extremely poor salmon return will certainly aggravate the area's unemployment picture.

According to the Alaska Department of Fish and Game forecasts, a pink salmon return to Southeastern Alaska of 6.6 million fish "represents one of the poorer outlooks for major fisheries in the State." For Southern Southeastern (which is that area from Petersburg south) a pink return of approximately 2.0 million is forecast with a range of 0 to 4.3 million. Since the escapement requirements are approximately 6 million fish, no significant harvest is expected.

Since pink salmon make up the bulk of the total salmon pack many processors may not be operating this season. While the long term outlook for Ketchikan fisheries is uncertain, the early forecast for 1976 is also poor. Hopefully, however, limited entry may relieve some pressures on the salmon fisheries and in time there may be some new developments or help from the area of aquaculture.

Mining: If there is to be a salvation from Ketchikan's reliance on timber and fishing related industries, it will not likely be the result of a shift to mining. Petroleum has the front row seat in southcentral and northern Alaska, but in Southeastern its potential is bleak. Mining activities in the area of the State's southernmost city have primarily been of an exploratory nature. Companies such as El Paso Natural Gas, U.S. Borax, Consolidated Mining (along with many other firms engaged in exploration services) have conducted extensive surveys in this area, yet findings have not generated a great deal of optimism. However, some mineral potential exists in the Bokan Mountain area and uranium deposits of a limited nature have shown up on the Prince of Wales Island. Hardrock minerals of many varieties exist in Southeastern but not in sufficient quantity or quality to overcome Alaska's inherent obstacles of short work seasons, limited access, and expensive transportation. While this picture will undoubtedly change in the future, the present and short term outlook is limited. It is difficult to predict long range implications of mining exploration activities, especially in view of overall economic conditions, individual business policy, and feasibility of mineral extraction.

Construction: The construction outlook in Ketchikan is fairly good. Construction activity (as reflected by building and zoning permits) for the first four months of 1975 is following closely to 1974 experience. While down from 1973 levels, many projects are on tap in the near future; perhaps the largest of which is that of port facilities development. Under the past year's approval of a statewide bond issue, Ketchikan will receive \$1.5 million, which will be matched with \$300,000 of local funds if approval is obtained through a local bond election. A bid has recently been let for the construction of a \$.5 million Totem Heritage Cultural Center designed to house totems and native arts and which will provide a center for related community activities.

Additional construction activity will see 100 units of low-rent housing started this summer. Presently, work is beginning on a crash and maintenance facility at the new Ketchikan airport on Gravina Island, and a \$.5 million bridge project is well underway at Ward Creek near the Ketchikan Pulp Mill. Likely significant projects in the future will include the design and installation of municipal water and sewer facilities.

Finance & Real Estate: A check with banking institutions in Ketchikan shows that in relation to past comparable periods the dollar volume of time deposits is increasing while demand deposits are declining. This may be an indication that large purchases such as homes, autos and boats are being deferred in view of present economic uncertainties, while demand deposits are being drawn upon to meet the needs of short term unemployed workers. In viewing loan volumes, the trend is up on short term business loans and down for auto and boat loans. It appears that the money market is not tight, however lending may be a little more selective. For instance one institution indicates that loans will be harder to obtain for multiple-family dwellings than for single-family residences.

Resistance to loans on multiple-family units seems contrary to the general Alaska tendency towards this type of dwelling, (see "Private Housing Activity in Alaska"; Alaska Economic Trends—May 1975). This is more understandable, however, in view of Ketchikan's current economic situation and the planned construction of one-hundred units of HUD/ASHA funded low-rent family and elderly housing scheduled to be started this summer.

Following a fairly active spring the condition of Ketchikan's real estate market is slow but generally healthy. As in most of Alaska, a sellers' market exists due to the shortage of adequate housing. Real estate listings are up and sales are down, but with maintenance of high prices it appears that dollar volumes have not been drastically affected. While there is a great deal of concern about Ketchikan's present state, it seems that most people view it as a relatively short term situation.

Tourism & Travel: Alaska in general is experiencing a renewed interest in tourism which is to some degree a result of publicity and interest developed from the construction of the pipeline. While the growth rate

is not expected to be as great as in past years the trend is still up and this should prove to be the biggest year ever. Likewise, travel is up statewide as a result of many Alaskans seeking pipeline employment and pipeline workers traveling home for R & R and returning to their pipeline jobs. While Ketchikan will not be leading the list on percentage increase in this type of travel neither is that area immune to nor insulated from such events. The most likely contributing factor to pipeline related travel from Ketchikan is the dim outlook for marginal workers normally employed in the slumping timber and fishing industries. Looking deeper into Ketchikan's experience with tourists reveals that even though there has been no concerted effort to develop this industry, there has been a slow but steady growth in recent years. Ketchikan's largely untapped tourism resource may be facing a change, however, under a policy of Economic Development and Diversification.

The problems Ketchikan is presently facing are not insurmountable, yet the cure for its economic woes will require time. National economic recovery along with renewed building activity and increased demand for timber products and rehabilitation of Southeastern Alaska's fisheries will not be an overnight occurrence. However, with timber being the leading economic influence in the Ketchikan area, the potential for a quick recovery is good. Obviously, market conditions for timber products will improve much faster than will a rehabilitation of Southeast Alaska's fisheries.

While the present scene is dim, Ketchikan is a sound community with an economy based on renewable resources. With proper resource management and an actively pursued plan for diversification, Ketchikan's future can be one of Alaska's brightest.

ALASKA'S ECONOMY IN APRIL

Employment — Unemployment: Preliminary estimates of Statewide employment in April, revealed an increase of 5,900 workers from the 149,600 reported in March. Statewide employment in April was up 25.8 percent from a year ago. Total unemployment in April declined to 16,100, down 900 from the month earlier. Over the month, the labor force expanded to 171,600, up 3 percent from March, and up 21.5 percent from last April.

ALASKA CIVILIAN LABOR FORCE SUMMARY ^{1/}
BY PLACE OF RESIDENCE

	Changes From:				
	<u>p/</u>		<u>r/</u>		
	<u>4-75</u>	<u>3-75</u>	<u>4-74</u>	<u>3-75</u>	<u>4-74</u>
CIVILIAN LABOR FORCE.....	171,600	166,600	141,200	5,000	30,400
INVOLVED IN WORK STOPPAGES.....	0	0	0	-	-
TOTAL UNEMPLOYMENT.....	16,100	17,000	17,600	-900	-1,500
Percent of Labor Force.....	9.4	10.2	12.5	-	-
TOTAL EMPLOYMENT ^{2/}	155,500	149,600	123,600	5,900	31,900

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT^{3/}
BY PLACE OF WORK

	Changes From:				
	<u>p/</u>		<u>r/</u>		
	<u>4-75</u>	<u>3-75</u>	<u>4-74</u>	<u>3-75</u>	<u>4-74</u>
Nonagricultural Wage & Salary.....	129,300	124,700	114,500	4,600	14,800
Mining.....	4,000	3,500	3,000	500	1,000
Construction.....	12,700	11,600	7,300	1,100	5,400
Manufacturing.....	7,700	6,600	8,900	1,100	-1,200
Durable Goods.....	2,800	2,200	3,000	600	-200
Lumber, Wood Products.....	2,300	1,700	2,400	600	-100
Other Durable Goods.....	500	500	600	0	-100
Nondurable Goods.....	4,900	4,400	5,900	500	-1,000
Food Processing.....	2,500	2,000	3,700	500	-1,200
Other Nondurable Goods.....	2,400	2,400	2,200	0	200
Transp.-Comm. & Utilities.....	13,600	13,200	11,000	400	2,600
Trucking & Warehousing.....	2,200	2,000	1,700	200	500
Water Transportation.....	1,000	1,000	900	0	100
Air Transportation.....	4,300	4,200	3,400	100	900
Other Transp.-Comm. & Utilities....	6,100	6,000	5,000	100	1,100
Trade.....	21,100	20,600	19,000	500	2,100
Wholesale Trade.....	4,100	4,100	3,700	0	400
Retail Trade.....	17,000	16,500	15,300	500	1,700
General Merchandise & Appar.....	4,300	4,200	3,800	100	500
Food Stores.....	2,200	2,200	1,900	0	300
Eating & Drinking Places.....	4,700	4,500	4,200	200	500
Other Retail Trade.....	5,800	5,600	5,400	200	400
Finance-Insurance & Real Estate.....	5,200	5,200	4,700	0	500
Services & Miscellaneous.....	18,900	18,800	17,300	100	1,600
Government ^{3/}	46,100	45,200	43,300	900	2,800
Federal.....	17,500	17,300	17,400	200	100
State.....	15,900	15,400	14,600	500	1,300
Local.....	12,700	12,500	11,300	200	1,400

^{1/} Prepared in cooperation with the U. S. Bureau of Labor Statistics.

^{2/} Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

^{3/} Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Mining: The Division of Oil and Gas reported in its April bulletin that 16 exploratory wells and 6 development wells were drilling at the end of March. At that time, the majority of drilling operations were engaged in oil and gas exploration north of the Brooks Range. During the first week of April, 20 drilling operations were underway Statewide. Total mining employment in April rose to 4,000, which was a gain of 500 over March and an increase of 1,000 over April a year ago.

Construction: During April, work on the trans-Alaska oil pipeline project moved into its second year. Through mid-month, 259.3 miles of work pad had been completed, and by late April 373.3 miles of right of way had been cleared. Although a large part of Statewide activity in construction was directly related to the pipeline project, statistics compiled by Alaska Construction & Oil indicated that contract construction awards in April totaled \$56.6 million, up \$34.0 million from March, with the non-pipeline sectors leading the way. April employment in contract construction climbed to 12,700, up nearly 74 percent from a year ago. Over the month, construction employment increased by 1,100.

Manufacturing: Total manufacturing employment rose from 6,600 in March to 7,700 in April. While employment activity continued to pick up through the month, there was a considerable drop in the number of persons employed in the industry when compared to last April's figures. Most of the decline from a year ago was confined to the non-durable goods sector. Food processing in April was off 32.4 percent from the year ago level. These figures parallel the picture of early shellfish landings in 1975. The cumulative tanner crab catch in pounds through April was down 66.9 percent from the same period last year.

Transportation, Communications, & Utilities: Industry employment edged up to 13,600, an increase of 400 over the month before. T.C.& P.U. was up 2,600 from April, 1974, to April, 1975. Trucking and warehousing experienced the largest absolute gain over the month.

Trade: Employment in Alaska's trade industry registered a gain of 500 from March to April. Though wholesale trade stood at 4,100 from

month-to-month, retail trade rose by 500 to a total of 17,000.

Finance, Insurance, & Real Estate: Employment in this sector remained constant at 5,200 over the month. Noticeable gains are anticipated in the months ahead, as several financial institutions finalize their plans for expansion throughout the State.

Service & Miscellaneous: Services employment increased by 100 from month-to-month. April employment, which rose to 18,900, was up 1,600 over a year ago.

Government: In April, a monthly increase of 500 in the state sector led the way in the gain experienced in government, resulting in part from seasonal increases in Fish and Game and Marine Transportation divisions. During the month, total government employment rose to 46,100, up 900 from March and up 2,800 from last April.

Private Industry IUR: Alaska's total private insured unemployment rate tumbled from 11.7 in March to 9.8 in April. By area, sizable declines in the number of weeks claimed, from March to April, occurred in the Kenai and Sitka labor market areas. By industry, the number of weeks claimed over the month in construction and in mining (other than gas and oil) fell sharply. Food processing showed an upswing in the number of weeks claimed from April, 1974, to April, 1975.

Characteristics of the Insured Unemployed: By industry, changes in the characteristics of the insured unemployed occurred in the contract construction category, where construction's share of total weeks claimed during the survey period, the week of the 19th, dropped from 33 percent in March to 30 percent in April. The manufacturing sector showed an upturn in the percent of total weeks claimed over the month as well as over the year ago level. Similar changes also occurred in the corresponding occupational sectors.

Employment Shortages and Surplus Occupations: During April, a shortage of willing and qualified applicants existed in the following occupations in the Fairbanks Labor Market Area: sales persons, part's clerks, bookkeepers, secretaries, diesel mechanics, automobile mechanics, waitresses, and maids. A

INDICATORS OF ALASKA ECONOMIC ACTIVITY*

INDICATOR	Most	Previous	Year
	Recent Month	Month	Ago
	<u>4-75</u>	<u>3-75</u>	<u>4-74</u>
Selected Economic Activity Measures			
Total Unemployment Rate <u>a/</u>	7.9	8.2	10.3
Insured Unemployment (weekly average) <u>a/ b/</u>	5,854	5,977	5,342
New Employers (unadjusted) <u>c/</u>	141	241	166
Nonagricultural Wage Payments (millions \$, unadjusted)...	151	143	113
Wage Payments in Mining, Manufacturing & Construction..	41	37	23
Employment (1967=100) <u>a/</u>			
Nonagricultural Wage & Salary.....	176.5	175.8	156.3
Mining.....	198.8	179.4	149.1
Construction.....	283.0	292.9	162.6
Manufacturing.....	138.8	135.1	160.4
Transportation-Communications & Utilities.....	187.6	191.6	151.7
Trade.....	184.7	185.9	166.3
Finance-Insurance & Real Estate.....	229.3	232.6	207.3
Services.....	214.5	219.3	196.3
Government.....	146.7	144.7	137.8
Alaska State Employment Service Activities			
Nonagricultural Placements (unadjusted).....	1,505	1,454	807
Nonagricultural Placements (daily average) <u>a/</u>	88	110	48
Banking Activities (millions \$, unadjusted) <u>e/</u>			
Loans & Investments.....	761	747	630
Demand Deposits.....	433	403	284
Time Deposits.....	377	380	348
	<u>2-75</u>	<u>1-75</u>	<u>2-74</u>
Personal Income (millions \$ Annual Rate) <u>d/</u>	2,483.4	2,411.4	1,881.6
Public Construction Contracts Awarded			
(\$000, annual rate, unadj.) <u>f/</u>	145,282	171,593	121,584
Federally Owned.....	61,359	57,981	35,466
State Owned Highways.....	83,923	113,612	86,118
	<u>2-75</u>	<u>1-75</u>	<u>2-74</u>
Crude Petroleum Production (000 bbls., unadj.) <u>g/</u>	5,524	6,159	5,465

* All data seasonally adjusted unless otherwise noted. Current month preliminary.

a/ Seasonally adjusted by the 1966 U.S. Bureau of Labor Statistics seasonal adjustment method.

b/ Unemployment in Alaska insured by State law.

c/ Employers newly subject to the Alaska Employment Security Act.

d/ Source: Business Week Magazine, seasonally adjusted by the Alaska Employment Security Division.

e/ Source: Federal Reserve Bank of San Francisco. Members banks only.

f/ Source: U.S. Department of Commerce, Bureau of Census, Construction Statistics Division; series is total of Federally-owned awards, and State-owned highway awards only.

g/ Source: Alaska Department of Natural Resources, Division of Mines and Minerals.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA

State Unemployment Insurance			
Insured Unemployed Based on Key Week			
	4-75	3-75	4-74
Total Weeks Claimed.....	8,035	8,892	8,779

Characteristic	Percent Distribution		
	100	100	100
Total.....	100	100	100

Sex and Age			
Men			
Under 45.....	53	56	51
45 and over.....	23	21	26
Women			
Under 45.....	18	17	17
45 and over.....	6	6	6

Industry			
Mining.....	3	3	2
Contract Construction.....	30	33	33
Manufacturing.....	19	18	16
Transp.-Comm. & Utilities...	9	9	9
Trade.....	17	16	17
Finance-Insurance & R. E....	2	2	2
Service & Miscellaneous.....	10	10	20
All Other.....	10	9	1

Occupation			
Professional & Managerial...	6	6	6
Clerical & Sales.....	11	11	13
Service.....	13	11	10
Farming-Fishing & Forestry..	6	6	4
Processing.....	9	8	7
Machine Trades.....	3	3	3
Bench Work.....	1	1	1
Structural Work.....	34	37	40
Miscellaneous.....	12	13	13
Unknown.....	5	4	3

Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	29	34	29
5-14 Weeks.....	47	48	42
15 Weeks and over.....	24	18	29

critical shortage of housing has impeded job qualified persons from re-locating to the Fairbanks area, the hub of pipeline activity. More housing, trailer parks, building lots, and temporary camp grounds are planned for this summer, but all job seekers should have from \$1,000-\$2,000 to cover hotels and food costs while awaiting permanent housing.

Forecast - May Unemployment: Statewide unemployment is expected to ease through the summer months in spite of the likelihood of jobless in-migrants bound for the pipeline. An unemployment rate of 8.2 is forecast for May.

ANCHORAGE LABOR MARKET AREA

Highlights: The Consumer Price Index (CPI) for Anchorage rose 5.0 percent in April from the previous January. This was the largest quarterly increase ever recorded in the Anchorage CPI and heralds a year of maximum inflation. This compares to an increase of 1.6 percent in the United States CPI and 1.1 percent increase in the Portland CPI over the same quarter. It is becoming apparent that inflation is relaxing elsewhere while still on the rise in Anchorage. Although the annual rates for the U.S., Portland, and Anchorage were closely aligned at the first of the year, the annual rate of change in the Anchorage CPI increased dramatically in April. Since April, 1974, the United States CPI has increased 10.2 percent; Portland, 10.8 percent; and Anchorage, 15.6 percent. In January, the annual rates were much closer: United States, 11.7 percent; Portland, 13.9 percent; and Anchorage, 13.8 percent. The demand pull on prices is getting stronger in Anchorage, particularly in housing, so it is hard to believe that the rate of increase will not continue even though prices are no longer rising rapidly in the lower 48 states.

One of the few comparisons of budgetary costs in different urban areas has also been released recently - "The Autumn of 1974 Family Budgets". The budgets reflect dollar amounts of three different levels of the living costs for an urban family of four consisting of an employed 38-year-old husband, a non-working wife, a 13-year-old boy, and an 8-year-old girl. All three budgets reflected that Anchorage had the highest living cost of any of the cities studied. The annual cost of the lower budget for Anchorage was \$13,687; 42.1 percent higher than Seattle, and 48.8 percent above the urban U.S. average. The intermediate budget was \$19,092, or 31.8 percent above the Seattle budget of \$14,487, and 33.2 percent above the U.S. urban average. The high budget in Anchorage was \$26,595, or 29.9 percent above the \$20,477 Seattle budget, and 28 percent above the U.S. urban average. The data suggests that for this precisely defined family of four, it would take between four and six thousand dollars more to live in Anchorage than in Seattle, and the CPI indicates that this disparity will get larger.

ANCHORAGE CIVILIAN LABOR FORCE SUMMARY 1/
BY PLACE OF RESIDENCE

	Changes From:				
	<u>p/</u>		<u>r/</u>		
	<u>4-75</u>	<u>3-75</u>	<u>4-74</u>	<u>3-75</u>	<u>4-74</u>
CIVILIAN LABOR FORCE.....	75,600	73,700	65,200	1,900	10,400
INVOLVED IN WORK STOPPAGES.....	0	0	0	-	-
TOTAL UNEMPLOYMENT.....	5,600	5,700	5,900	-100	-300
Percent of Labor Force.....	7.4	7.8	9.0	-	-
TOTAL EMPLOYMENT <u>2/</u>	70,000	68,000	59,300	2,000	10,700

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:				
	<u>p/</u>		<u>r/</u>		
	<u>4-75</u>	<u>3-75</u>	<u>4-74</u>	<u>3-75</u>	<u>4-74</u>
Nonagricultural Wage & Salary.....	61,100	59,300	55,000	1,800	6,100
Mining.....	1,500	1,400	1,100	100	400
Construction.....	5,200	4,700	3,900	500	1,300
Manufacturing.....	1,500	1,400	1,200	100	300
Food Processing.....	200	200	200	0	0
Other Manufacturing.....	1,300	1,200	1,000	100	300
Transp.-Comm. & Utilities.....	6,000	5,800	5,100	200	900
Trucking & Warehousing.....	900	800	900	100	0
Water Transportation.....	200	200	100	0	100
Air Transportation.....	2,400	2,300	2,000	100	400
Other Transp.-Comm. & Utilities....	2,500	2,500	2,100	0	400
Trade.....	13,100	12,600	11,500	500	1,600
Wholesale Trade.....	3,100	3,000	2,600	100	500
Retail Trade.....	10,000	9,600	8,900	400	1,100
General Merchandise & Appar.....	2,200	2,200	2,100	0	100
Food Stores.....	900	900	800	0	100
Eating & Drinking Places.....	3,300	2,900	2,600	400	700
Other Retail Trade.....	3,600	3,600	3,400	0	200
Finance-Insurance & Real Estate.....	3,300	3,200	3,000	100	300
Services & Miscellaneous.....	10,000	10,000	9,900	0	100
Government <u>3/</u>	20,500	20,200	19,300	300	1,200
Federal.....	10,000	10,000	10,000	0	0
State.....	4,500	4,300	4,200	200	300
Local.....	6,000	5,900	5,100	100	900

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the interconnecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

**CHARACTERISTICS OF THE INSURED UNEMPLOYED
IN ANCHORAGE**

State Unemployment Insurance

	Insured Unemployed Based on Key Week		
	4-75	3-75	4-74
Total Weeks Claimed.....	2,322	2,492	2,372
	Percent Distribution		
Total.....	100	100	100

Sex and Age

	Sex and Age		
Men			
Under 45.....	53	55	53
45 and over.....	22	19	25
Women			
Under 45.....	20	20	17
45 and over.....	5	6	5

Industry

Mining.....	3	3	1
Contract Construction.....	42	41	45
Manufacturing.....	7	8	7
Transp.-Comm. & Utilities...	9	9	8
Trade.....	18	19	19
Finance-Insurance & R. E....	4	3	4
Service & Miscellaneous.....	13	13	13
All Other.....	4	4	3

Occupation

Professional & Managerial...	7	7	6
Clerical & Sales.....	16	16	17
Service.....	12	9	10
Farming-Fishing & Forestry..	2	2	1
Processing.....	2	1	1
Machine Trades.....	2	2	2
Bench Work.....	1	1	1
Structural Work.....	47	47	51
Miscellaneous.....	9	9	9
Unknown.....	2	6	2

**Length of Current Spell
of Insured Unemployment**

1-4 Weeks.....	40	36	29
5-14 Weeks.....	47	45	40
15 Weeks and over.....	23	19	31

Employment: In April, there were an estimated 70,000 employed individuals living in the Anchorage area, which is an increase of 2,000 from the month of March, but a slight decline in the rate of increase as compared to the February-March period when employment increased by 3.1 percent. In 1974, the April level of employment was 59,300, or 10,700 less than this year. In April, 1974, the monthly increase in employment was 3,400 compared to this year's increase of 2,000 indicating a possible slowing down in the rate of growth. These preliminary results for one month do not establish a trend, but they do provide an area to watch, and an indication that the rate of growth in employment won't be as large this year as it was in 1974 even though we began with greater over-the-year growth.

Mining: The summer buildup is continuing with an increase of 100 over last month and a 400 increase over April, 1974. Employment in mining has now reached 1,500. In 1974, employment reached 1,100 in April and then remained relatively constant for the balance of the year.

Construction: Employment increased 500 this month to 5,200 marking the beginning of the summer push. Last year in April, employment was 3,900, so there has been an over-the-year increase in employment of 1,300. Employment in construction peaked at 8,000 in September 1974 and may peak at over 9,000 this year.

Manufacturing: One of the smaller industries and also one of the less dynamic, manufacturing is continuing its seasonal rise in employment. There are now 1,500 people employed in the industry which represents a monthly increase of 100, and an over-the-year increase of 300.

Transportation: This industry is showing the effect of the pipeline with an over-the-year growth of almost 20 percent. Employment in April was 6,000, up 200 from March and 900 from April, 1974.

Trade: Employment in trade is off to a good start this year, and it appears that the industry will duplicate last year's growth. Employment in trade has already reached 13,100 this April; 10,000 in the retail sector, and 3,100 in the wholesale sector. Both sectors show substantial growth with the entire industry showing a monthly increase of 500 and an over-the-year increase of 1,600.

FAIRBANKS CIVILIAN LABOR FORCE SUMMARY ^{1/}
BY PLACE OF RESIDENCE

	Changes From:				
	<u>p/</u> 4-75	<u>r/</u> 3-75	<u>r/</u> 4-74	<u>3-75</u>	<u>4-74</u>
CIVILIAN LABOR FORCE.....	25,400	25,350	18,900	50	6,500
INVOLVED IN WORK STOPPAGES.....	0	0	0	0	0
TOTAL UNEMPLOYMENT.....	1,600	2,050	2,850	-450	-1,250
Percent of Labor Force.....	6.3	8.0	15.0	-	-
TOTAL EMPLOYMENT ^{2/}	23,800	23,350	16,050	450	7,750

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT ^{1/}
BY PLACE OF WORK

	Changes From:				
	<u>p/</u> 4-75	<u>r/</u> 3-75	<u>r/</u> 4-74	<u>3-75</u>	<u>4-74</u>
Nonagricultural Wage & Salary.....	21,650	21,250	17,350	400	4,300
Mining.....	300	300	300	0	0
Construction.....	3,700	3,600	1,650	100	2,050
Manufacturing.....	350	350	250	0	100
Food Processing.....	50	50	50	0	0
Other Manufacturing.....	300	300	200	0	100
Transp.-Comm. & Utilities.....	2,400	2,300	1,650	100	750
Trucking & Warehousing.....	700	600	350	100	250
Water Transportation.....	-	-	-	-	-
Air Transportation.....	1,000	1,000	700	0	300
Other Transp.-Comm. & Utilities....	700	700	600	0	100
Trade.....	3,400	3,400	2,900	0	500
Wholesale Trade.....	600	600	500	0	100
Retail Trade.....	2,800	2,800	2,400	0	400
General Merchandise & Appar.....	500	500	500	0	0
Food Stores.....	400	400	300	0	100
Eating & Drinking Places.....	900	900	700	0	200
Other Retail Trade.....	1,000	1,000	900	0	100
Finance-Insurance & Real Estate.....	700	700	600	0	100
Services & Miscellaneous.....	3,400	3,300	2,900	100	500
Government ^{3/}	7,400	7,300	7,100	100	300
Federal.....	2,800	2,800	2,700	0	100
State.....	3,500	3,400	3,300	100	200
Local.....	1,100	1,100	1,100	0	0

^{1/} Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

^{2/} Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

^{3/} Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

^{p/} Denotes preliminary estimates.

^{r/} Denotes revised estimates.

Finance, Insurance, and Real Estate: Present employment is 3,300. This is an increase of 100 from last month and 300 over last year. Growth of this industry has been steady and will continue through the year as more facilities presently under construction are completed.

Service: The service industry has an employment level of 10,000, the same as last month. Services employment is up 100 from April a year ago.

Government: Employment in the state and local sectors of government continues to steadily grow with state government increasing 200 over March and 300 over-the-year. Local government increased 100 this month and 900 over-the-year, while activity in federal government remained constant.

Unemployment: Unemployment declined to 5,600 down 100 from last month and 300 from last year. Normally the largest number of unemployed occurs in the first quarter of the year. Peak unemployment was in February when 6,000 workers (8.6 percent of the labor force) were idle. The unemployment rate in April was 7.4 percent, but it will probably increase again in June with graduation and increased in-migration.

FAIRBANKS LABOR MARKET AREA

Highlights: Trucking activity was feverish during the early part of April as men and equipment rushed to move materials to trans-Alaska pipeline sites before spring breakup. As many as 300 trucks a day were leaving Fairbanks for points north and south along the pipeline route. All of the sections for the Yukon River Bridge had been moved to location by early April. By mid-April deteriorating road surfaces caused a sharp decline in trucking activities to northern points from Fairbanks. During the latter part of the month, a 75 percent load restriction was posted on the Elliot Highway from Fairbanks to Livengood.

The booming Interior Alaska economy has caused a jump in demand for railroad transportation. The Alaska Railroad recently purchased 3 new locomotives and borrowed 12 more from the U.S. Army. Fifty-million dollars has been recently requested from the Federal Government to purchase 15 locomotives and 1,800 freight cars. And farsighted management is now exploring the possibility of a link-up with the Canadian Railway system. The railroad connection would probably go south to Delta Junction and then down the Alaska Highway into Canada.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS

State Unemployment Insurance			
Characteristic	Insured Unemployed Based on Key Week		
	4-75	3-75	4-74
Total Weeks Claimed.....	601	1,020	1,392
Characteristic	Percent Distribution		
	Total.....	100	100

Sex and Age			
Men			
Under 45.....	53	60	50
45 and over.....	30	27	26
Women			
Under 45.....	12	8	18
45 and over.....	5	5	6

Industry			
Mining.....	6	2	1
Contract Construction.....	48	60	42
Manufacturing.....	8	4	4
Transp.-Comm. & Utilities...	10	9	8
Trade.....	13	10	20
Finance-Insurance & R. E....	1	1	3
Service & Miscellaneous.....	11	10	17
All Other.....	3	4	5

Occupation			
Professional & Managerial...	8	7	8
Clerical & Sales.....	10	9	18
Service.....	9	7	11
Farming-Fishing & Forestry..	1	1	1
Processing.....	1	1	1
Machine Trades.....	5	3	2
Bench Work.....	1	1	1
Structural Work.....	50	54	44
Miscellaneous.....	9	15	11
Unknown.....	6	2	3

Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	38	55	29
5-14 Weeks.....	47	36	39
15 Weeks and over.....	15	9	32

Wage rates have been rising in the Fairbanks area as employers have attempted to reduce an all time high in turnover. The Fairbanks North Star Borough School District expects about a 100 percent turnover in classified employees in 1975. Last year, classified employees received a 20 percent raise in salaries, and this year a 15 percent raise. The University of Alaska is also having problems, with 185 classified openings in April, 1975, compared to 138 openings in April, 1974 and only 11 openings in April, 1973.

A new Federal Building for Fairbanks to be located near the front gate of Ft. Wainwright Army Base is getting underway. The demolition and excavation phase of the project is estimated to cost between \$100,000 to \$500,000. Bid deadline was set for June 19, 1975, by the General Services Administration.

The Capitol site selection committee, searching for a location for Alaska's new capitol chose for further study three areas near Fairbanks. The areas are the Nenana area, the Dunbar area, and the Big Delta area. The first two areas are within 40 air miles of

Fairbanks and have very favorable transportation locations. Both areas, near the new Anchorage-Fairbanks Highway are on the Alaska Railroad Route, and have potential river barging tie-ins. Big Delta which is approximately 100 miles south of Fairbanks lies along the Alaska Highway and the trans-Alaska oil pipeline route.

PRIVATE INDUSTRY INSURED UNEMPLOYMENT RATE (IUR)

AREA	IUR	IUR	IUR	INDUSTRY	IUR	IUR	IUR
	4-75	3-75	4-74		4-75	3-75	4-74
Statewide	9.8	11.7	10.4	Total	9.8	11.7	10.4
Anchorage	11.4	12.3	12.2	Oil & Gas	6.7	7.8	4.1
Fairbanks	6.4	7.4	7.0	Other Mining	18.0	30.0	20.7
Juneau	7.3	9.1	8.4	Construction	19.8	27.4	32.5
Ketchikan	9.1	10.6	10.2	Food Processing	21.3	21.1	12.8
Nome	8.1	6.3	7.8	Log, Lumber & Pulp	15.2	22.1	11.4
Kenai-Kodiak	11.0	16.3	9.1	Other Mfg.	7.7	10.0	10.1
Sitka	10.2	16.0	9.5	Trans. & Utilities	6.3	7.0	6.4
				Wholesale Trade	8.6	9.8	6.6
				Retail Trade	6.2	6.6	7.0
				Finance	4.0	4.3	5.0
				Service & Other	7.8	8.6	7.6

Insured Unemployment Rate: The IUR is derived by dividing the number of man weeks of unemployment claimed by the number of weeks for the month and then dividing this answer by the State U. I. covered employment from final employment figures relating to a quarter ending six months earlier. This IUR is not seasonally adjusted.

HOURS AND EARNINGS - SELECTED INDUSTRIES ^{1/}

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	3-75	2-75	3-74	3-75	2-75	3-74	3-75	2-75	3-74
MINING.....	\$483.99	\$474.45	\$378.38	44.2	45.1	46.2	\$10.95	\$10.52	\$ 8.19
CONTRACT CONSTRUCTION.....	685.58	584.35	466.69	49.5	42.1	41.3	13.85	13.88	11.30
MANUFACTURING.....	288.7	270.81	239.94	37.5	35.4	36.8	7.70	7.55	6.52
Food Processing.....	155.39	147.69	128.48	26.7	27.0	29.4	5.82	5.47	4.37
Logging-Lumber & Pulp.....	332.05	312.96	301.44	41.3	38.4	42.1	8.04	8.15	7.16
WHOLESALE TRADE.....	300.80	287.89	235.13	40.0	39.6	38.8	7.52	7.27	6.06
RETAIL TRADE ^{2/}	213.35	210.89	181.63	34.3	34.8	35.2	6.22	6.06	5.16
FINANCE-INSURANCE & REAL ESTATE..	172.76	160.80	148.89	-	-	-	-	-	-

EXPLANATION NOTES:

AVERAGE HOURS & EARNINGS SERIES: Averages are based on data for full- and part-time production and non-supervisory workers and are for gross earnings and hours worked, or paid for, including overtime pay and hours. Administrative, supervisory, technical, and office personnel are excluded.

^{1/} Prepared in cooperation with Bureau of Labor Statistics, U. S. Department of Labor.

^{2/} Excluded eating and drinking places.

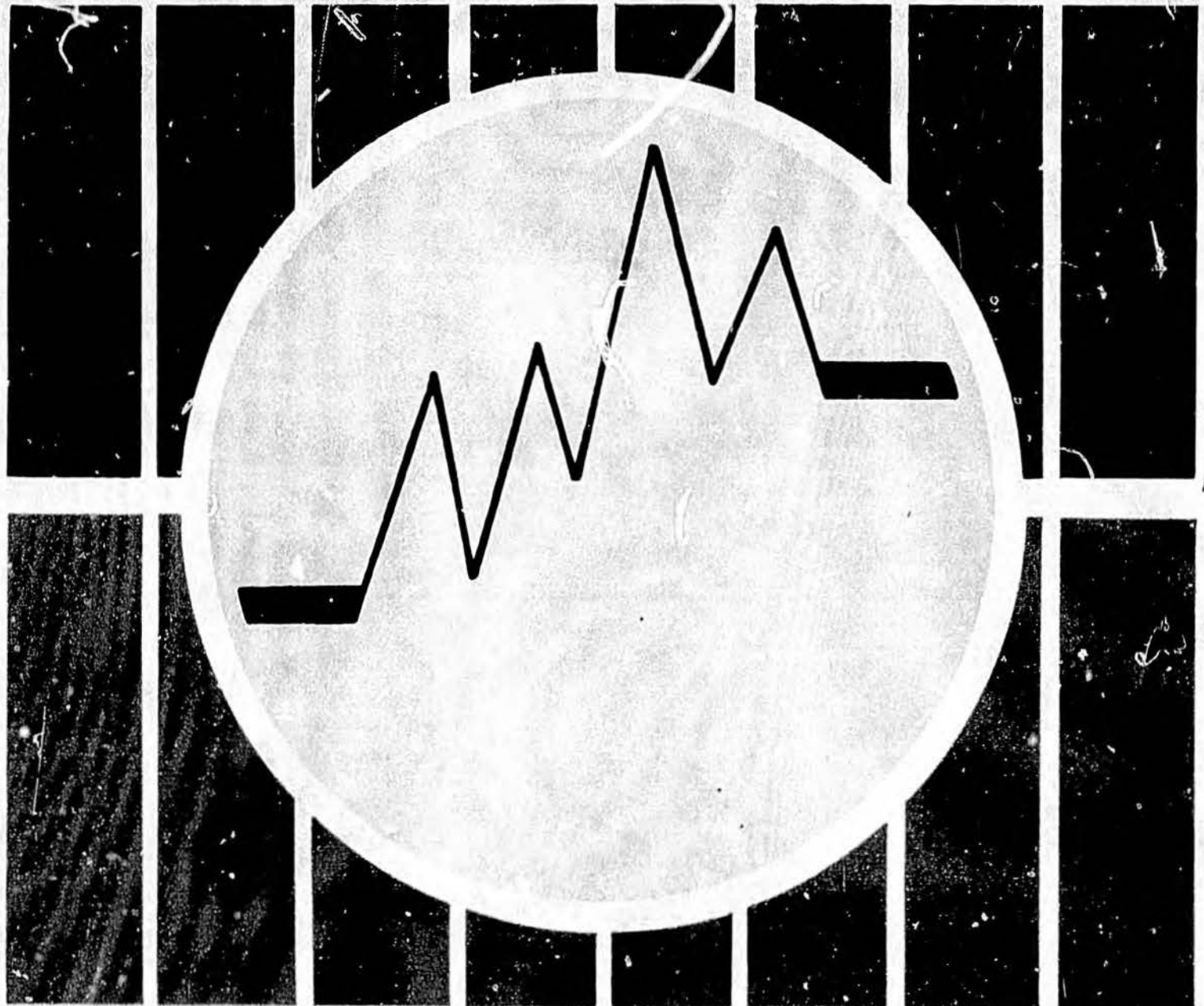
ALASKA
DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
P. O. BOX 3-7000 JUNEAU, ALASKA 99802
OFFICIAL BUSINESS

EMPLOYMENT SECURITY MAIL
POSTAGE AND FEES PAID

LAB 449

REP JOSEPH H MCKINNON
2203 WEST 46TH AVE
ANCHORAGE AK 99503

ALASKA ECONOMIC TRENDS



STATE OF ALASKA • DEPARTMENT OF LABOR
Research and Analysis Section

JAY S. HAMMOND, GOVERNOR

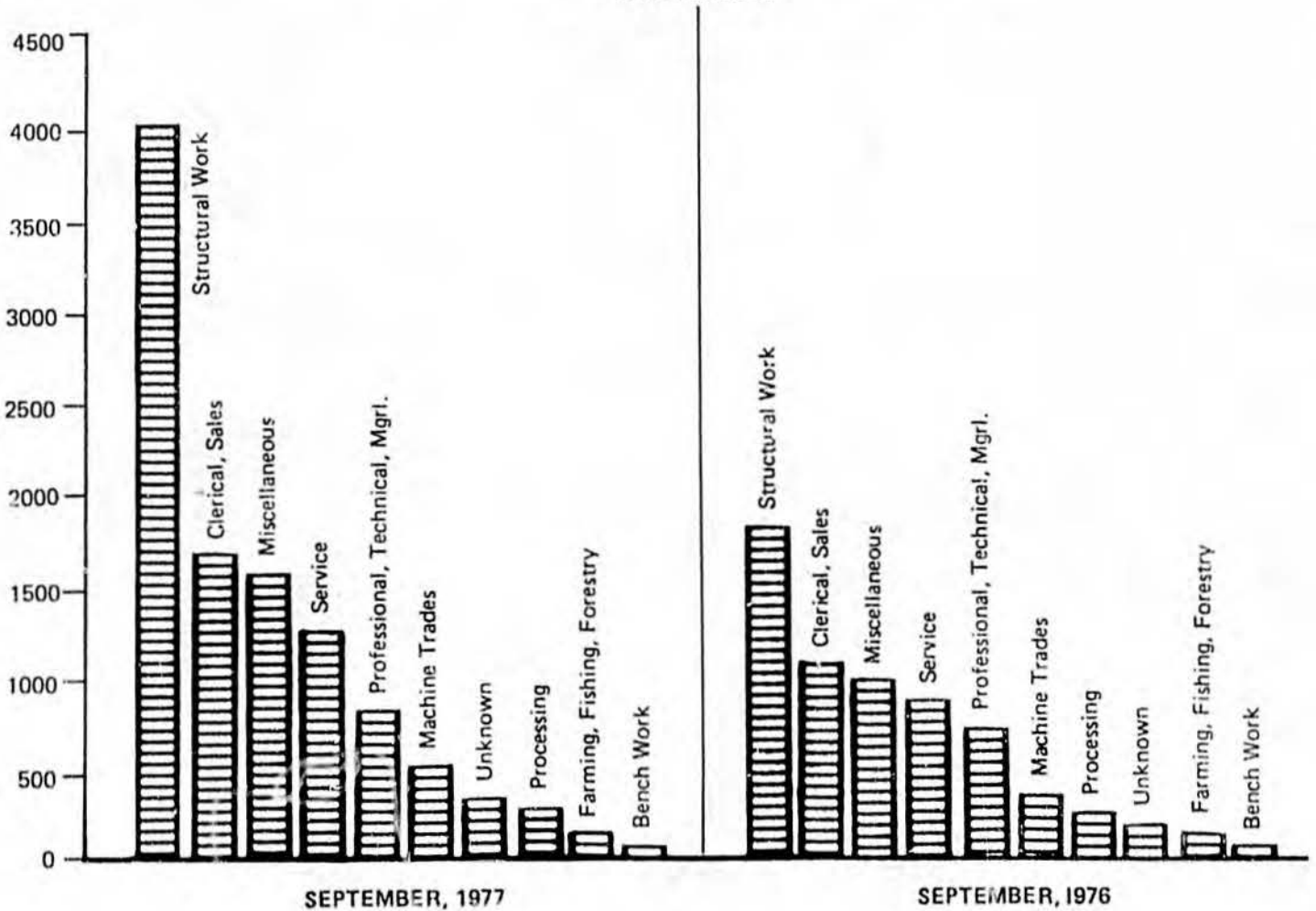
ALASKA'S LABOR MARKET IN SEPTEMBER

Employment and Unemployment: September marked the end of summer as seasonal employment in the manufacturing and construction industries dropped significantly. Normally, at this time of year, total unemployment usually begins to pick up as Alaska's seasonal industries begin to wind down for the winter. In the recent past, many of these unemployed workers remained in the State as jobs in other industries remained quite plentiful. However, this winter the tremendous demand for labor brought on by the construction of the Trans-Alaska Pipeline does not exist. In reaction to this, many seasonal workers who have become unemployed, are either dropping out of the labor force or leaving the State in search of work elsewhere. This trend of out-migration of unemployed workers, almost more than any other single factor, may be behind the decline in Alaska's unemployment rate in the past few months.

Industry Trends: Declines in employment in the mining, construction and manufacturing industries were behind the downward trends in total nonagricultural employment during the month of September. Of the three industries, the manufacturing industry experienced the most marked decline. The seasonal closure of salmon canneries around the State was responsible for the drop. Normally, the seasonal shutdown of the salmon canning industry is offset to some degree by employment in plants processing shrimp and king crab. However, due to poor king crab fishing in September and a dispute between shrimp fishermen and processors, employment in canneries supporting these fisheries did not pick up as would normally have been the case. Generally speaking, the rest of private industry experienced only a very slight decline in employment from August to September.

The beginning of a new school year was reflected in a moderate increase in employment in the

NUMBER OF WEEKS CLAIMED BY OCCUPATION
STATEWIDE



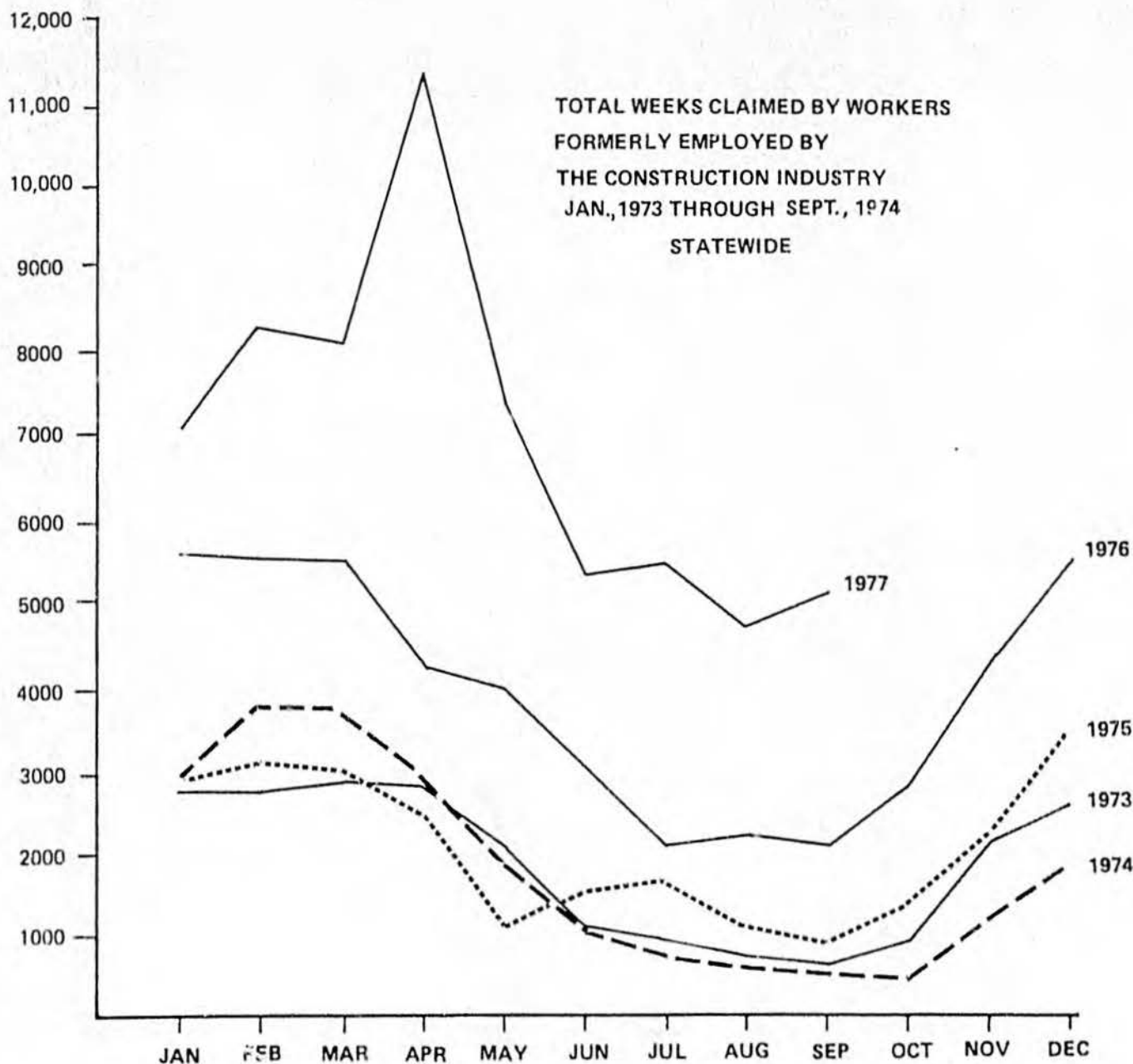
government sector, as both the State university system and most local school districts started classes in September. Both levels of government normally see an increase in employment at this time of year.

Hours and Earnings: Of all the industries reporting hours and earnings, only the construction industry has declined when compared to one year ago. This is very likely due to the end of the tremendous number of over-time hours paid to workers along the Trans-Alaska Oil Pipeline. Even though weekly earnings in the construction industry have declined significantly compared to one year ago, wages paid to workers in this industry continue to be higher than any other in Alaska.

Characteristics of the Insured Unemployed: Trends in weeks claimed by construction workers, 1973 through 1977

1973 was an average year for construction workers in Alaska: weeks claimed rose from 680 in September to 2,840 in March. This was normal as construction slows considerably from December through April.

With the advent of the pipeline in the spring of 1974, most construction workers in Alaska could find jobs. As more people were working in 1974, weeks claimed were less than 1973 totals from May through December.



Many workers from the "lower 48" started migrating to Alaska so that soon there were more workers than could be accommodated by the pipeline project. After May of 1975, weeks claimed by construction workers began to rise, which was unusual as they normally drop from March through September. For the rest of 1975, weeks claimed were higher than either of the two previous years even though pipeline employment reached its peak in August, 1975. There were two major reasons for this increase: 1) Many people came to Alaska expecting to find jobs on the pipeline, and they would file for Unemployment Insurance if or when they couldn't find jobs. And, 2) specialized workers on the pipeline would finish one job and would be laid off until a similar job came along. In the meantime, they would draw Unemployment Insurance or just quit to work in a different area.

Although smaller than the peak in 1975, pipeline employment in 1976 again reached its peak in August. Though following a similar trend, weeks claimed in 1976 were at a higher level than any of the three previous years.

Weeks claimed by construction workers rose to 11,250 in April of 1977, which represents an increase of 360 percent over September of 1975. April was the month that many pipeline workers were laid off. Gradually, weeks claimed declined to its low point in August when pipeline employment rose because of the pump station explosion, but were laid off again in September. Many construction workers, after being laid off the pipeline, found jobs on private construction projects throughout the State. So far in 1977, about half of all weeks claimed in Alaska are claimed by construction workers.

Projections for the 4th Quarter of 1977 are bad for construction workers with the first quarter of 1978 looking even worse. Starting in April of 1978, employment should pick up and the economy should start growing at the pre-pipeline growth rate. Therefore, weeks claimed by construction workers should rise from now to March, after which they will start to decline.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA			
State Unemployment Insurance Statistics			
	9-77	8-77	9-76
TOTAL WEEKS CLAIMED	10,644	10,188	8,290
CLAIMANT SEX AND AGE			
Male Claimants	7,348	6,959	4,092
Less than 25.....	1,485	1,506	905
25 - 34.....	2,537	2,465	1,448
35 - 44.....	1,324	1,224	688
Over 45.....	1,815	1,582	583
Over 65.....	143	87	97
Female Claimants	3,296	3,228	2,198
Less than 25.....	910	883	581
25 - 34.....	1,186	1,182	723
35 - 44.....	604	532	429
Over 45.....	534	576	368
Over 65.....	22	43	8
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining.....	157	202	194
Contract Construction.....	5,040	4,632	2,032
Manufacturing.....	684	594	500
Transportation, Communications, Utilities.....	923	989	767
Trade.....	1,238	1,228	974
Finance, Insurance, Real Estate.....	314	324	207
Services.....	1,878	1,799	1,231
Other.....	183	214	199
Unknown.....	115	75	67
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial.....	828	871	682
Clerical, Sales.....	1,675	1,484	1,051
Service.....	1,352	1,240	877
Farming, Fishing, Forestry.....	117	107	117
Processing.....	374	377	260
Machine Trades.....	516	536	374
Busch Work.....	81	24	57
Structural Work.....	4,034	3,889	1,831
Miscellaneous.....	1,568	1,398	937
Unknown.....	324	137	185
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks.....	1,732	1,351	1,171
5 - 14 Weeks.....	1,614	1,787	811
15 Weeks & Over.....	1,031	815	634
Female Claimants			
1 - 4 Weeks.....	647	540	472
5 - 14 Weeks.....	835	894	571
15 Weeks & Over.....	518	455	286

INDICATORS OF ALASKA ECONOMIC ACTIVITY*

INDICATOR	Most	Previous	Year
	Recent	Month	Ago
	Month	Month	
	<u>9-77</u>	<u>8-77</u>	<u>9-76</u>
Selected Economic Activity Measures			
Total Labor Force <u>a/</u>	140,500	137,400	161,200
Insured Unemployment (weekly average) <u>a/ b/</u>	17,300	17,400	12,700
New Employers (unadjusted) <u>c/</u>	216	331	157
Nonagricultural Wage Payments (millions \$, unadjusted)...	259	270	356
Wage Payments in Mining, Manufacturing & Construction..	87.6	97.7	172.5
Employment (1967=100) <u>a/</u>			
Nonagricultural Wage & Salary.....	188.9	188.7	227.0
Mining.....	263.9	253.3	213.3
Construction.....	192.6	199.9	466.4
Manufacturing.....	146.8	166.1	177.9
Transportation-Communications & Utilities.....	202.3	199.0	212.0
Trade.....	215.1	216.4	237.8
Finance-Insurance & Real Estate.....	334.7	325.7	325.9
Services.....	269.7	268.0	328.6
Government.....	150.1	143.4	148.3
Alaska State Employment Service Activities			
Nonagricultural Placements (unadjusted).....	3,997	4,343	2,820
Nonagricultural Placements (daily average) <u>a/</u>	139	147	100
Banking Activities (millions \$, unadjusted) <u>e/</u>			
Loans & Investments.....	1,106	1,091	990
Demand Deposits.....	598	590	572
Time Deposits.....	520	529	460
	<u>7-77</u>	<u>6-77</u>	<u>7-76</u>
Personal Income (millions \$ Annual Rate) <u>d/</u>	NA	444.2	4119.6
Crude Petroleum Production (000 bbls., unadj.) <u>f/</u>	5,420	5,139	5,571

* All data seasonally adjusted unless otherwise noted. Current month preliminary.

a/ Seasonally adjusted by the 1966 U.S. Bureau of Labor Statistics seasonal adjustment method.

b/ Unemployment in Alaska insured by State law.

c/ Employers newly subject to the Alaska Employment Security Act.

d/ Source: Business Week Magazine, seasonally adjusted by the Alaska Employment Security Division.

e/ Source: Federal Reserve Bank of San Francisco. Members banks only.

f/ Source: Alaska Department of Natural Resources, Division of Mines and Minerals.

ALASKA CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

Changes From:

	<u>p/</u>		<u>r/</u>		* Changes From:		
	<u>9-77</u>	<u>8-77</u>	<u>9-76</u>	<u>8-77</u>	<u>9-76</u>	<u>9-77</u>	
CIVILIAN LABOR FORCE.....	145,700	147,700	168,800	-2,000	-23,100	185,500	
INVOLVED IN WORK STOPPAGES.....	50	100	50	- 50	0	69	
TOTAL UNEMPLOYMENT.....	13,500	14,900	11,000	-1,400	2,500	22,600	
Percent of Labor Force.....	9.3	10.1	6.5	-	-	12.2	
TOTAL EMPLOYMENT <u>2/</u>	132,200	132,800	157,800	-600	-25,600	162,900	

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

Changes From:

	<u>p/</u>		<u>r/</u>		Changes From:	
	<u>9-77</u>	<u>8-77</u>	<u>9-76</u>	<u>8-77</u>	<u>9-76</u>	
Nonagricultural Wage & Salary.....	155,900	160,000	187,400	-4,100	-31,500	
Mining.....	5,300	5,500	4,300	-200	1,000	
Construction.....	15,300	16,300	37,200	-1,000	-21,900	
Manufacturing.....	10,800	15,000	13,100	-4,200	- 2,300	
Durable Goods.....	3,500	3,500	3,500	0	0	
Lumber, Wood Products.....	2,500	2,500	2,700	0	-200	
Other Durable Goods.....	1,000	1,000	800	0	200	
Nondurable Goods.....	7,300	11,500	9,600	-4,200	- 2,300	
Food Processing.....	4,500	8,600	7,000	-4,100	- 2,500	
Other Nondurable Goods.....	2,800	2,900	2,600	-100	200	
Transp.-Comm. & Utilities.....	16,300	16,500	17,100	0	-800	
Trucking & Warehousing.....	2,600	2,700	3,700	-100	- 1,100	
Water Transportation.....	2,600	2,600	1,500	0	1,100	
Air Transportation.....	4,500	4,500	5,000	0	-500	
Other Transp.-Comm. & Utilities..	6,600	6,500	6,900	100	-300	
Trade.....	26,300	26,600	29,100	-300	- 2,800	
Wholesale Trade.....	5,200	5,400	6,200	-200	- 1,000	
Retail Trade.....	21,100	21,200	22,900	-100	- 1,800	
General Merchandise & Apparel..	4,000	3,900	4,500	100	-500	
Food Stores.....	3,200	3,400	3,200	-200	0	
Eating & Drinking Places.....	6,300	6,300	7,000	0	-700	
Other Retail Trade.....	7,600	7,600	8,200	0	-600	
Finance-Insurance & Real Estate....	7,900	7,800	7,700	100	200	
Services & Miscellaneous.....	25,200	25,700	30,700	-500	- 5,500	
Government <u>3/</u>	48,800	46,800	48,200	2,000	600	
Federal.....	18,200	18,400	18,500	-200	-300	
State.....	14,300	14,000	15,100	300	-800	
Local.....	16,300	14,400	14,600	1,900	1,700	

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Job Openings and Applicants by Selected Occupations 1/
STATEWIDE
September, 1977

Occupation	Openings Received	Openings Filled	Unfilled Openings End of Period		Percent Hard 2/ To Fill	Active Applicants	
			Total	30 days or more		Number at End of Period	Number per Unfilled Opening
Professional, Technical & Managerial.....	297	237	151	73	48.3	1,802	11.9
Accountant.....	8	6	6	3	50.0	36	6.0
Engineer.....	47	34	33	13	39.4	255	7.7
Clerical.....	1,306	638	333	155	46.5	2,425	7.3
General Office.....	794	261	142	66	46.5	840	5.5
Bookkeeping.....	279	215	98	24	24.5	1,004	10.2
Other.....	233	162	93	65	69.9	581	6.2
Sales.....	212	180	62	21	33.9	531	8.6
Domestic Service.....	133	120	30	14	46.6	120	4.0
Public Oriented Service.....	860	754	380	192	50.5	1,989	5.2
Food & Beverage Preparation.....	571	513	251	135	53.8	1,073	4.3
Lodging.....	46	42	13	9	59.2	246	18.9
Other.....	243	199	116	48	38.9	670	5.8
Farming, Fishing, Forestry....	395	425	14	12	85.7	165	11.8
Processing.....	207	198	25	11	44.0	220	8.8
Machine Trades.....	81	76	69	39	56.5	578	8.4
Bench Work.....	39	38	31	24	77.4	103	3.3
Structural Work.....	747	684	221	142	64.2	1,994	9.0
Electrical & Related.....	23	19	31	22	71.0	229	7.4
Painting & Related.....	56	48	14	2	14.3	71	5.1
Construction Work.....	561	526	88	48	54.5	1,082	12.1
Motor Freight & Transportation.....	238	242	67	42	62.7	723	10.1
Packaging & Materials							
Handling.....	281	271	20	10	50.0	514	25.7
Logging, Mining, Utilities....	118	132	42	37	88.1	222	5.3
TOTAL	4,914	3,995	1,445	772	53.4		

1/ Source: ESARS

2/ Hard to fill positions are those unfilled for 30 days or more.

Job Openings and Applicants by Selected Occupations 1/
ANCHORAGE
September, 1977

Occupation	Openings Received	Openings Filled	Unfilled Openings End of Period		Percent Hard 2/ To Fill	Active Applicants	
			Total	30 days or more		Number at End of Period	Number per Unfilled Opening
Professional, Technical & Managerial.....	110	70	71	23	32.4	688	9.7
Accountant.....	5	3	4	1	25.0	8	2.0
Engineer.....	26	18	18	5	27.8	110	6.1
Clerical.....	409	299	187	58	31.0	853	4.6
General Office.....	138	118	79	32	40.5	260	3.3
Bookkeeping.....	166	109	71	12	16.9	350	4.9
Other.....	105	72	37	14	37.8	243	6.6
Sales.....	128	72	45	15	33.3	199	4.4
Domestic Service.....	50	37	15	6	40.0	19	1.3
Public Oriented Service.....	494	399	289	144	49.8	666	2.3
Food & Beverage Preparation.....	349	298	200	107	53.5	381	1.9
Lodging.....	21	14	6	2	33.3	72	12.0
Other.....	124	87	83	35	42.2	213	2.6
Farming, Fishing, Forestry....	120	137	5	4	80.0	21	4.2
Processing.....	17	12	8	3	37.5	30	3.7
Machine Trades.....	59	45	60	33	55.0	157	2.6
Bench Work.....	26	24	10	4	40.0	48	4.8
Structural Work.....	284	243	141	90	63.8	448	3.2
Electrical & Related.....	18	16	26	19	73.1	81	3.1
Painting & Related.....	36	29	8	2	25.0	26	3.2
Construction Work.....	182	160	29	6	20.7	185	6.4
Motor Freight & Transportation.....	80	77	52	33	63.5	212	4.1
Packaging & Materials							
Handling.....	211	203	10	2	20.0	182	18.2
Logging, Mining, Utilities....	11	25	37	35	94.6	51	1.4
TOTAL	1,999	1,643	930	450	48.4		

1/ Source: ESARS

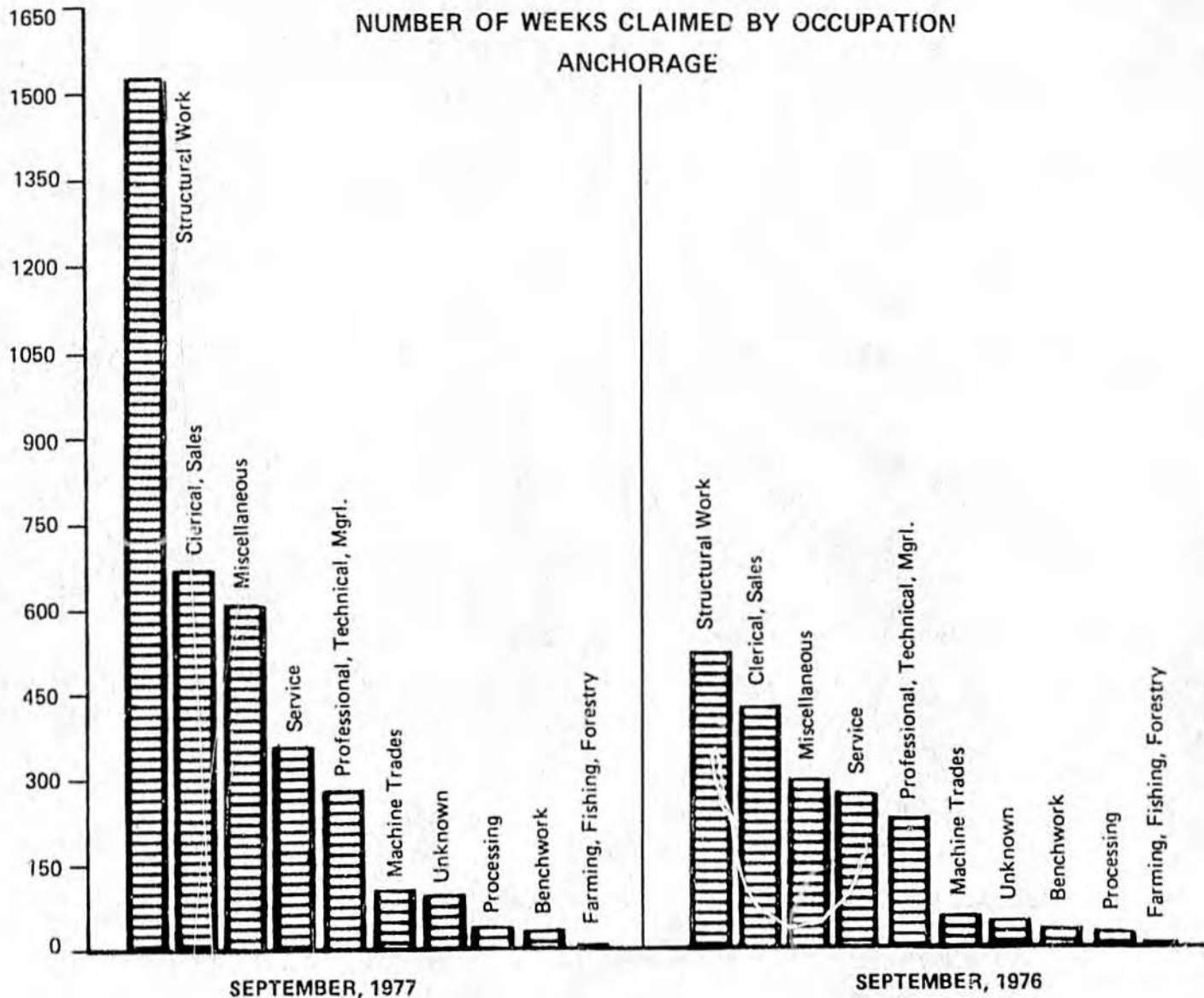
2/ Hard to fill positions are those unfilled for 30 days or more.

ANCHORAGE LABOR MARKET IN SEPTEMBER

Industry Trends: The overall trend has been for stability as reflected by nonagriculture wage and salary employment. Non-agriculture employment was up by 2 percent compared to September 1976. Anchorage's growth rate began to moderate after July as pipeline construction was completed. Since then little or no growth has occurred. The seasonal peak in employment has been reached or passed for most industries.

The industry with the biggest decline was construction with a loss of 2,650 workers compared to one year ago. Most of this decline was directly

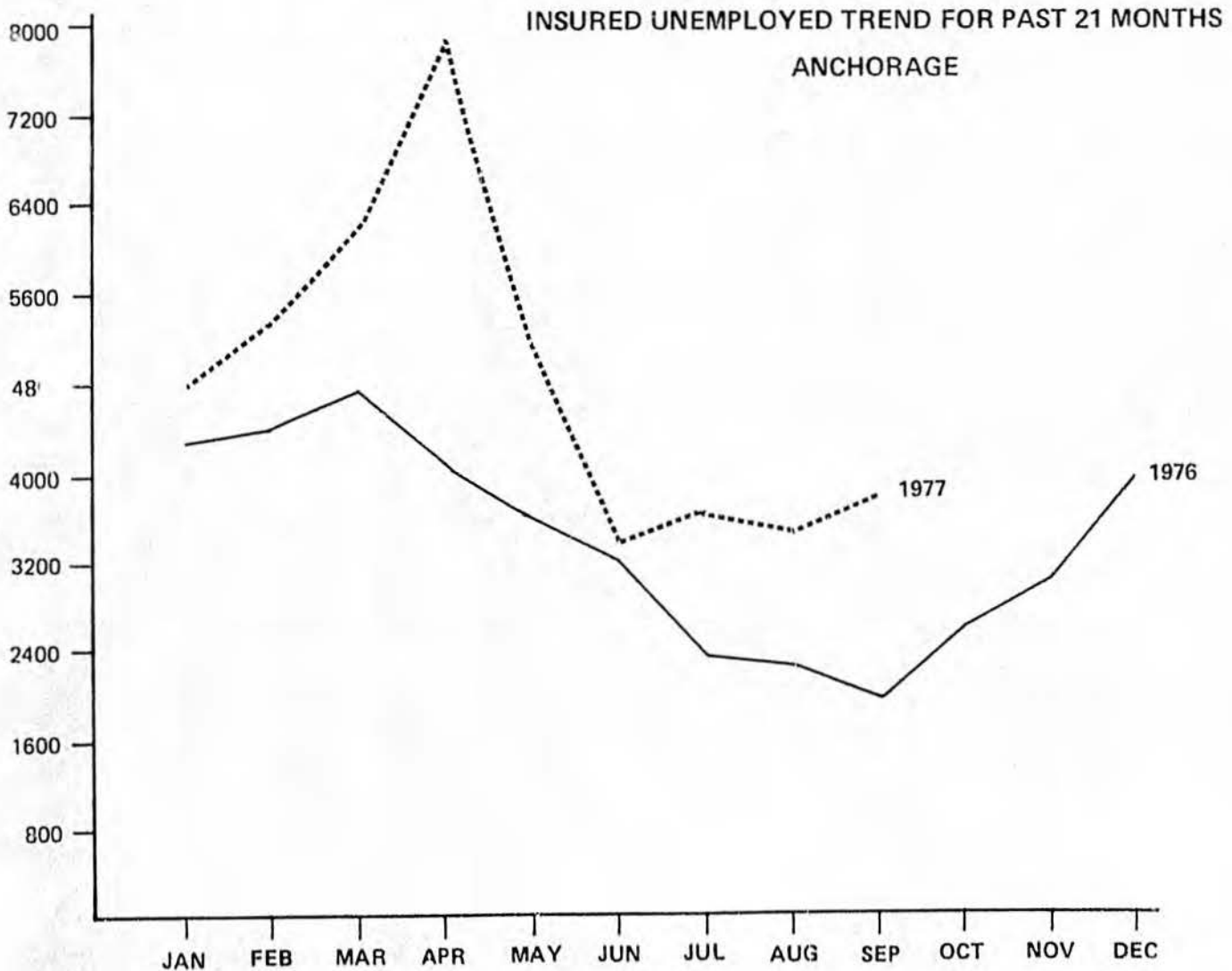
associated with the pipeline since there has been considerable local construction activity. The number of building permits issued for single family housing by the Municipality was half again as much as last year. Multi-family units were also up, but not by as much. By the end of the year there may be as many single family residences built as multi family units. This will be the first time that has happened since 1974. The underlying reason seems to be that single family homes are now competitive with one bedroom condominium units. Major construction has also increased this year with many projects underway or soon to be completed. The \$6 million Cook Inlet Region building is essentially completed and has been assured of total occupancy by early next year. The



National Bank of Alaska headquarters building will be completed next spring. The total cost of this building is \$14 million. It was originally planned to be four stories with an expansion capability, but the two story addition was put on this summer while the basic structure was still under construction. The new twenty story tower for the Captain Cook Hotel is being closed in for winter and is scheduled for opening next spring. The new \$72 million Federal Building is being closed in with its precast concrete skin. This building won't be finished for better than a year, and will therefore give a boost to construction and manufacturing employment throughout 1978. There is also a \$5 million five story bank/office building under construction in the C Street and Benson area and various office buildings in the L and N street areas. The new Sheraton Hotel is still stalled and it's beginning to look as if it won't be completed in 1978 as planned. Even though there is another hotel tower planned for downtown it seems likely

that with a number of these major projects being completed and a likely slowdown in residential housing that a further decline in construction employment will occur next year.

The industry with the big gain over the year has been services. Employment was almost flat with some seasonality in 1976 and then in January it began a new trend. By September employment had begun to slide, but was still 1,800 above September 1976. The service industry was actually expected to decline this year because of the strong correlation with pipeline construction employment. The industry is supported by the Hotel/Motel sector which has been growing and with continued construction will grow in years to come. Tourism seems to have been off slightly this year, but businessmen and conventions have kept the occupancy rates up. By September the number of persons entering Alaska by the highway was down approximately 5 percent,



however, arrivals at Anchorage International Airport have been up nearly every month this year. The increase hasn't been very large, for example only 1 percent in August, but certainly a long way from a post-pipe bust. Other types of firms within the industry often have a relatively small capital investment and can easily desert the economy, but this trend has yet to be noted. The unemployment rate was 6.5 percent and will begin to rise with seasonal unemployment. It is significant to note, that this year's seasonal increase in unemployment has begun at a higher level. The total number of unemployed was up 10 percent from last September. On the positive side, we don't have the big pipeline layoffs to look forward to that we had last fall.

Available Job Openings: The pipeline jobs were union dispatched and therefore the workers who are creating the excess supply of labor are union workers. With the end of pipeline construction this component of the job market has a definite over supply. The non-union section which does business with Anchorage Job Service (A.J.S.) has been a different story. During the quarter which ended in September, A.J.S. received nearly the same number of openings as during this quarter in 1976. September was a particularly good month. Openings increased by a third over last year.

The rise in offered wages was also indicative of strong demand in the non-union portion of the job market although the amount of increase varies from job to job. After a steady rise earlier this year, wages have leveled off in August and September and in some cases there were slight declines. Occupations with the greatest increase in wages were: carpenters, warehousemen, and accountants all of which had increases of over 20 percent. Most occupations have shown an increase near, or slightly above the Consumer Price Index. The C.P.I. for Anchorage currently is increasing at an annual rate of 7.6 percent, and only a few occupations have not kept up with that pace. Wages for general clerks, both trainees and those with experience, increased only 2.2 and 3.9 percent respectively. Though these occupations were active during the past year, demand has not been as great as it was in 1976. It seems the wage has stabilized after being pulled very high during the pipeline years.

Generally speaking, there were more openings in September than in the previous two months. There have also been considerably more placements. In most cases the percent hard-to-fill also went down with the only major exceptions being food and beverage preparation which rose from 38 percent to

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ANCHORAGE			
State Unemployment Insurance Statistics			
	9-77	8-77	9-76
TOTAL WEEKS CLAIMED	3,726	3,424	1,922
CLAIMANT SEX AND AGE			
Male Claimants	2,671	2,504	1,234
Less than 25.....	534	592	279
25 - 34.....	921	845	426
35 - 44.....	498	455	199
Over 45.....	712	601	316
Over 65.....	40	32	31
Female Claimants	1,055	920	688
Less than 25.....	280	289	200
25 - 34.....	393	296	220
35 - 44.....	204	146	136
Over 45.....	173	188	131
Over 65.....	8	13	2
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining.....	60	71	73
Contract Construction.....	1,861	1,731	618
Manufacturing.....	135	119	86
Transportation, Communications, Utilities.....	301	300	234
Trade.....	522	505	414
Finance, Insurance, Real Estate.....	99	90	61
Services.....	692	576	401
Other.....	35	31	25
Unknown.....	12	0	7
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial.....	280	241	227
Clerical, Sales.....	670	622	432
Service.....	355	330	275
Farming, Fishing, Forestry.....	12	5	5
Processing.....	36	25	22
Machine Trades.....	103	117	60
Hand Work.....	32	9	31
Structural Work.....	1,531	1,451	523
Miscellaneous.....	612	584	297
Unknown.....	94	39	51
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks.....	723	522	360
5 - 14 Weeks.....	561	583	279
15 Weeks & Over.....	246	272	108
Female Claimants			
1 - 4 Weeks.....	238	184	162
5 - 14 Weeks.....	244	244	166
15 Weeks & Over.....	97	95	79

53 percent. With all the new fast food restaurants in Anchorage there has been considerable demand. The number of applicants per unfilled opening also points out a tight market. This ratio is the lowest of any major group at 1.9.

Human Resources: The situation hasn't changed much from previous months where the ranks of the unemployed have been dominated by former pipeliners. There has been only a small shift away from the characteristics which were typical of the pipeliners. By the end of September, some pipeliners were exhausting their claims and new claimants were coming in from other industries. When the local construction industry begins its seasonal layoff shortly the trend may reverse, but in the long run the present trend will have to be resumed.

The percentage of male claimants declined this month to 72 percent. This was only slightly below August, but still considerably above other years. The percentage of claimants with pipeline related occupations also declined. Structural work and miscellaneous occupations, which includes equipment operators and truck drivers, comprise almost 58

ANCHORAGE CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

	Changes From:					
	<u>p/</u>		<u>r/</u>			
	<u>9-77</u>	<u>8-77</u>	<u>9-76</u>	<u>8-77</u>	<u>9-76</u>	<u>9-77</u>
CIVILIAN LABOR FORCE.....	65,050	64,500	71,550	550	-6,500	80,450
INVOLVED IN WORK STOPPAGES.....	50	50	0	0	50	69
TOTAL UNEMPLOYMENT.....	4,200	4,700	3,800	-500	400	7,000
Percent of Labor Force.....	6.5	7.3	5.3	-	-	8.7
TOTAL EMPLOYMENT <u>2/</u>	60,850	59,800	67,750	1,050	-6,900	73,450

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:				
	<u>p/</u>		<u>r/</u>		
	<u>9-77</u>	<u>8-77</u>	<u>9-76</u>	<u>8-77</u>	<u>9-76</u>
Nonagricultural Wage & Salary.....	78,800	78,900	77,000	-100	1,800
Mining.....	2,400	2,400	1,550	0	850
Construction.....	7,050	7,200	9,700	-150	-2,650
Manufacturing.....	2,450	2,500	1,950	-50	500
Food Processing.....	550	500	500	50	50
Other Manufacturing.....	1,900	2,000	1,450	-100	450
Transp.-Comm. & Utilities.....	7,750	7,700	7,900	50	-150
Trucking & Warehousing.....	1,450	1,550	1,500	-100	-50
Water Transportation.....	450	400	450	50	0
Air Transportation.....	2,750	2,750	2,850	0	-100
Other Transp.-Comm. & Utilities..	3,100	3,000	3,100	100	0
Trade.....	15,600	15,750	16,600	-150	-1,000
Wholesale Trade.....	4,050	4,050	4,300	0	-250
Retail Trade.....	11,550	11,700	12,300	-150	-750
General Merchandise & Apparel..	2,000	1,950	2,400	50	-400
Food Stores.....	1,600	1,600	1,400	0	200
Eating & Drinking Places.....	3,300	3,300	3,950	0	-650
Other Retail Trade.....	4,650	4,850	4,550	-200	100
Finance-Insurance & Real Estate....	4,750	4,750	4,550	0	200
Services & Miscellaneous.....	17,550	17,700	15,750	-150	-1,800
Government <u>3/</u>	21,250	20,900	19,000	350	2,250
Federal.....	9,800	10,150	9,900	-350	-100
State.....	4,500	4,400	4,250	100	250
Local.....	6,950	6,350	4,850	600	2,100

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the interconnecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

percent of all claimants. It is unusual to have this many of these workers unemployed during the height of the construction season, but their numbers have been unusually high all summer.

The number of people receiving unemployment insurance payments at the end of September was greater than it has been since last May. Just as in past years, this number will continue to increase until April, but this year the increase shouldn't be as dramatic as last year. Next summer the number of people drawing compensation should be about equal to this year.

FAIRBANKS LABOR MARKET IN SEPTEMBER

Following the economic boom created by construction of the Trans-Alaska pipeline, many Fairbanks observers have attempted to forecast the new shape of the region's economy. A change that has occurred is a 31 percent decrease in nonagricultural wage and salary employment from September 1976 to September 1977. Some industry groups, however, have been stronger than expected in this post-pipeline contraction. Trade and finance employment for example have had only 13 percent and 10 percent reductions respectively. This may be a result of consumer expenditures generated from pipeline savings. In the fourth quarter of 1970 the average monthly salary for nonagricultural wage and salary workers was \$922 as compared with \$2,325 in the corresponding quarter of 1976. Inflation of course accounts for some of this increase, a 52 percent rise in the Anchorage consumer price index provides a rough guide, but the monthly income additions were still substantial. Even through the first half of 1977 this is somewhat evident as pointed out by Robert Richards, Executive Vice President of the Alaska Pacific Bank; "Total deposits at Fairbanks banks were up about 6 percent for the first half of this year, which is about one quarter of the rate of increase experienced last year. This is a respectable rate of growth and reflects rather substantial increases in savings." It is hypothesized then that unusually high incomes have provided a large savings base capable of powering the economy over the short term. This situation has softened post-pipeline impact and provided a level of economic activity above what might otherwise have been expected.

Employment-Unemployment Trends: The unemployment rate slid to 11.8 percent in September down from 14.1 percent in August. A slightly smaller

civilian labor force is partially responsible as seasonal workers have begun to leave the labor force. Trade and government employment groups were the only sectors to show gains over the month. Both increases were in part the result of the reopening of area schools.

Industry Trends: Mining employment had a seasonal peak of 200 in 1977 similar to its highest level recorded in 1976. Winter weather will cause a reduction in hard rock mining and that will be the significant influence on this industry until next spring. Other developments include a recent disclosure by the U.S. Bureau of Mines that indicates there may be a significant uranium deposit in the Moun Prindle area 50 miles northeast of Fairbanks. No commercial quantities have been discovered but stream sediments evidence uranium concentrations of 400 to 570 parts per million. The area is included in the proposed Beaver Creek National Wild River Sanctuary as designated by current D-2 lands legislation. The Bureau of Mines is reportedly preparing another press release concerning the discovery of a major silver deposit on the Alaska Petroleum Reserve, formerly Pet 4.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS			
State Unemployment Insurance Statistics			
	9-77	8-77	9-76
TOTAL WEEKS CLAIMED	2,759	2,599	1,218
CLAIMANT SEX AND AGE			
Male Claimants	1,868	1,807	789
Less than 25.....	390	407	177
25 - 34.....	692	685	326
35 - 44.....	311	316	96
Over 45.....	452	382	167
Over 65.....	54	15	18
Female Claimants	891	792	429
Less than 25.....	283	224	124
25 - 34.....	308	319	161
35 - 44.....	154	103	86
Over 45.....	132	134	58
Over 65.....	6	5	2
CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT			
Mining.....	8	13	10
Contract Construction.....	1,568	1,401	518
Manufacturing.....	33	35	35
Transportation, Communications, Utilities.....	300	299	190
Trade.....	287	272	155
Finance, Insurance, Real Est. S.....	40	50	20
Services.....	487	494	252
Other.....	11	24	32
Unknown.....	24	11	7
CLAIMANT'S PREVIOUS OCCUPATION			
Professional, Technical, Managerial.....	183	245	182
Clerical, Sales.....	407	384	172
Service.....	351	338	156
Farming, Fishing, Forestry.....	17	3	-
Processing.....	3	5	6
Machine Trade.....	143	162	72
Branch Work.....	17	-	12
Structural Work.....	1,081	1,038	329
Miscellaneous.....	409	462	236
Unknown.....	149	59	53
DURATION OF WEEKS CLAIMED BY SEX			
Male Claimants			
1 - 4 Weeks.....	419	323	256
5 - 14 Weeks.....	372	437	158
15 Weeks & Over.....	307	229	50
Female Claimants			
1 - 4 Weeks.....	168	137	100
5 - 14 Weeks.....	212	208	99
15 Weeks & Over.....	132	110	35

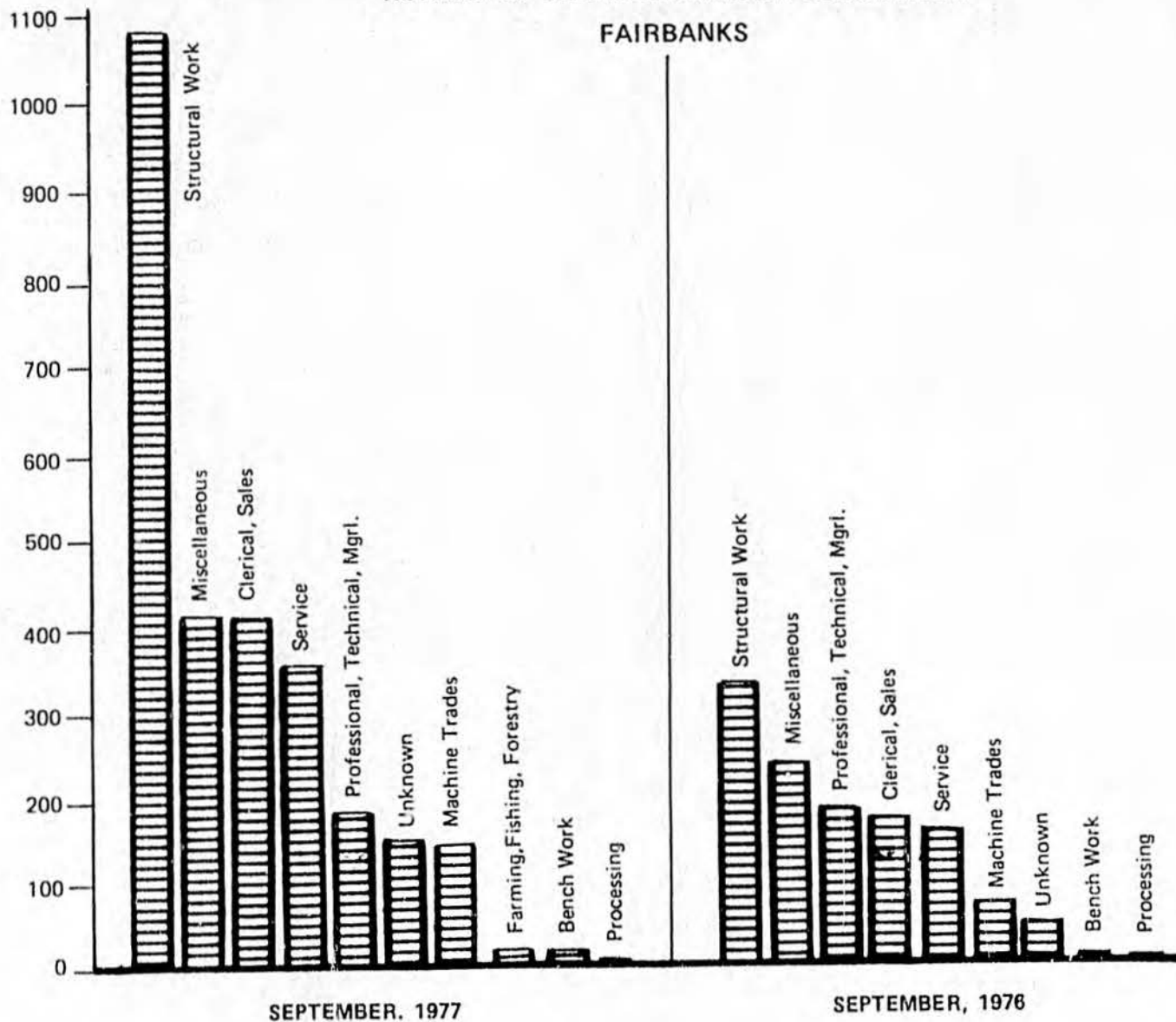
Another development on the Petroleum Reserve is Husky Oil's 190 million dollar contract for drilling six exploratory oil wells, three gas wells and some site preparation for future drilling. The Federal Energy Administration has estimated that there may be up to five billion barrels of oil in the reserve although admittedly this is only a tentative evaluation.

Construction employment has started its fall slowdown with a decrease of 150 this month. Next year's construction season is already beginning to take shape. In the private sector a 75 unit efficiency apartment building is in the planning stages. The building will be located across the river from the Chena View Hotel and it may be linked to the south

side of the river by a pedestrian bridge. Other plans for renovation of the old St. Josephs hospital are still to be decided. Public sector construction grants of 3 million dollars were announced this month, the funds are made available by the Federal Economic Development Administration. \$2.3 million of these grants will be used to extend water lines in South Fairbanks. The 1978 construction season may not equal this years level, however, due to a continued reduction in post-pipeline economic activity.

In the manufacturing group an award of a 13.2 million dollar contract to the North Pole refinery was the most important development. The contract is for the jet fuel and was awarded by the Defense Logistics Agency. Manufacturing employment is at an

NUMBER OF WEEKS CLAIMED BY OCCUPATION



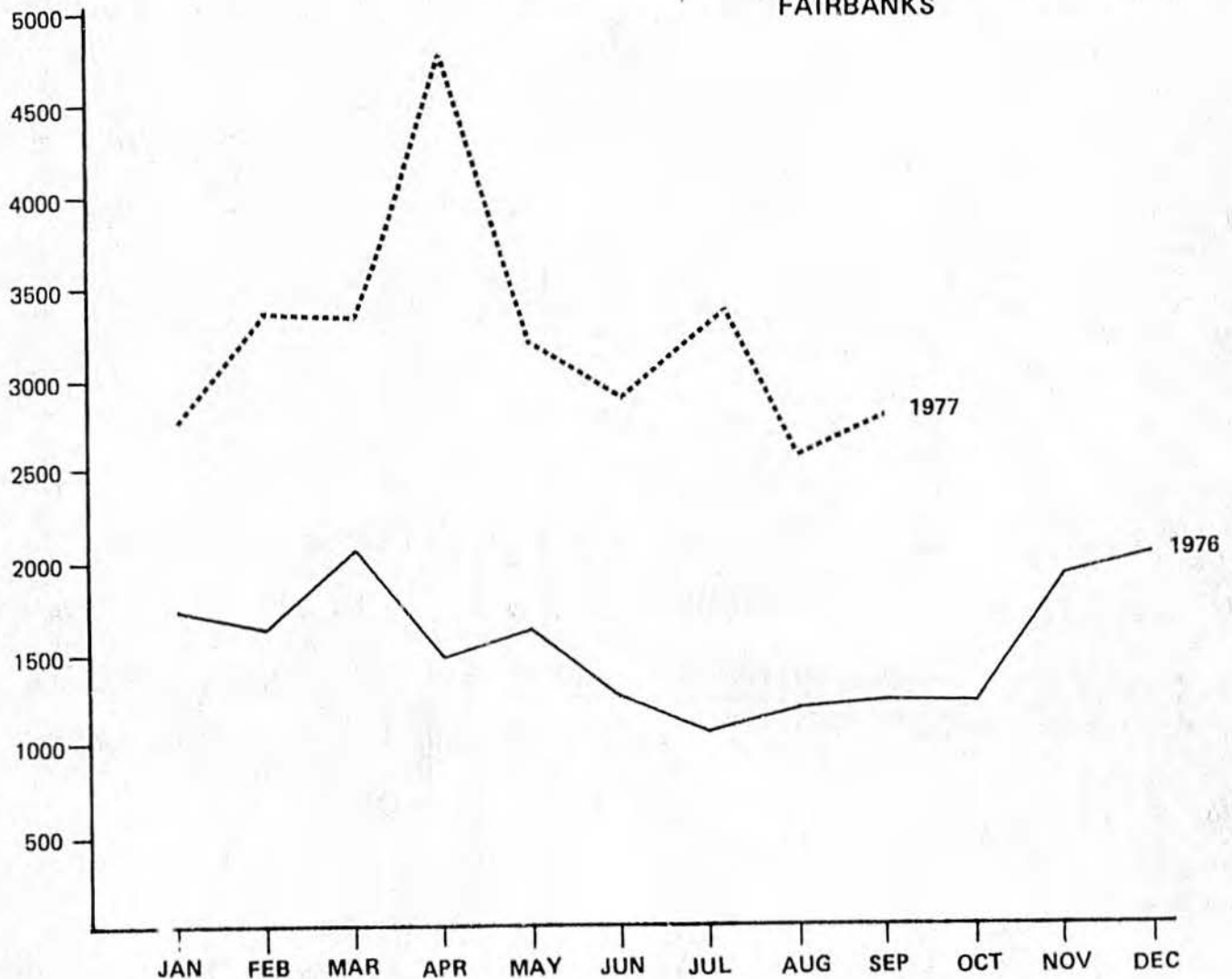
all time high largely due to the refinery's addition to the area labor market.

Transportation employment continued to decline as trade employment increased slightly over the month. The increase in trade employment may be attributable to a small surge in consumer demand with "back to school" shopping. A downturn of less than 13 percent in retail and wholesale trade employment over the year, is surprising contrasted with larger percentage declines in construction, service and transportation groups. Using the pipeline savings theory mentioned earlier it may be possible to attribute the current health of the trade and finance sectors to high pipeline earnings and savings.

Government employees are the final group whose employment has had a significant change over the month. The opening of schools resulted in an increase of 250 in employment, with the University of Alaska leading the trend. Enrollment numbers in North Star Borough schools indicate a 6 percent decrease in the number of students. Apparently the economic contraction of 1977 is not going to have any major impact upon the school system.

Characteristics of the Insured Unemployed: Unemployment insurance trends show that September's claims activity was equal to January's. September would normally be one of the months with the least claims and January one of the months

INSURED UNEMPLOYED TREND FOR PAST 21 MONTHS
FAIRBANKS



**FAIRBANKS CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE**

Changes From:

	9-77 ^{p/}	8-77 ^{r/}	9-76	8-77	9-76	9-77 *
CIVILIAN LABOR FORCE.....	15,250	15,300	23,050	- 50	-7,800	22,550
INVOLVED IN WORK STOPPAGES.....	0	0	0	0	0	0
TOTAL UNEMPLOYMENT.....	1,800	2,150	1,600	-350	200	3,000
Percent of Labor Force.....	11.8	14.1	6.9	-	-	13.3
TOTAL EMPLOYMENT 2/.....	13,450	13,150	21,450	300	-8,000	19,550

**NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK**

Changes From:

	9-77 ^{p/}	8-77 ^{r/}	9-76	8-77	9-76
Nonagricultural Wage & Salary.....	20,650	20,600	29,650	50	-9,000
Mining.....	150	200	200	- 50	- 50
Construction.....	1,750	1,900	6,800	-150	-5,050
Manufacturing.....	600	600	400	0	200
Food Processing.....	50	50	50	0	0
Other Manufacturing.....	550	550	350	0	200
Transp.-Comm. & Utilities.....	3,150	3,200	3,800	- 50	-650
Trucking & Warehousing..	1,200	1,200	1,400	0	-200
Water Transportation.....	50	50	50	0	0
Air Transportation.....	600	600	800	0	-200
Other Transp.-Comm. & Utilities..	1,300	1,350	1,550	- 50	-250
Trade.....	4,100	4,000	4,700	100	-600
Wholesale Trade.....	600	600	950	0	-350
Retail Trade.....	3,500	3,400	3,750	100	-250
General Merchandise & Apparel..	550	550	550	0	0
Food Stores.....	600	600	600	0	0
Eating & Drinking Places.....	950	950	1,100	0	-150
Other Retail Trade.....	1,400	1,300	1,500	100	-100
Finance-Insurance & Real Estate....	900	900	1,000	0	-100
Services & Miscellaneous.....	3,100	3,150	5,600	- 50	-2,500
Government 3/.....	6,900	6,650	7,150	250	-250
Federal.....	2,250	2,500	2,600	-250	-350
State.....	2,900	2,600	2,850	300	50
Local.....	1,750	1,550	1,700	200	50

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

with the greatest but this has obviously been an unusual year. Claims have been abnormally high especially in April and July as large pipeline layoffs occurred. These layoffs have driven the claims load up in September. The question arises, can claims continue at this level now that we are out of the immediate post-pipeline period? It seems likely that they will as the seasonal addition of more displaced workers boosts the current number of claimants. Also secondary employment declines which were expected to accompany the loss of pipeline jobs are still working their way through the economy. Until this cycle is complete the unemployment insurance claims load will be as great as last year. This trend has also been projected for statewide unemployment by the labor departments econometric model.

Human Resources: Claimants who previously worked in the construction industry have increased in proportion to all other claimants. Construction claims are now 57 percent of the total sample. The service sector with an 18 percent share was the next largest group followed by the transportation sector with 11 percent. Construction's proportional increase of all claims over the year has been fed by pipeline layoffs. With the bulk of these layoffs complete, the increase of construction claims should slow. However additional workers will become seasonally unemployed in construction work unrelated to the pipeline. Other seasonal adjustments should also be upcoming in trade, transportation mining and service employment.

Occupational statistics follow from the industry of attachment relationships with 54 percent of claims in structural work and miscellaneous occupations. These comprise many construction skills. Another development this month was the increase in clerical and sales workers claims, their proportion of the insured unemployed was up from 11 percent in August to 15 percent in September.

A substantial pool of experienced construction, clerical, and sales workers are unemployed in Fairbanks. The booming pace set by the Alyeska project has influenced the labor market for the past three years and it cannot be expected that the after affects will be smoothed out in only a few months. Dislocations in the labor market are bound to persist for some time. This situation is compounded in the short run due to the expected construction of the Alcan gas pipeline. The prospect of a gasline has temporarily frozen the local market as people hope to gain gas pipeline work. This theory is supported

by the increasing duration of many unemployment insurance claims. The problem is further compounded in that the next pipeline's construction will require fewer workers and is not expected to begin for at least 16 months. The imbalance in the labor market therefore is likely to persist for some time driving up the unemployment insurance load.

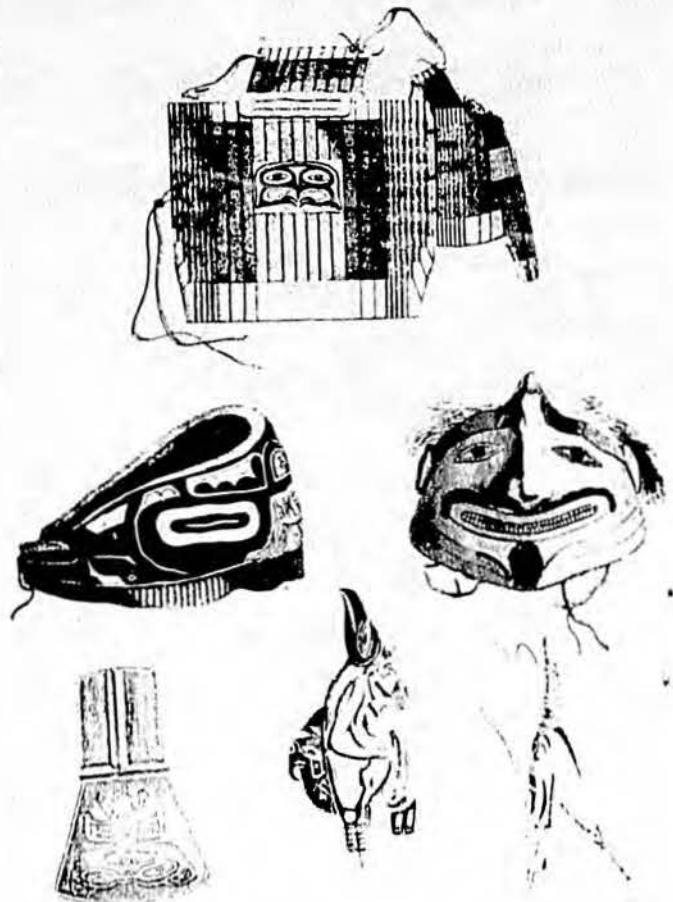


Photo: Alaska Historical Library

HOURS AND EARNINGS - SELECTED INDUSTRIES ^{1/}

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	9-77	8-77	9-76	9-77	8-77	9-76	9-77	8-77	9-76
MINING.....	760.78	727.08	665.91	51.3	49.8	48.5	14.38	14.60	13.73
CONTRACT CONSTRUCTION.....	1011.10	1046.64	1229.57	53.3	56.0	60.6	18.97	18.69	20.29
MANUFACTURING.....	391.84	373.18	302.86	39.5	42.6	36.8	9.92	8.76	8.23
Food Processing.....	204.70	268.27	176.79	35.6	41.4	32.8	5.75	6.48	5.39
Logging-Lumber & Pulp.....	498.18	491.96	424.00	43.7	45.3	42.4	11.40	10.86	10.00
WHOLESALE TRADE.....	364.29	362.48	358.75	29.9	40.5	40.4	9.13	8.95	8.88
RETAIL TRADE ^{2/}	245.05	255.27	242.68	32.5	33.5	35.9	7.54	7.62	6.76
FINANCE-INSURANCE & REAL ESTATE..	209.21	226.58	199.14	-	-	-	-	-	-

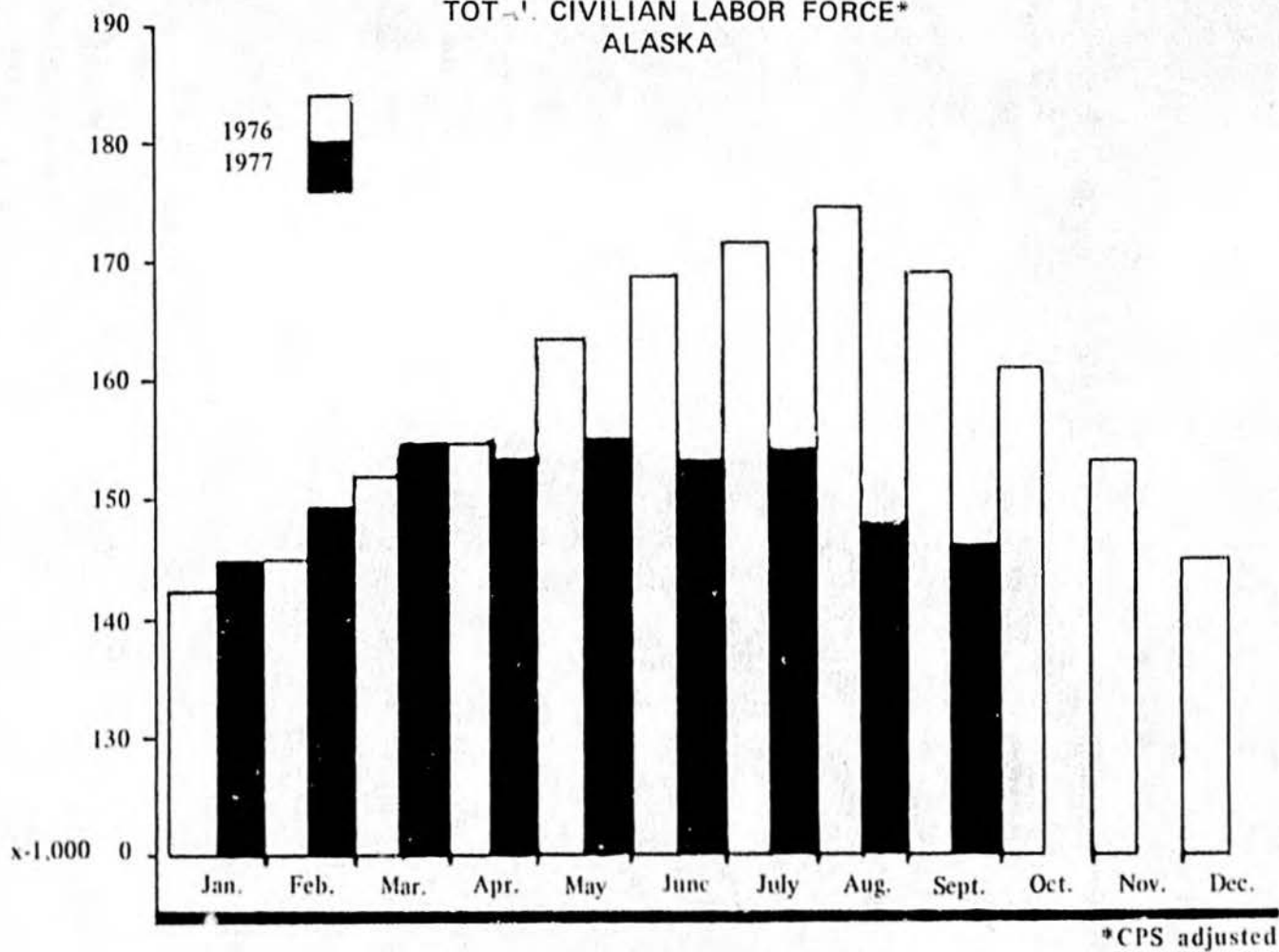
EXPLANATION NOTES:

AVERAGE HOURS & EARNINGS SERIES: Averages are based on data for full- and part-time production and non-supervisory workers and are for gross earnings and hours worked, or paid for, including overtime pay and hours. Administrative, supervisory, technical, and office personnel are excluded.

^{1/} Prepared in cooperation with Bureau of Labor Statistics, U. S. Department of Labor.

^{2/} Excluded eating and drinking places.

TOTAL CIVILIAN LABOR FORCE*
ALASKA



ALASKA
DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
P.O. BOX 3-7000 JUNEAU, ALAS. A 99802

EMPLOYMENT SECURITY MAIL
POSTAGE AND FEES PAID
LAB 449

00670
OFFICIAL BUSINESS
ALASKA STATE LEGISLATURE
PERMANENT FUND
538 W 5TH AVE
ANCHORAGE AK 99501

STATE OF ALASKA

DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

BOX 1149 - JUNEAU 99811

Dear Reader:

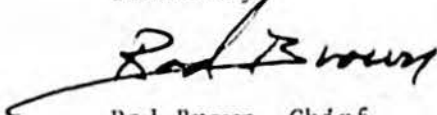
This publication has been designed to provide a wide variety of people with an overview of statewide industry composition and recent trends in the Alaskan economy. Three areas of interest have been provided to the reader: a short description and history of major Alaskan industries, an analysis of current trends and pipeline impact on those industries that were affected, and a base line forecast to 1978 from the Alaska Department of Labor's econometric model.

Industry employment, unemployment, population, and wage forecasts on the following pages were generated using conservative assumptions about economic activity in 1977 and 1978, e.g., no gas pipeline or significant outer continental shelf (OCS) development until after 1978; no significant government spending in 1977 and 1978, etc. As a consequence, the forecasts can be considered "base case forecasts". Hopefully, this approach will provide a foundation for which planners, business leaders, and others can build their own assumptions and forecasts of future economic activity.

For those interested in other opinions on post-pipeline trends in economic activity, the Institute of Social and Economic Research-University of Alaska, released economic forecasts in March of 1977 and the Alaska Department of Commerce and Economic Development will release their forecasts sometime in October of 1977. Also the National Bank of Alaska and the Alaska Pacific Bank maintain economic research units. Ralph Waldo Emerson once said, "Our knowledge is the amassed thought and experience of innumerable minds".

We hope this publication will serve as a valuable tool to decision makers and others who are concerned with the past, present, and future direction of the Alaskan economy. Any comments or questions concerning this publication will be welcome and can be directed to the Research and Analysis Section at the Alaska Department of Labor.

Sincerely,



Rod Brown, Chief
Research and Analysis
(907) 465-4500



**ALASKA'S
ECONOMIC OUTLOOK**

1966 - 1978

ALASKA'S ECONOMIC OUTLOOK

1966 - 1978

Jay S. Hammond, Governor
State of Alaska

Edmund N. Orbeck, Commissioner
Department of Labor

David L. Gale, Chief
Research and Analysis

July, 1977

This publication was prepared through joint efforts of:

Lynn Pistoll, Labor Economist
Steve Harrison, Labor Economist

TABLE OF CONTENTS

	<u>Page</u>
Preface	1
Introduction	1
In a Nutshell	2
Total Non-agricultural Wage and Salary Employment	4
Employment by Non-Basic Industries (Historical and Model Forecasts)	5
Construction	5
Wholesale and Retail Trade Employment	6
Transportation Employment	8
Services Employment	9
Finance, Insurance, and Real Estate Employment	11
Employment by Basic Industries (Historical and Model Assumptions)	12
Manufacturing Employment	12
Mining Employment	12
Federal, State and Local Government Employment	14
Communications and Public Utilities Employment	16
Civilian Population	19
Unemployment	21
Total Non-agricultural Wages and Salaries	21
The Labor Model	22
Discussion	22
Assumptions	23
Appendix: Accompanying Statistics for Graphics	25

PREFACE

The seed for this publication was planted nearly a year ago as a requisite for labor market information forecasts traditionally provided by the Research and Analysis section of the Department of Labor. The task then, was to provide employment forecasts by industry over a two year period for use by planners, educators, business organizations, government agencies, and others who are concerned about what tomorrow may have in store.

In the recent past, employment growth among most industries in Alaska showed trends of consolidated growth and reasonable accuracy in forecasting employment for various sectors could almost be achieved by using a straight line "ruler methodology". Unfortunately, or perhaps fortunately, forecasts were required for 1977 and 1978, the period immediately following completion of the Trans-Alaska Pipeline project. Since several major industries in Alaska experienced abnormally rapid increases in employment during the project, forecasting post-pipeline impact became a more complicated undertaking. The "ruler methodology" was therefore abandoned for a more sophisticated technique.

The project took root and began to flourish when on line access to a computer in Juneau was achieved. Steve Harrison and Lynn Pistoll with the Research and Analysis Section of the Department of Labor, programmed an intricate computer software package, established a working data bank, and developed a simulation model for the Alaska economy based on their extensive research of industry structures in the state.

As is generally the case, much of the credit in a project like this belongs to those who are least recognized. Much appreciation is extended to the entire staff of the Research and Analysis Section, most of whom diligently contributed to the modeling effort and the finished publication. Also, special thanks is extended to John Larsen with the Research Section of the Department of Revenue for his work in the beginning of the project. And finally, much tribute is extended to economists and business leaders throughout the state who have taken time to review and discuss the results of this project.

INTRODUCTION

The Alaskan economy is one of the most unique economic structures in the United States. Even during peak economic activity in 1975 and 1976, which was induced by the Trans-Alaska Oil Pipeline Project, the Alaskan economy provided work for only 180,000 people, by far the smallest employer in the union. Although the Alaskan economy is young, it could also be considered one of the richest, having a vast store-house of natural resources and having the highest per-capita income levels in the nation.

This youthfulness, smallness, and richness combined with the stabilizing effect of a large government sector and large seasonal variations in economic activity makes the Alaskan economy very unique. As a consequence, relatively little is known about the structural relationships that exist between various sectors of the economy. Even less is known about the quantitative magnitudes of the relationships involved.

There are good reasons to believe Alaska's economic activity is fairly independent of the economies with which it interacts. The combined effect of the factors contributing to Alaska's uniqueness can be expected to produce short-term patterns of economic activity that vary noticeably from those observed in the rest of the United States. More so, the large capital and labor intensive activities which have recently been characteristic in the development of Alaska's oil resources has even added to this effect by creating large demands on Alaska's small economic base; for example, during the construction of the Trans-Alaska Oil Pipeline, employment in Alaska grew 56 percent while the rest of the nation suffered through a slight recession.

This study then, is an attempt to examine industry relationships in Alaska as an independent system, interacting in response to exogenous interests operating within the state as well as the overall growth in state and local government, population, and the export sector of the economy.

Industry employment data, the oldest and most consistent data series in the state, was used as a measure for evaluating Alaska's overall growth. By reviewing significant events in the past and their effects on the historical industry employment series, certain statistical relationships were achieved, reduced to a set of equations, then organized into a modeling format.

The graphs and tables of employment by industry discussed in the succeeding pages have been organized to show actual quarterly employment from 1966 to 1976, the model

forecasts over the same period and, a continuation of the model forecasts to 1978. Because the model is driven into the future using basic assumptions, careful consideration was given to include only those assumptions which were likely to have a significant influence on the economy over the next two years. The model forecasts then, should be considered as a base case, or the most likely path of future growth.

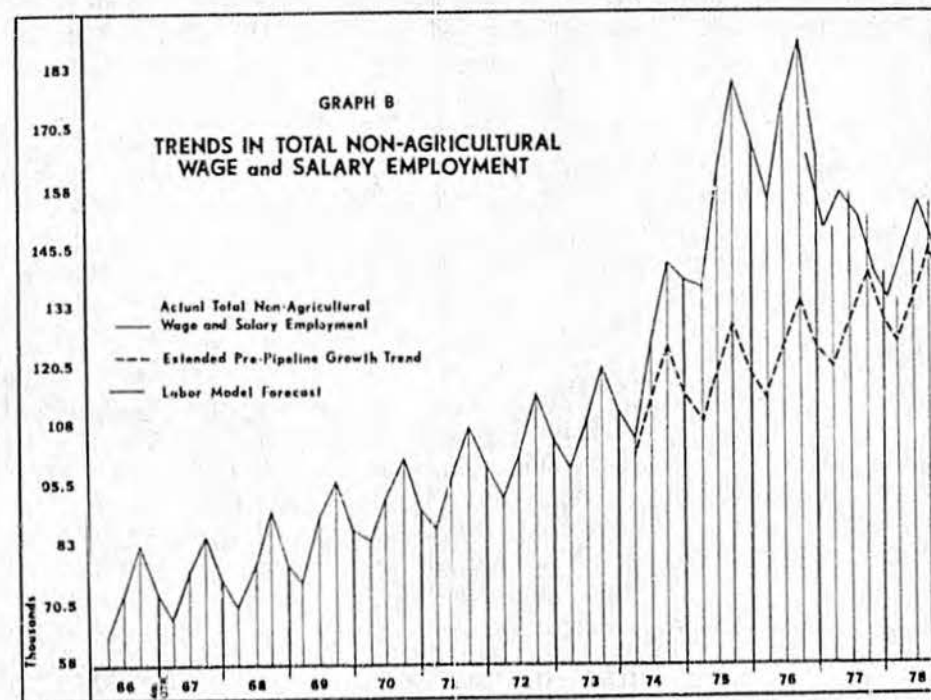
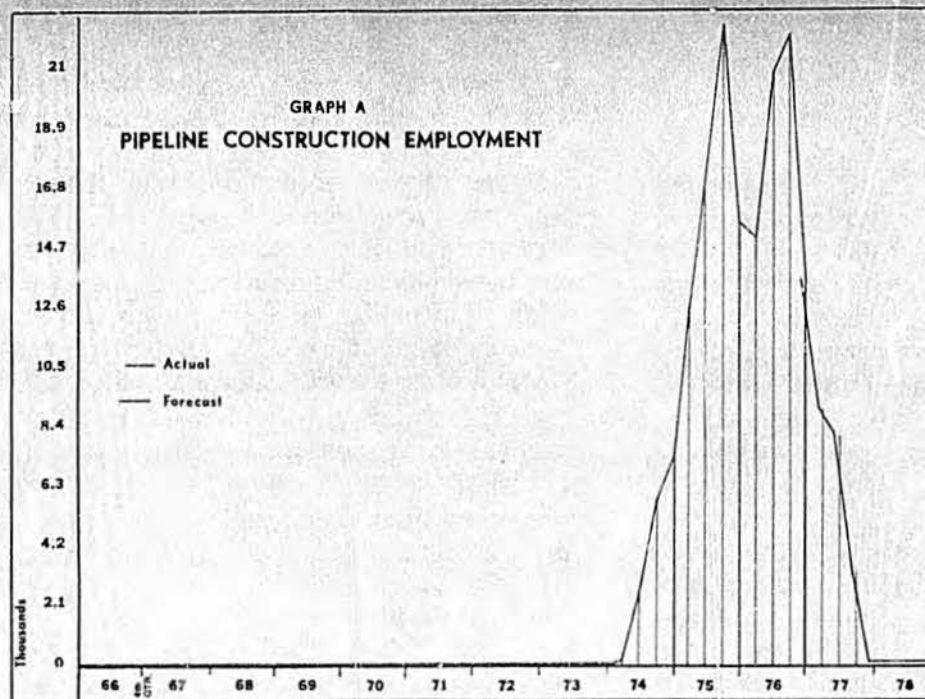
Economic model building is a never ending process: as the structure of the economy changes so must the model. This work marks only a beginning to the research and understanding of basic structures in the Alaskan economy. The model equations and even the model structure will be subject to continuous refinement as more and more information comes to light. We sincerely solicit input from our readers as to ways in which both the modeling effort and the contents of this publication can be improved to better meet their needs.

IN A NUTSHELL

Most people are aware that total employment in Alaska has increased substantially over the last three years due to direct and indirect effects of the Trans-Alaska Oil Pipeline project, the biggest private construction project in history.

Two graphs have been presented in this section which clearly summarize pipeline construction employment, and the effect it had on the overall growth trend in Total Non-agricultural Wage and Salary employment.

Graph A exhibits the quarterly average



employment for pipeline construction. Work began in 1974 and employment on the project increased rapidly peaking in the summer of 1975. Seasonality in employment which is common for the construction industry in Alaska was virtually eliminated with regard to pipeline construction employment. Work on the pipeline dropped a bit during the winter of 1976, clearly showing a double peak in the pipeline construction effort. Pipeline construction employment has since been falling off much the way it went up and should be bottoming out in the summer of 1977.

Graph B illustrates the quarterly pre-pipeline growth trend (1966 through 1973) of Total Non-agricultural Wage and Salary Employment extended through the pipeline construction period into 1978, the actual growth as a consequence of pipeline construction, and the most likely direction in total non-agricultural employment after pipeline completion. Briefly, from 1966 to 1973 Total Non-agricultural Wage and Salary employment experienced an annual growth rate of nearly 6 percent. Over a three year period, 1973-1976, the annual growth in Total Non-agricultural employment increased to over 16 percent for a total increase of 56 percent during the three year construction period. As economic activity slows down with the completion of the pipeline, the Labor Model forecasts a 15 percent decline in employment over a two year period, bottoming out in the winter of 1978 and then continuing growth at a level slightly higher than the extended pre-pipeline growth level.

TOTAL NON-AGRICULTURAL WAGE AND SALARY EMPLOYMENT

DESCRIPTION

Total employment in Alaska includes all those who are working within the state excluding military. Non-agricultural Wage and Salary employment on the other hand excludes agricultural workers, military personnel, unpaid family workers, domestics, and other self-employed persons. The source for total Non-agricultural Wage and Salary Employment is largely the Unemployment Insurance contribution reports filed by employers in the State and is the most accurate and consistent series available which enumerates workers at their place of work. Total employment, rather, is an estimate based on certain adjustment factors to Total Non-agricultural Wage and Salary employment. The adjustment ratios were established from 1970 Census Information and "statistically account" for agricultural workers, unpaid family workers, domestics, self-employed persons, and multiple job holders. The ratios also adjust the series to account for workers by their place of residence rather than their place of work. Since 1970, Non-agricultural Wage and Salary employment has made up at least 95 percent of the estimated total employment in the State.

HISTORY & RECENT TREND

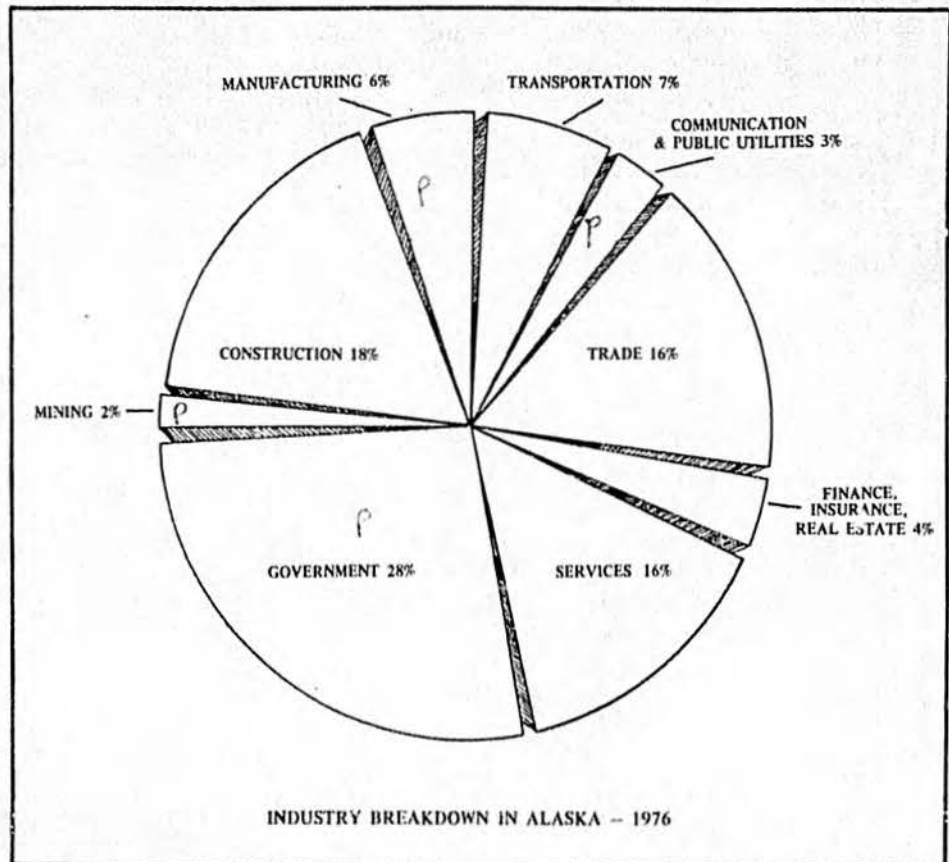
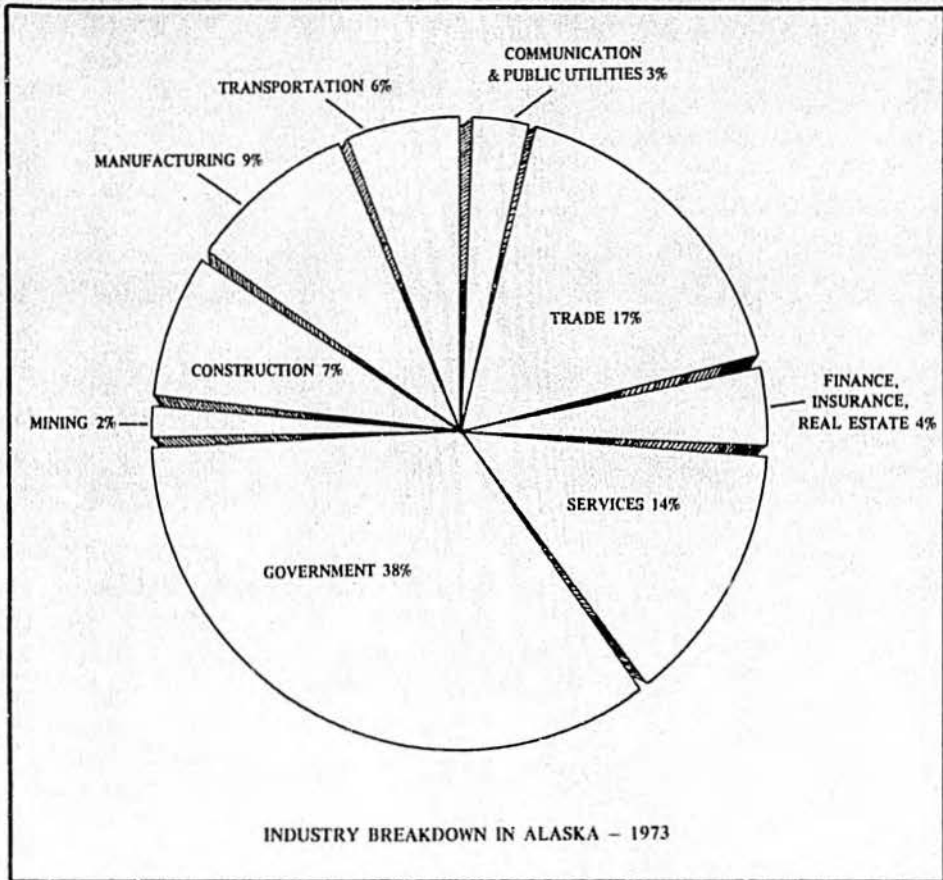
Traditionally, Alaska's employment has been dependent upon the development of the state's natural resources. The mineral, fishing and timber industries formed the basis for the early period of economic expansion. Following World War II employment related to natural resources began losing significance as defense related employment grew. The 33,000 military personnel in Alaska in 1965 was nearly half as large as total

Non-agricultural Wage and Salary employment during the same year.

Non-agricultural Wage and Salary employment in Alaska has been growing at a much faster rate than the national average. The period from 1966 to 1973 showed an average annual growth rate of 6 percent as compared to 2.7 percent for the nation. In 1974, with the beginning of the Trans-Alaska Pipeline project, Total Non-agricultural Wage and Salary employment increased 16.7 percent over 1973. Over a three year period, 1974-1976, Total Non-agricultural Wage and Salary employment increased 56.3 percent.

FORECAST

The pipeline project along with its multiplier effects has essentially been responsible for the large increase in Total Non-agricultural Wage and Salary employment during 1974, 1975, and 1976. Although pipeline employment added roughly 23,000 to the work force at peak, total Non-agricultural Wage and Salary employment from the third quarter of 1973 to the third quarter of 1976 went up nearly 70,000. The forecast for calendar year 1977 shows a 12.7 percent decline in Total Non-agricultural Wage and Salary employment. Employment should continue to decline to a low in the winter of 1978 before it begins adjusting to normal growth. 1978 will offer approximately another 3 percent decline in employment for a total drop of 15.5 percent in two years.



Construction employment will take the largest fall, dropping over 60 percent in two years. Services, next in line, will drop over 20 percent by calendar year 1978. Finance, Insurance, Real Estate, and Transportation should decline by roughly 15 percent by 1978 while Trade will drop around 13 percent. Federal Government employment will remain relatively stable while state and local government, manufacturing, and public utilities will increase by roughly 12 percent, 3 percent, and 8 percent respectively by 1978. Mining, a difficult industry to follow, is assumed to increase 15 percent by 1978.

EMPLOYMENT BY NON-BASIC INDUSTRIES

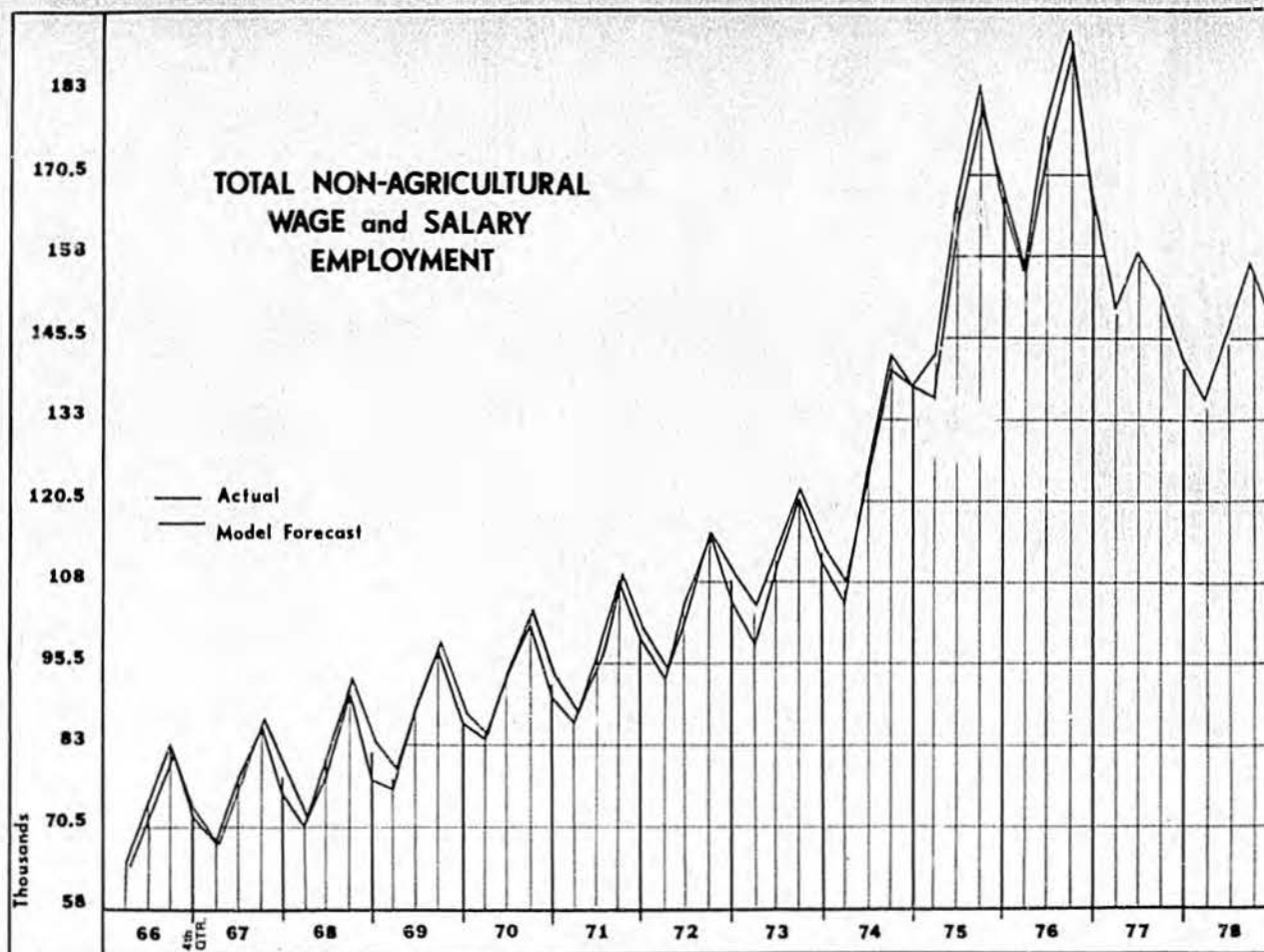
CONSTRUCTION

DESCRIPTION

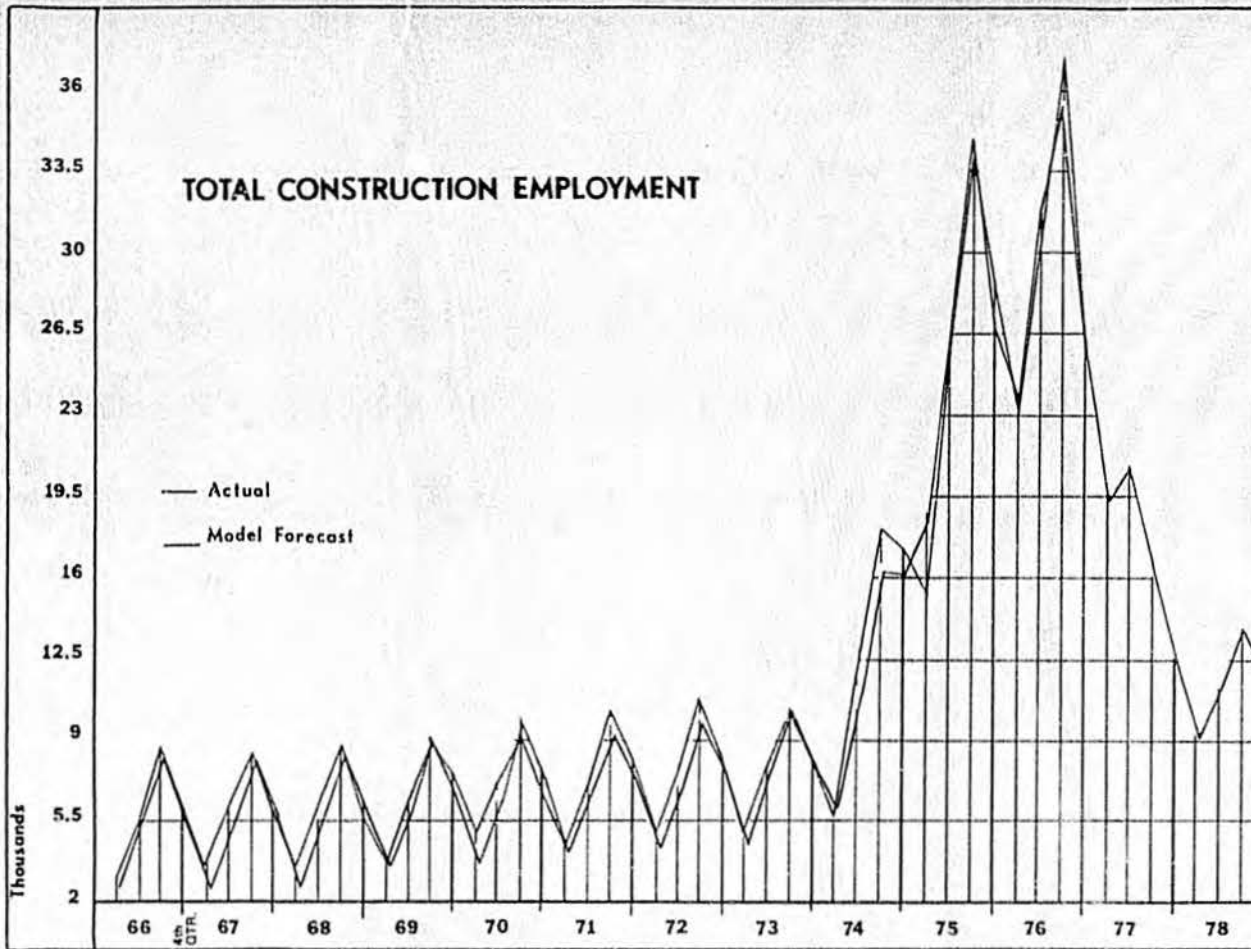
Essentially there are two kinds of construction in Alaska; general building construction, involving the construction of residential dwellings, office buildings, stores, and other projects of similar character; and heavy construction, which involves construction of public facilities such as highways, airports, bridges, or large private concerns such as oil and gas pipelines, processing plants, and connecting facilities.

HISTORY

Construction has always played an important role in the development of the Alaskan economy. In the early 1900's when the economy was essentially oriented toward resource extraction (fishing and mining), construction employment was required for the building of canneries, docks, mining facilities, and support communities. Later,



NOTE: Please see accompanying statistics on page 26



NOTE: Please see accompanying statistics on page 2.

construction shifted largely to national defense and related activities. In 1964, the year of the earthquake, construction received a shot in the arm. Employment jumped 33 percent to 5,600. 1966 to 1973 represented a period of steady straight-line growth for the construction industry. The annual growth for this 7 year period was 4.1 percent as compared to 3 percent for the nation during the same time. In 1974, with the beginning of the Trans-Alaska Pipeline project, employment in construction jumped 70.5 percent. And over a three year period, 1974-1976, employment increased a dramatic 288 percent.

FORECAST

Construction employment experienced the sharpest increase in employment in the state during the pipeline construction project and will most likely experience the largest decline after the project. The forecast for 1977 shows construction dropping 46 percent over 1976 and another 33 percent in 1978, leveling off somewhere slightly above the extended pre-pipeline growth trend. This represents a 64 percent decline over a two year period.

WHOLESALE AND RETAIL TRADE

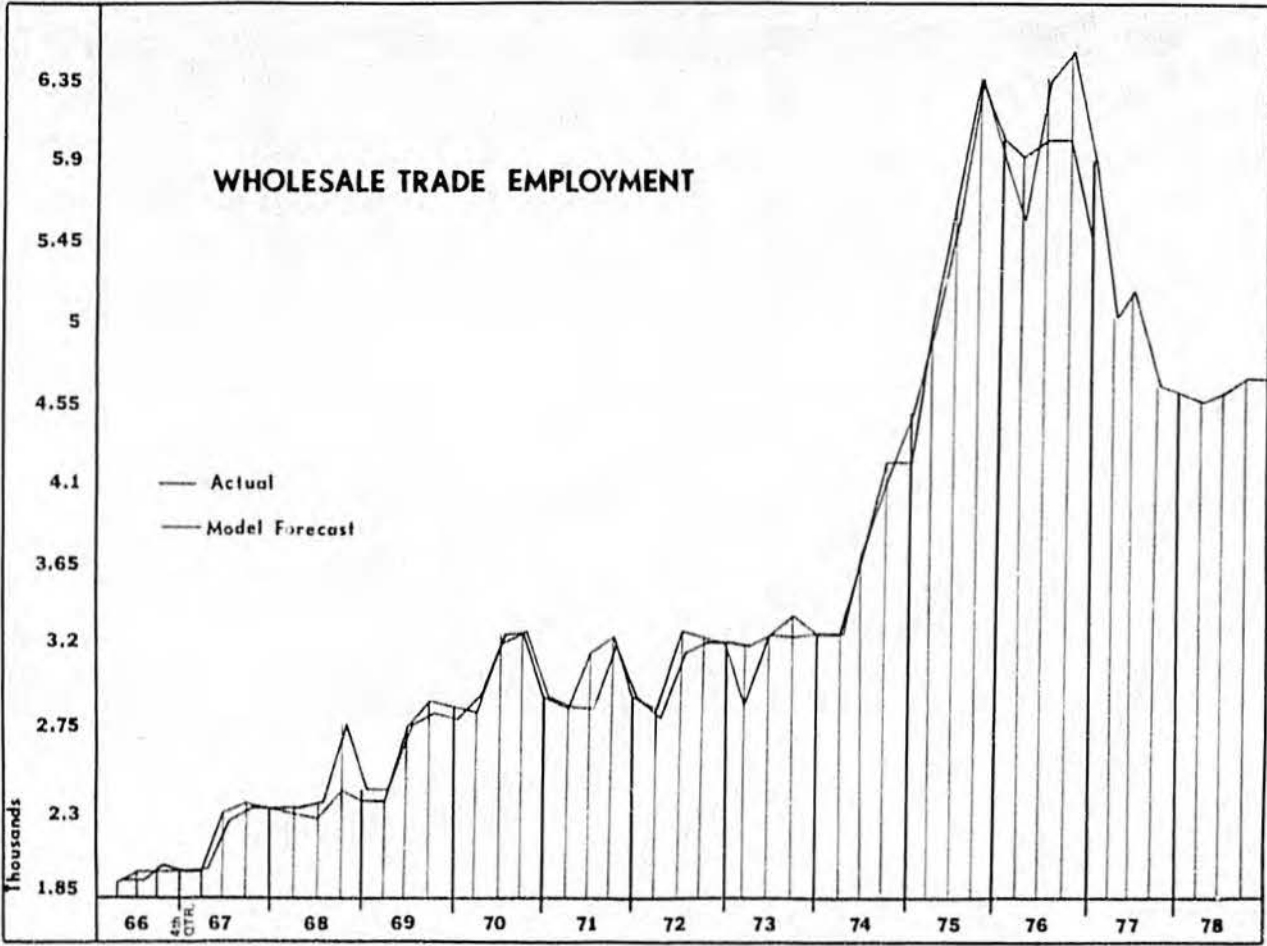
DESCRIPTION

The Wholesale and Retail Trade industry in Alaska is similar in composition to the trade industry in the lower 48. Wholesale establishments are primarily engaged in selling merchandise to retailers, industrial, commercial, institutional, farm, and professional users. Retail establishments on the other hand, usually buy from wholesalers and sell for personal or household consumption.

HISTORY AND RECENT TRENDS

Historically, retail trade employment in Alaska has claimed a larger share of the total Wholesale and Retail Trade Industry when compared to the national average. Wholesale outlets in the past, and much so today, are located primarily outside of the state, particularly in Seattle, Washington. More recently, with the expansion of the oil and gas industry and rapid population growth, the 1973 employment for retail trade comprised 81 percent of total Wholesale and Retail Trade employment within the state. The period from 1966 to 1973 showed retail trade increasing rather steadily at an annual rate of 7.4 percent. Wholesale during the same period increased at a slower annual rate of 6.8 percent. During the pipeline construction boom there was a distinct shift in industry relationship between these two components. Although retail trade increased 47.4 percent from 1973 to 1976, wholesale trade increased 77.4 percent, a much more responsive increase. The fact that wholesale increased over one and a half times faster than retail trade during the boom period indicates that the wholesale industry in Alaska is extremely responsive and competitive in relation to industrial and commercial demand within the state, as well as increases in demand for consumer goods through the retail trade industry.

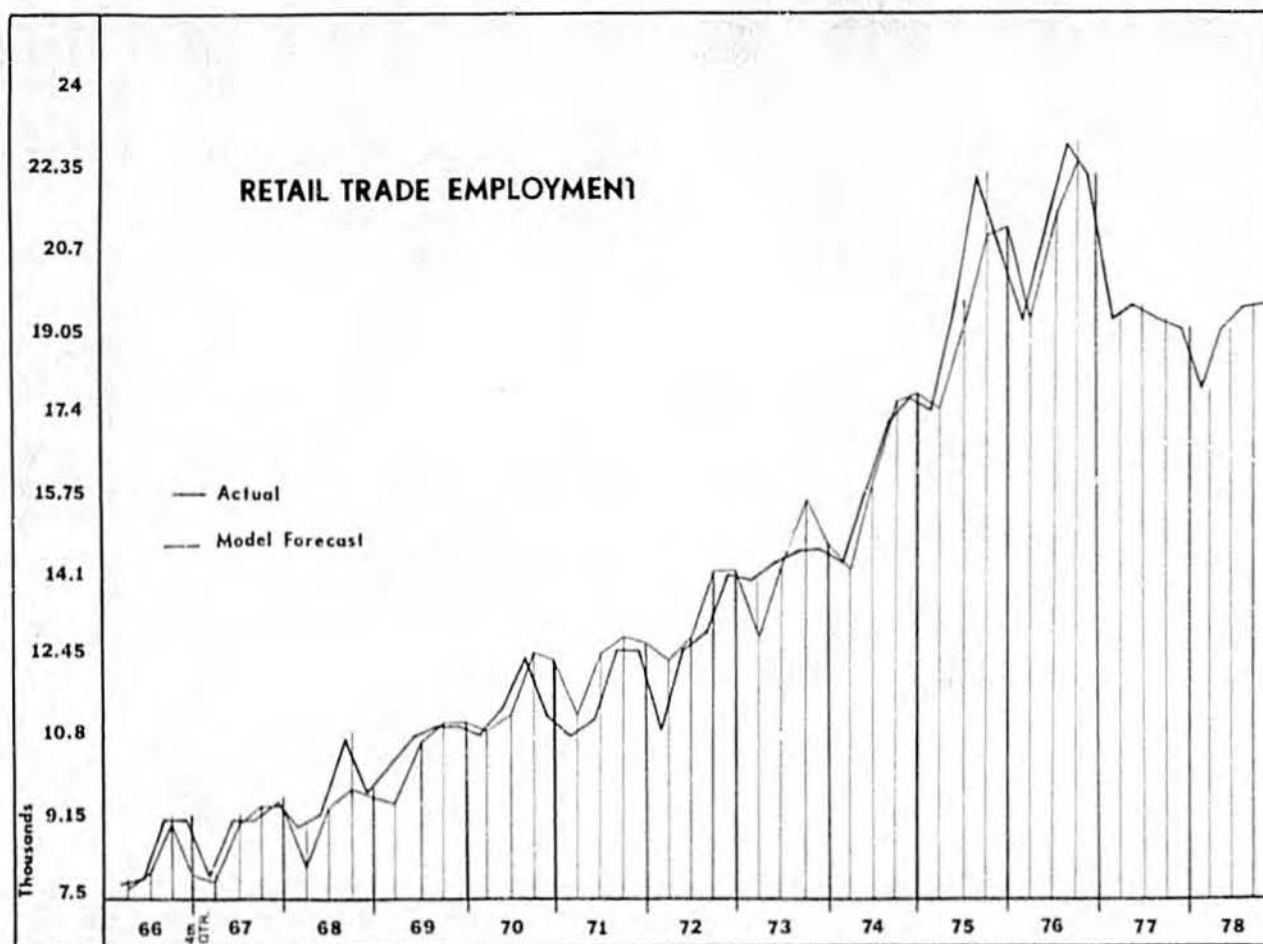
Note: Please see accompanying statistics on page 28



FORECAST

The forecast for 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, which was much more responsive to the recent increase in economic activity, should also be more responsive to a decrease in economic activity. Wholesale

NOTE: Please see accompanying statistics on page 29



trade employment should decline by 15.4 percent in 1977 and another 5.1 percent in 1978 or a total of 19.7 percent over a two year period. Retail trade employment will take less of a decline, dropping 10.8 percent in two years, most of which will be experienced in 1977.

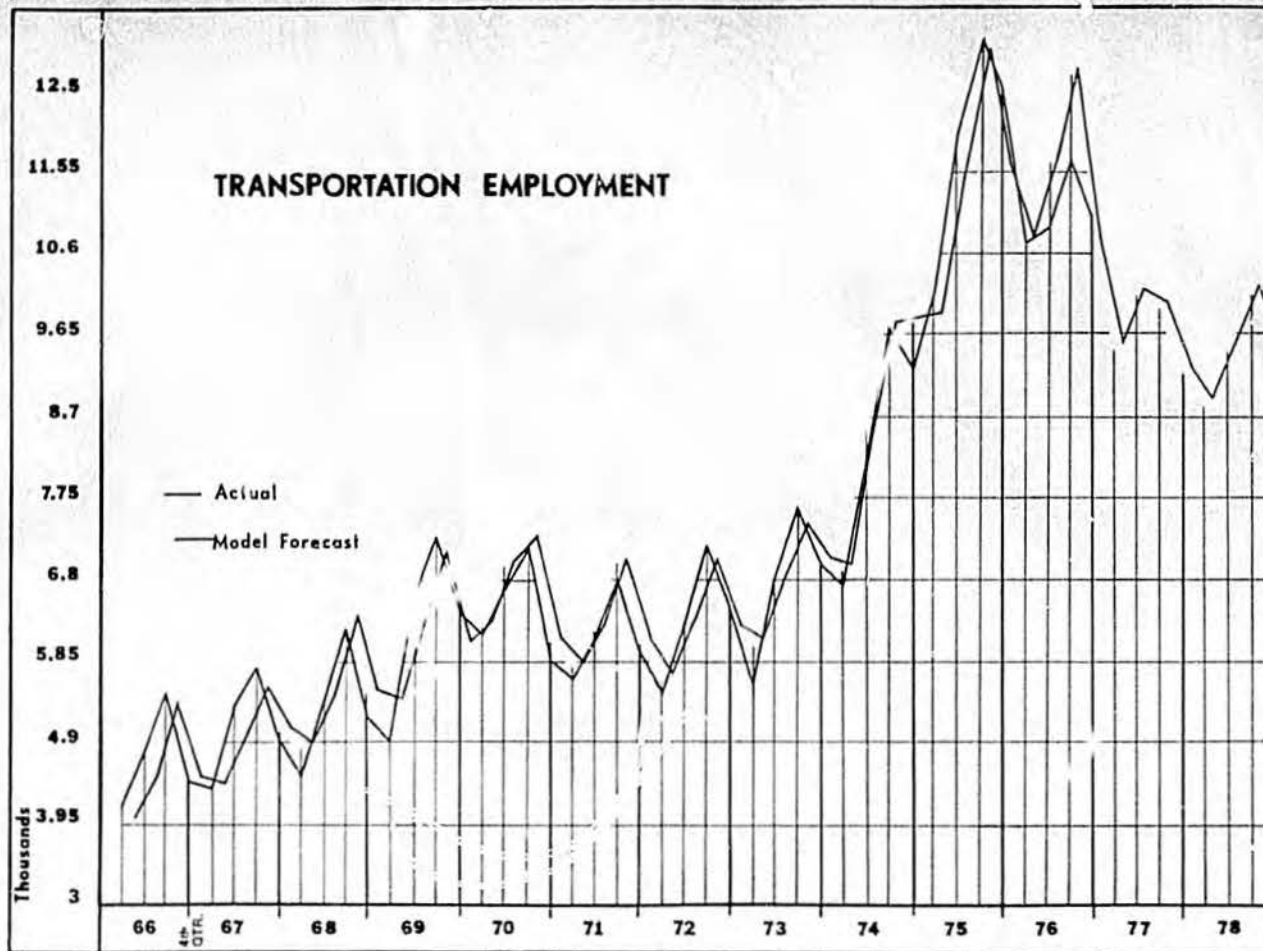
TRANSPORTATION

DESCRIPTION

Air, Water, and Trucking and Warehousing make up the bulk of employment in Alaska's transportation industry. Air transportation made up approximately 40 percent of total transportation employment in 1975 while trucking and warehousing comprised about 33 percent. Although water transportation is very important in Alaska's transportation industry, technological breakthroughs such as cargo containerization have reduced employment levels even though waterborne commerce continues to grow. Water transportation made up only 12 percent of total transportation employment in 1975.

HISTORY AND RECENT TREND

Prior to the advent of the plane, water transportation was the primary mode of moving people and supplies to and from Alaska. The building of the Alaska-Canada Highway and other defense related roads by the military and technological leaps in the air industry gave way to a changing transportation system. Air transportation became increasingly popular for providing more timely services to both bush and urban communities. By the early 1970's there were approximately 500 airstrips in Alaska, one for every 650 people. From 1966 to 1973 total



NOTE: Please see accompanying statistics on page 30

transportation employment grew sporadically increasing 43.7 percent for an annual growth rate of 5.3 percent. Employment jumped 19 percent in 1969 as the North Slope oil boom generated the largest demands for air cargo in Alaska's history. Because of the delay in pipeline construction, employment levels decreased in 1970. 1974 marked another surge in employment sparked by the beginning of the pipeline project. By 1975 transportation employment increased 75.7 percent over 1973 employment levels.

FORECAST

1976 showed a slowing down of employment in the transportation industry as the pipeline neared completion. Although some activity will continue as surplus pipeline construction materials and equipment are removed from the state, 1977 should show a decline in employment, of approximately 12.5 percent leveling off in 1978 with another 2.1 percent drop.

SERVICES

DESCRIPTION

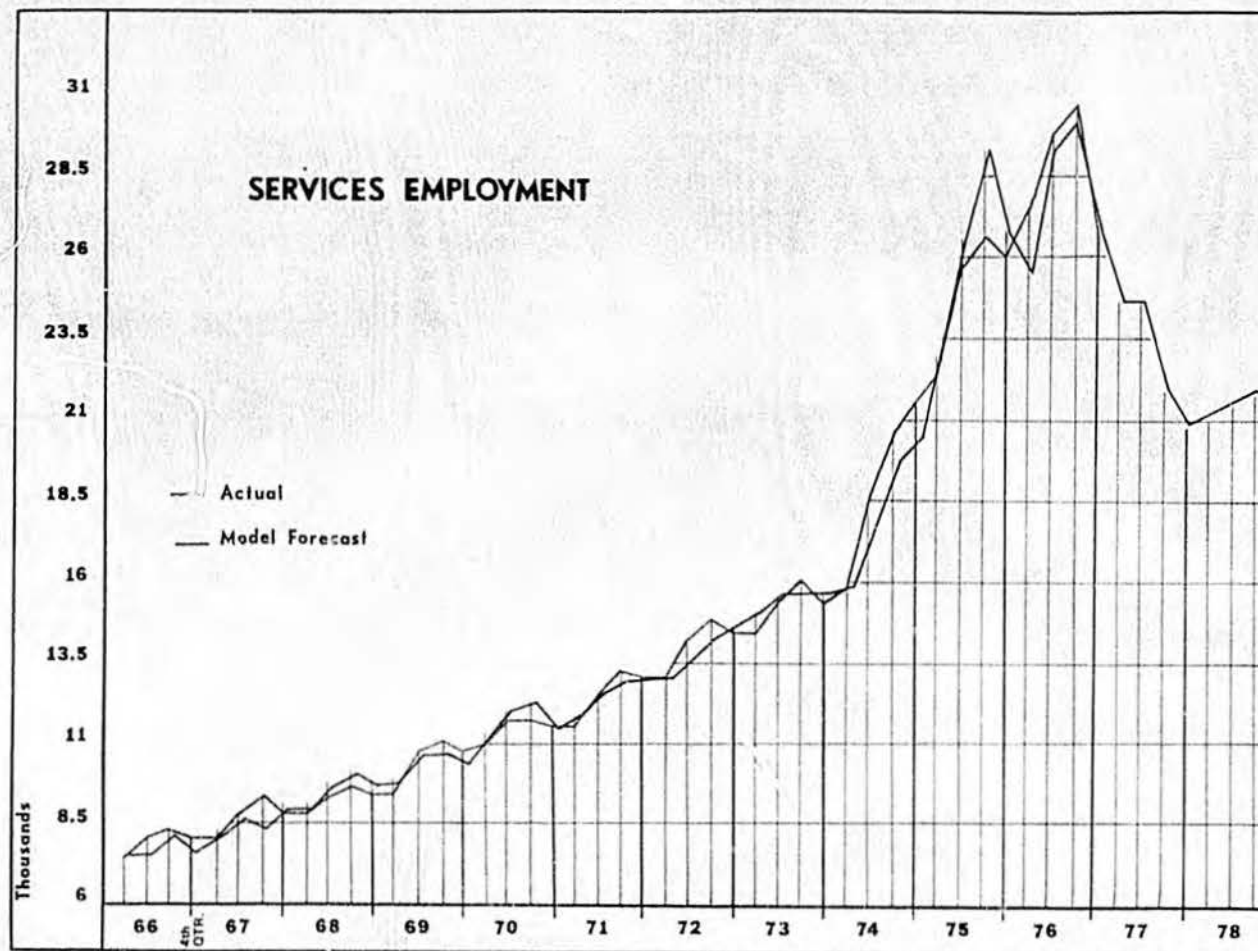
Alaska's growing diversity with respect to population and industry has recently attracted many personal and business services, which in the past have been provided outside the state or simply were not available. The Service industry is primarily engaged in providing a wide variety of services for individuals, business and government establishments, and other organizations. The largest components of the Alaskan service industry are business services, medical services, lodging services, and personal services respectively.

HISTORY AND RECENT TRENDS

As the natural resource foundation of the prewar economy (fishing and mining) succeeded to an upward thrust of growth in public enterprise (particularly military and government) services became an increasingly important component of the economy. Looking at the period from 1966 to 1973, the service industry in Alaska experienced an annual growth rate of 10 percent, growing over two times faster than the national average during the same period. During the Trans-Alaska Pipeline project, services, a major support sector, grew at an annual rate of 24 percent peaking in the third quarter of 1976 with slightly more than 30,000 workers. Business services experienced the greatest change responding directly to the specialized and highly technical needs of pipeline construction. Personal services also experienced large increases in employment, responding to pipeline induced increases in population and disposable income.

FORECAST

The low capital nature of the service industry provides for fast entry and fast exit. With respect to market conditions, services are among the first to move into a "boom" situation and among the first to leave a "bust" situation. Besides construction, services experienced the largest increase in employment during the three year pipeline project, increasing 88.5 percent. The forecast shows services declining by 18.7 percent in 1977 and another 5.9 percent in 1978 for a total decline of 23.5 percent over a two year period.



NOTE: Please see accompanying statistics on page 31

FINANCE, INSURANCE, AND REAL ESTATE

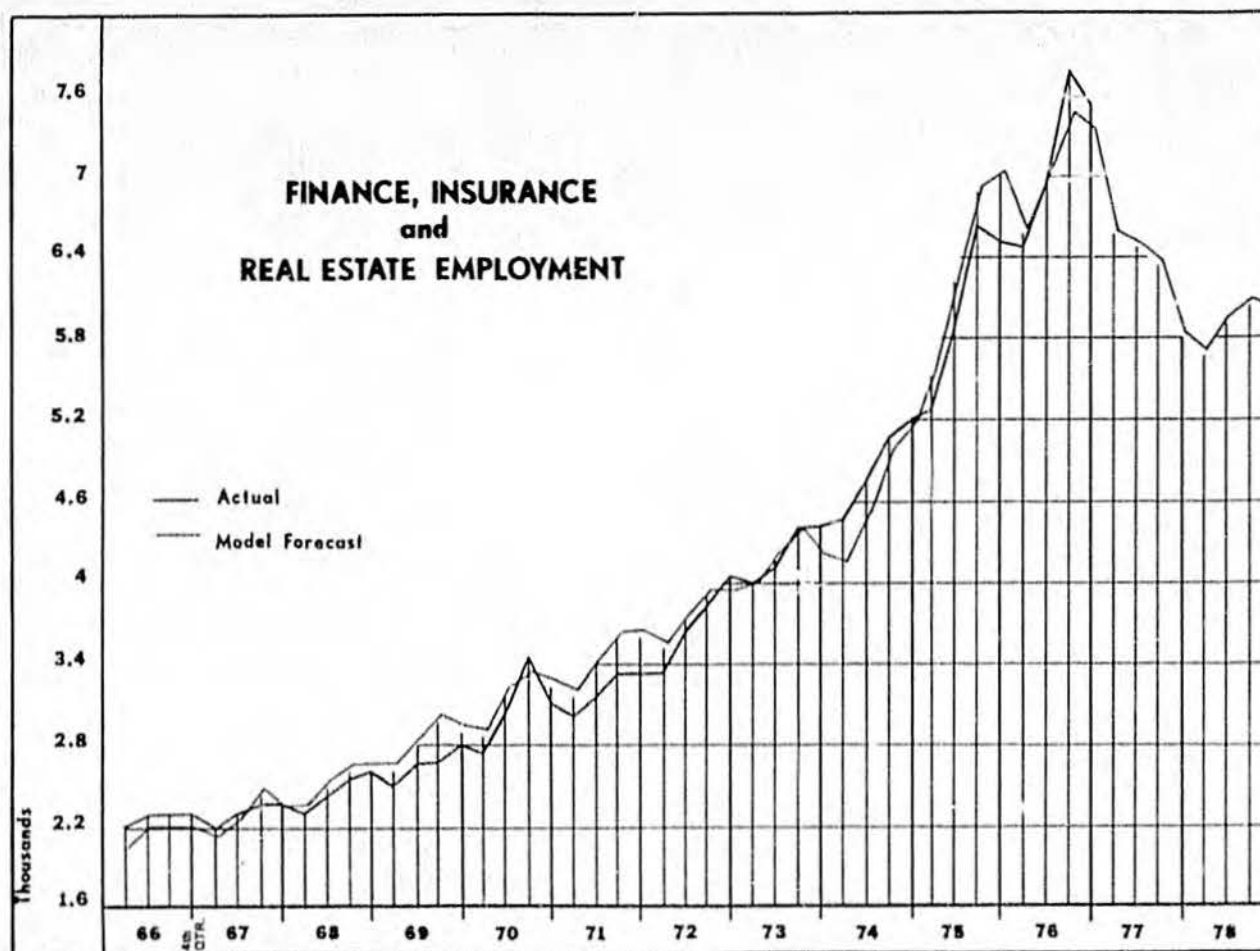
DESCRIPTION

This industry division includes establishments operating in the field of finance, insurance, and real estate; where finance can be broken down more specifically into banking, credit, investment, and securities and commodity activities. As of the third quarter of 1976 banking activities provided the largest share of employment for this division with 39 percent. Insurance and real estate activities made up a majority of the remainder, each providing 20 percent of total employment in the division. Trusts and investment management offices appear to be gaining importance with respect to employment distribution in the Finance, Insurance, and Real Estate division in Alaska, having nearly 12 percent of this industries employment in 1976.

RECENT TREND

From 1966 to 1976 employment in Finance, Insurance, and Real Estate increased at an increasing rate. Three distinct periods of growth can be seen. The slower growth period from 1966 to 1969 showed employment increasing at an annual growth rate of 5.1 percent. Most likely sparked by the discovery of oil at Prudhoe Bay in 1969, the rate of increase picked up, increasing at an annual growth rate of 12.5 percent through 1973. The third period of growth began with pipeline construction start up in 1974. From 1973 to 1976 employment in Finance, Insurance, and Real Estate increased 70 percent for an annual growth rate of 19.2 percent.

NOTE: Please see accompanying statistics on page 32



The fastest growing sector of the finance industry during the pipeline construction period was trust and investment management offices, increasing in employment by 268 percent grasping another 7 percent of the total employment in the Finance, Insurance, and Real Estate industry division. Employment in Insurance increased 91 percent from the third quarter of 1973 to the third quarter of 1976 increasing its share of total employment in the division by 2 percent. Although banking employment increased by 68 percent during the same period, it dropped 2 percent of its relative share in total division employment. Likewise, real estate dropped 3 percent of its employment share and credit agencies - 2 percent, although they experienced absolute increases in employment of 54 and 33 percent respectively.

FORECAST

Because much of the Finance, Insurance, and Real Estate industry is characteristic of not reducing their staff in proportion to immediate decreases in economic activity, it is believed that employment in this industry may not drop as far as the forecast may indicate. The forecast shows a 10 percent drop in employment in 1977 and another 6 percent decline in 1978. The sectors which experienced the largest increases in employment from 1973 to 1976, primarily investment management and insurance, should show the largest decline in employment responding directly to decreases in disposable personal income and population.

EMPLOYMENT BY BASIC INDUSTRIES

MANUFACTURING

DESCRIPTION

Manufacturing in Alaska can essentially be viewed as the basic link between the resource sector of the Alaskan economy and the consuming sectors of national and international economies. Fishing and timber are the states two largest renewable resources. These are linked directly to fish processing and logging—lumber and pulp, which accounts for eighty percent of all manufacturing employment in the state. Although manufacturing is the largest and most dynamic sector of the national economy, comprising 25 percent of total nonagricultural employment, manufacturing in Alaska makes up only six percent of the state's total nonagricultural employment.

HISTORY AND RECENT TREND

Prior to statehood, the processing of salmon provided the strongest link of Alaska's resource sector to the national economy. Lumber was primarily used for local consumption until 1954 when pulping operations were introduced. Although there have been expansions in the wood products industry prior to statehood, the food processing industry grew very slowly due to lower volumes of returning salmon.

The period from 1966 to 1973 showed total employment in manufacturing increasing at an annual growth rate of 5.1 percent. Although manufacturing has experienced reasonable growth over the last 10 years, the

industry is characteristic of experiencing no growth or even small declines during so called "bad seasons" when fishing does not meet up to expectations.

FORECAST

Manufacturing is expected to grow more slowly over the next two years due to growth limiting factors in the wood products industry and no exceptionally optimistic forecasts for the fishing industry. Manufacturing should remain relatively constant through 1977 increasing approximately three percent in 1978.

MINING

DESCRIPTION

Mining is often used in a broad sense to describe various activities involved in the process of extracting minerals from the earth. Included among these activities is oil and gas exploration and development, which in 1975, made up 90 percent of all mining in Alaska. Even though oil and gas mining activity has its "ups and downs", the low in oil and gas employment following the "oil rush" to Prudhoe Bay in 1969 still made up 84 percent of total mining employment in Alaska.

HISTORY AND RECENT TREND

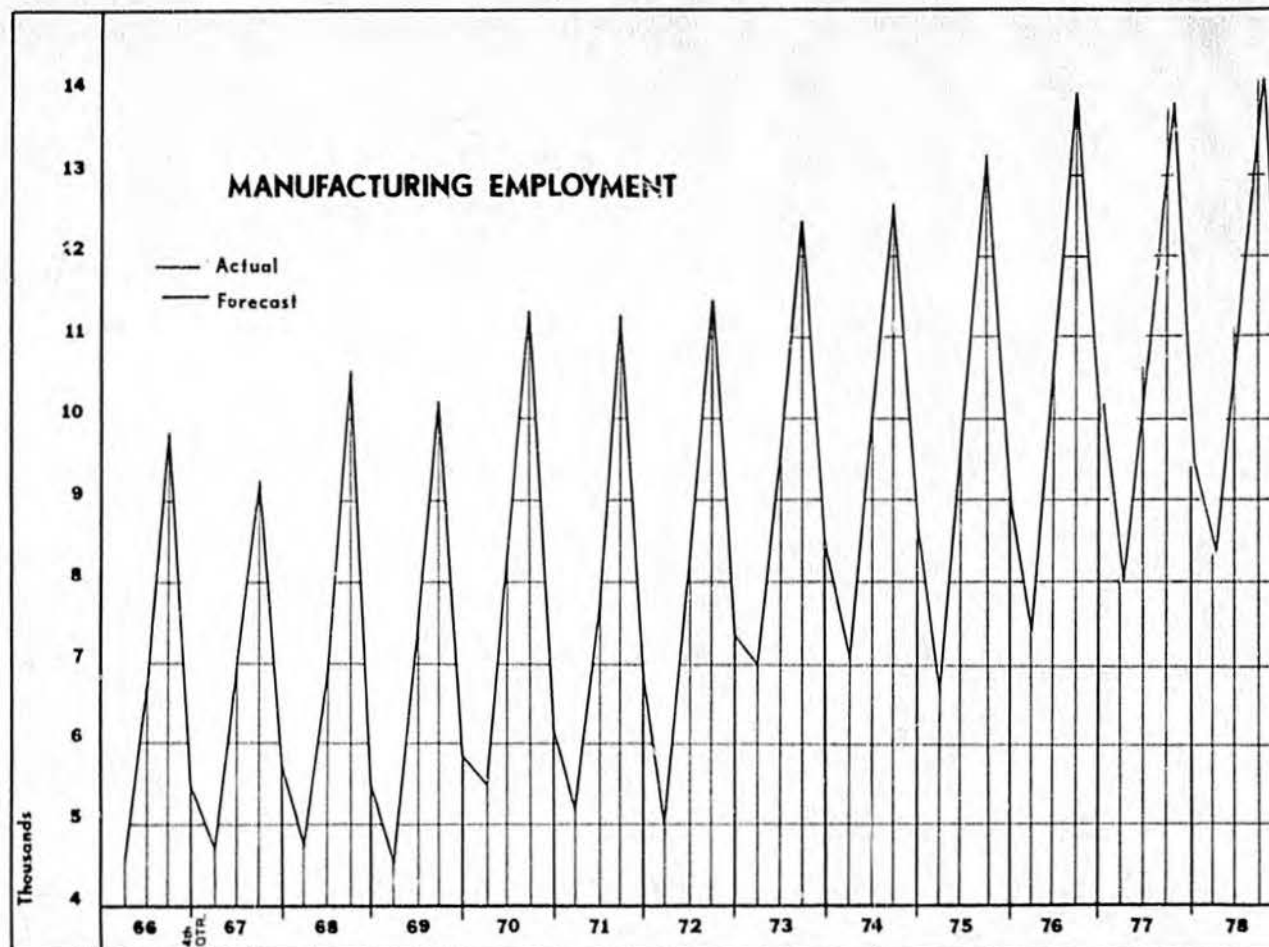
Mining employment in Alaska goes back to the late 1800's when gold was the active ingredient in the economy. Prospecting, quarrying, milling and other activities associated with gold extractions provided the essence of employment in the mining industry, which lasted well into the 1900's.

Oil mining came on the scene as early as 1921 when the Standard Oil Company made an effort to stake claims to potential oil lands southeast of Barrow on the Arctic Coast. Oil mining really didn't come to life until the discovery of oil in 1957 on the Kenai Peninsula. Exploration, development, and production activities continued throughout the 1960's and by 1969 with the discovery of oil at Prudhoe Bay, oil and gas mining employment reached 3,700. The delay in pipeline construction started oil and gas employment on a downward trend which bottomed out in the fourth quarter of 1972 with 1,700 employees. In anticipation of the beginning of pipeline construction, oil and gas employment reversed its trend, growing fast and peaking in the second quarter of 1975 and once again in the second quarter of 1976 with roughly 3,800 employees.

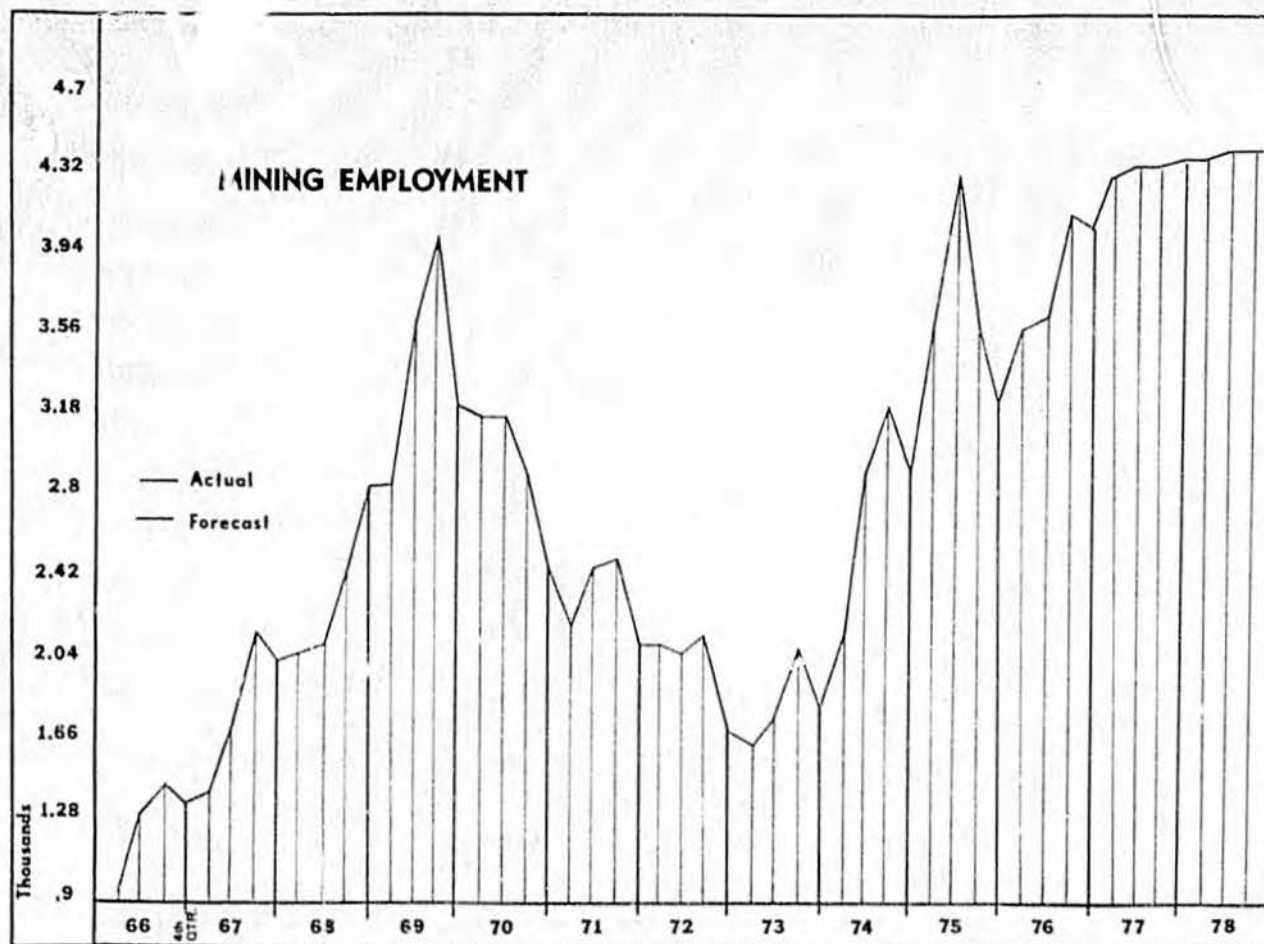
MODELING ASSUMPTION

Forecasting employment in mining is difficult due to the highly fluctuating nature of the oil and gas industry which makes up nearly all of mining employment. Mining activity will most likely slow down when oil development in Prudhoe Bay shifts to production when oil begins to flow in the summer of 1977. Exploration will continue in Petroleum Reserve No. 4, and more largely in the Gulf of Alaska. Those employed in mining operations in the Gulf of Alaska will be operating outside the jurisdictional boundaries of the State of Alaska and will not be counted into the states mining employment. Because these exploratory activities are staged from shore facilities on the Alaska Coast we can expect some direct and indirect effects on certain Alaskan industries, specifically services, construction,

NOTE: Please see accompanying statistics on page 33



NOTE: Please see accompanying statistics on page 34



and transportation. Since mining activities are important in forecasting employment in other industries we assumed mining would increase at a rate slightly lower than the overall trend, increasing 15.3 percent by 1978. This assumption could be optimistic given the cyclical nature of the mining industry.

GOVERNMENT

DESCRIPTION

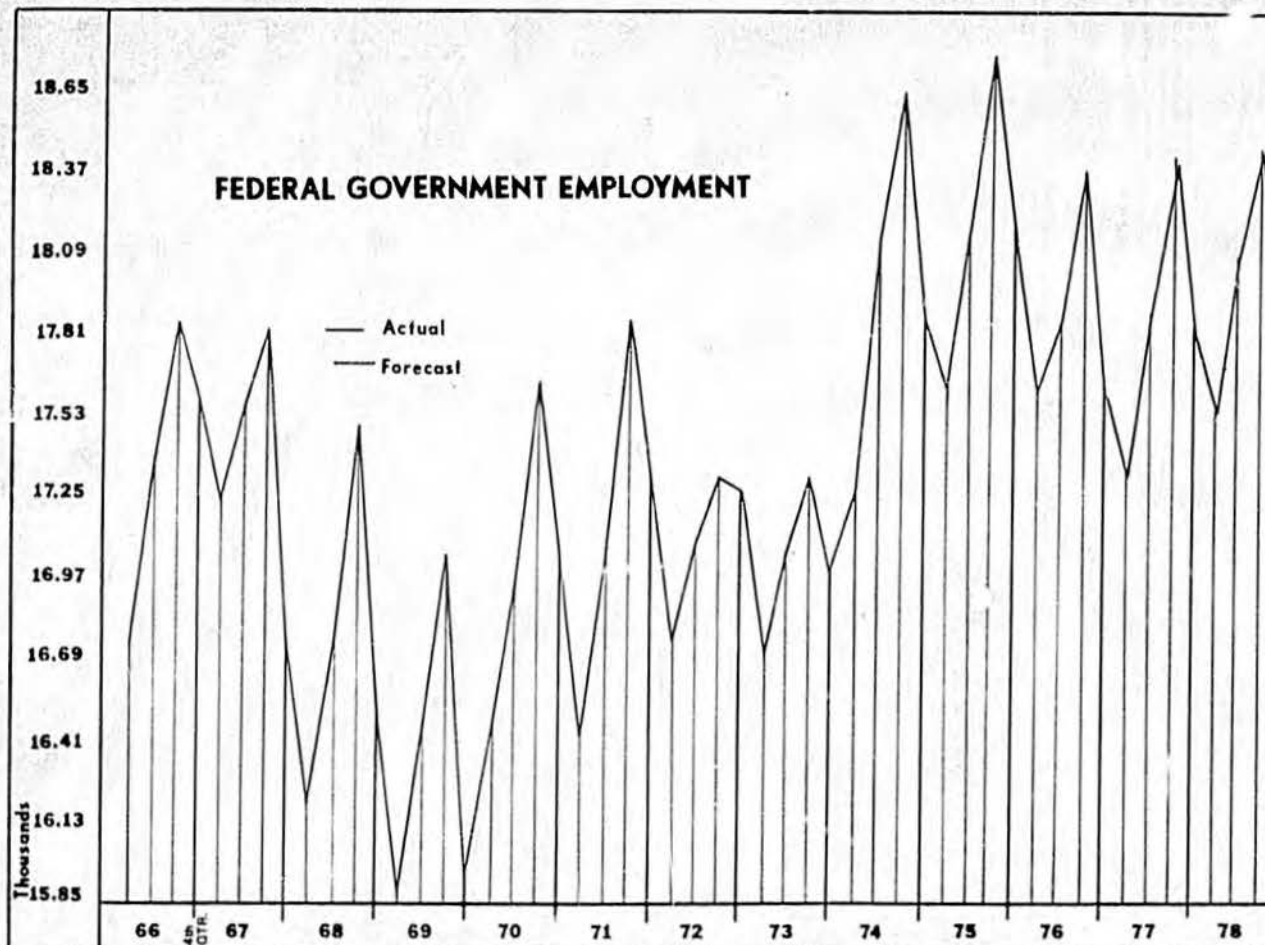
Federal, State, and Local government makes up total government employment in the State of Alaska. Civilian government employment is included in non-agricultural wage and salary employment and includes all government employment except for the military, which amounts to roughly 25,000 active personnel.

HISTORY AND RECENT TREND

Alaska's first form of government was a civil and judicial district established by the Organic Act of 1884, which marked the beginning of Federal government control in Alaska. This form of government consisted of a sketchy judicial system under federal control and a presidentially appointed governor with extremely limited powers. Under the Organic Act of 1912, Alaska became a United States territory with its own legislature, but under the federal law, local authority was limited and prescribed entirely by congressional committees and federal officials in Washington (who were believed by many to be representing the exploitation of Alaska's resources by absentee interests). Both federal and territorial administrative agencies expanded and by 1950 there were over 100 different agencies in the state.

With the outbreak of the Second World War, military construction triggered major transformations in Alaska's population and economy. Population grew rapidly in Southcentral Alaska and together with the growing dominance of the construction industry, absentee interests of Alaska's mining and fishing industries began losing power in Alaska's political system. Thus, the stage was set for the statehood movement.

NOTE: Please see accompanying statistics on page 35



In 1965, six years after statehood, federal government continued to dominate the government employment scene with 60 percent of total civilian government employment, not including the presence of 33,000 military personnel. From 1966 to 1976 civilian federal government grew only 2.5 percent as state and local government began adopting many of the administrative functions and responsibilities of federal agencies. State and Local government during the same 10 year period grew 118 percent for an annual growth rate of 8.1 percent.

FORECAST - FEDERAL GOVERNMENT

Civilian Federal Government growth prior to the pipeline construction project had a downward sloping trend. Recent federal pipeline monitoring, land claims, and leasing activities associated with oil development in the state could be largely responsible for a reverse in this trend from 1973 through 1976. Civilian federal government employment should increase slightly over the forecast period as the gas pipeline, federal lease sales, and native claims dominate the political air. The forecast for civilian federal employment shows an increase of 0.7 percent by 1978.

FORECAST—STATE AND LOCAL GOVERNMENT

Because of the opposing forces in state and local government, one, the temptation to spend oil revenues for the expansion of government services and the other, to limit state growth by "paying as we go", State and local government will likely continue on its overall trend through the forecast period increasing 12.8 percent by 1978 over 1976.

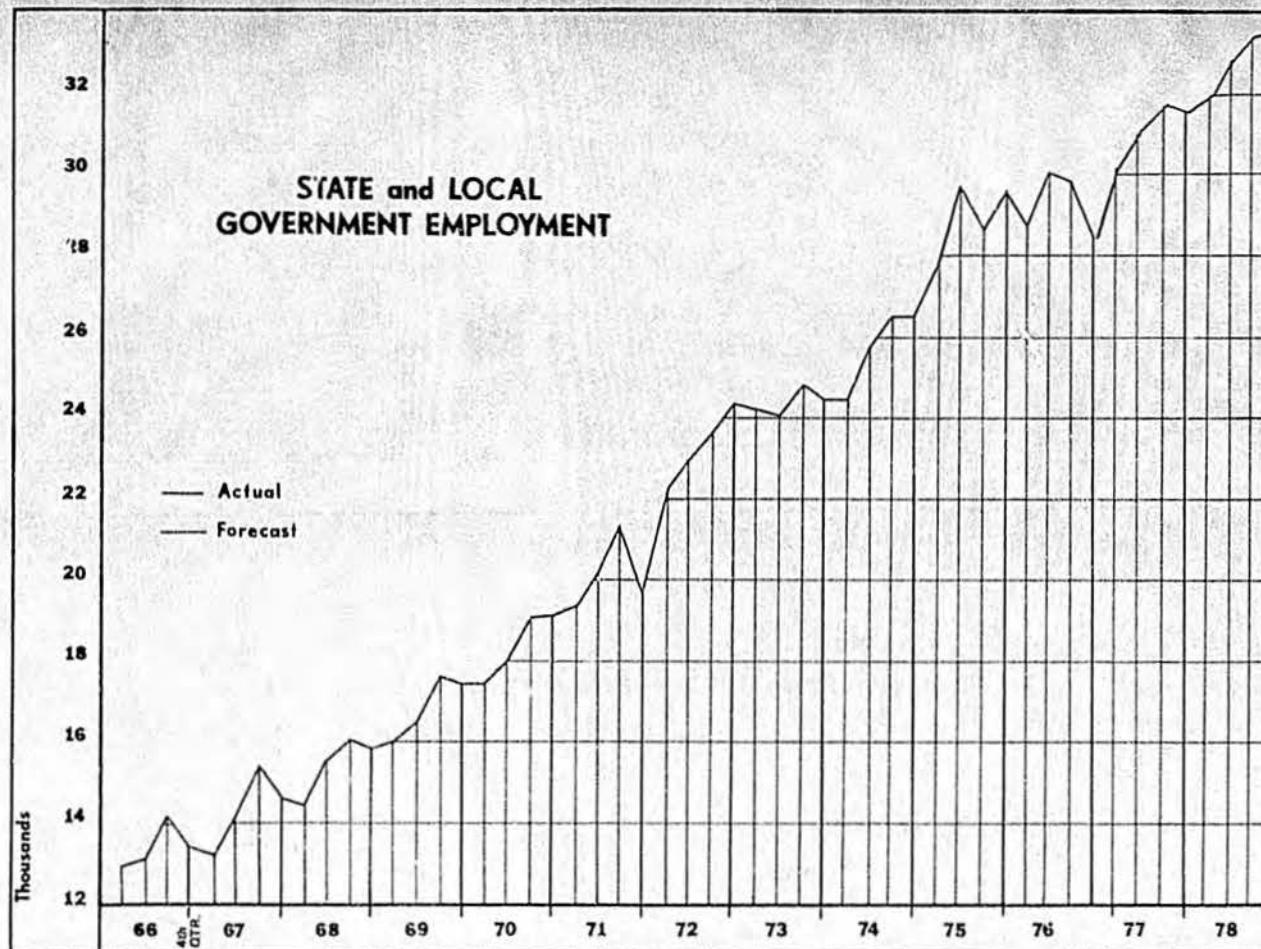
COMMUNICATIONS AND PUBLIC UTILITIES

DESCRIPTION

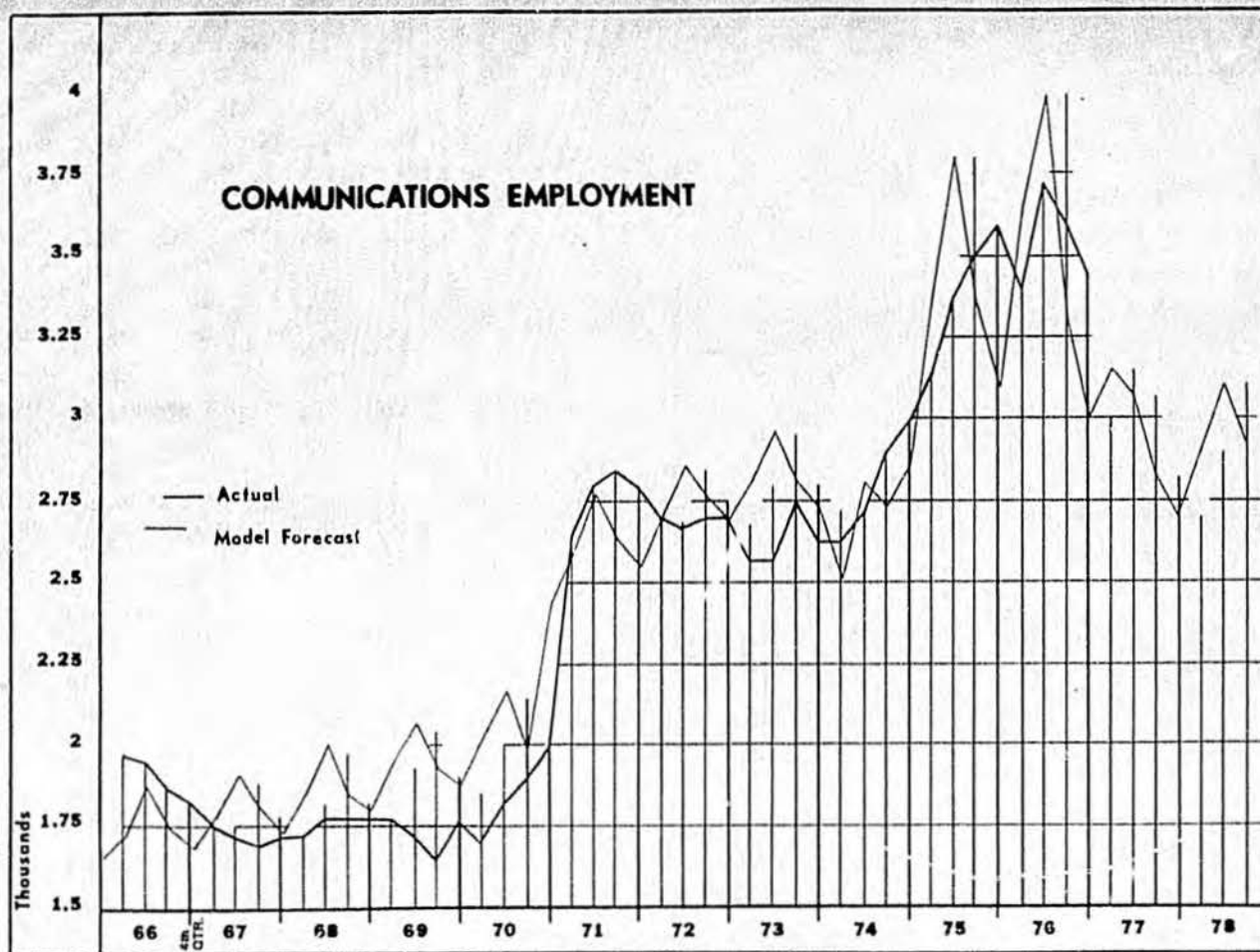
Communications and other Public Utilities are often grouped together to include basic services provided to communities within the State. More distinctly, communications employment in Alaska is based around telephone, radio, television, and point to point communication services whereas the Public Utilities employment is concentrated in electric, gas, water, and sanitary functions.

HISTORY AND RECENT TREND

Public Utilities in Alaska grew largely as a function of population increases, military demands, and technological expansion. In the 1960's the Public Utilities sector was reasonably stable fluctuating at or around 2,500 workers. In January of 1971 when RCA took over the Alaska Communications System from the military, employment jumped 42 percent to 3,700 workers as federal workers were transferred to RCA payrolls. The industry experienced reductions in employment in 1973 as a result of operating economics and technological improvements.



NOTE: Please see accompanying statistics on page 36



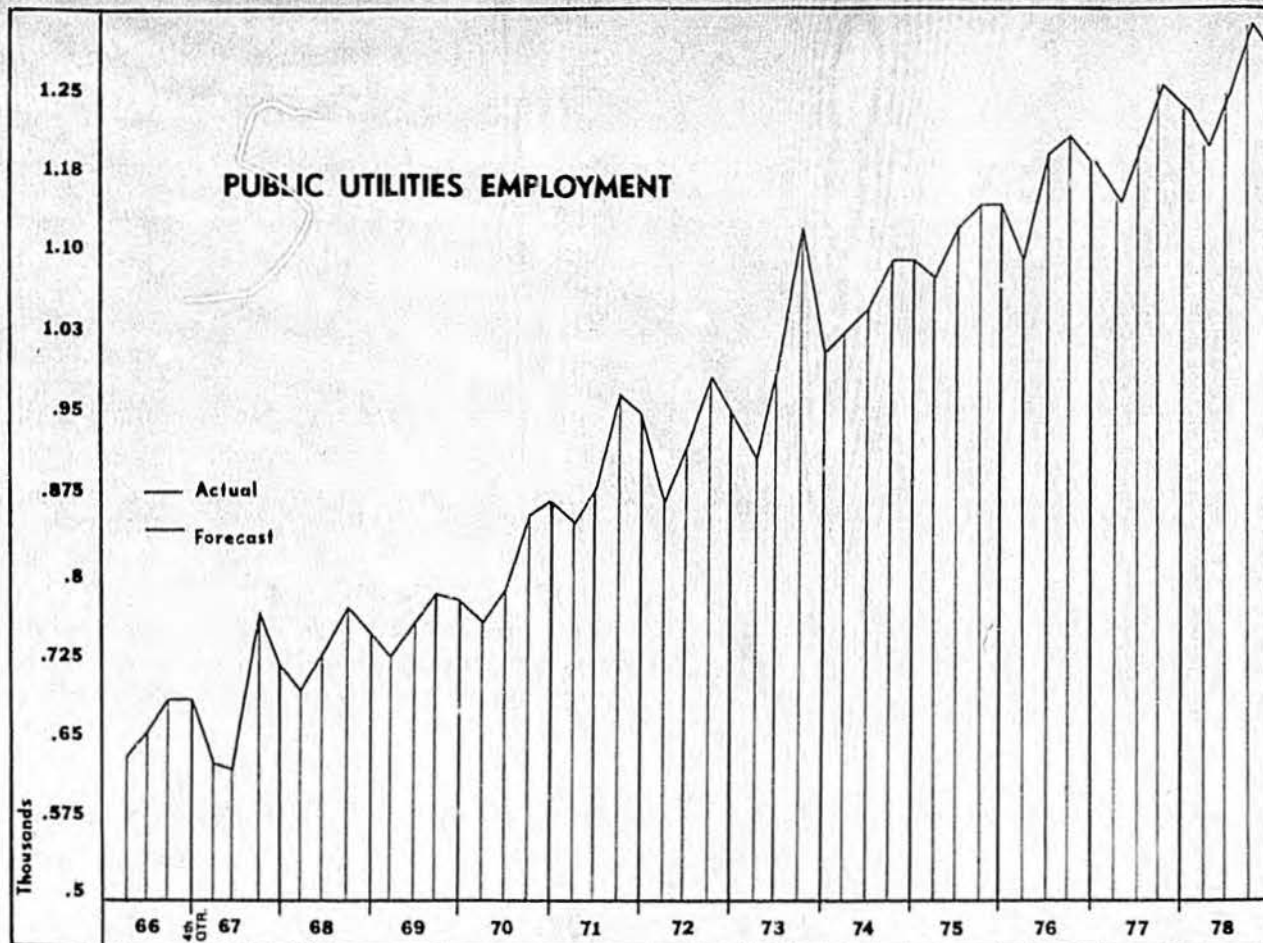
NOTE: Please see accompanying statistics on page 37

The need for an intricate communications network for the 800 mile pipeline construction project is most likely responsible for the 34.6 percent increase in communications employment from 1973 to 1976. The annual growth rate over this three year period was 10.4 percent.

Other Public Utilities, specifically electric, gas, water, and sanitary services experienced an increase in employment of 75.5 percent from 1966 to 1976 for an annual growth rate of 5.8 percent. This industry experienced straight line growth from 1966 to 1976 and virtually was unaffected by the pipeline project. Because of the large investment nature of this industry, which plans for long term growth, pipeline induced increases in population may have been considered only temporary. It is interesting to note that this industry's overall growth rate in employment is similar to the pre-pipeline growth rate for the states total employment which may indicate that Public Utilities could be a key for understanding long term growth in the economy.

FORECAST

Communications employment in Alaska has grown in leaps and plateaus sparked by national defense demands, transfers in ownership, and technological innovations, all of which are independent in response to overall growth in the economy. The recent increase in communications employment during the pipeline construction indicates that communications services are responsive to large scale projects operating in remote undeveloped regions of Alaska. Assuming communications employment also responds to the scaling down of large projects, employment in communications should drop



NOTE: Please see accompanying statistics on page 38

17 percent by 1978. However, the Airforce has recently contracted with RCA Service Company for support functions at 13 Aircraft Control and Warning (AC&W) Squadrons throughout Alaska. The contract will eliminate over a thousand military jobs at these locations. The result of this contract will most likely result in another sudden increase of civilian workers into the communication industry. At this time, the magnitude and timing of the transfers are uncertain.

Other Public Utilities can be expected to increase along its overall trend, increasing 8 percent by 1978.

POPULATION

DESCRIPTION

Alaska's population is unique in composition and the pattern in which it grows and subsides to seasonal and cyclical changes in economic activity.

Alaska typically has expanded through a series of major economic surges characterized by a large in-migration of people in search of new and better opportunities. These surges in population have subsequently evolved into; a leveling-off period as economic activity slows down, some out-migration, and then a period of consolidated growth.

Population surges in the past were sparked by the gold rush of 1898, the rapid build-up of military forces and related activities after World War II, the Alaska earthquake of 1964 and its reconstruction aftermath, the north slope oil boom in 1969, and most recently the Trans-Alaska Oil Pipeline construction project. For the near future we can expect

increases in in-migration as a consequence of the gas pipeline and capital move construction projects.

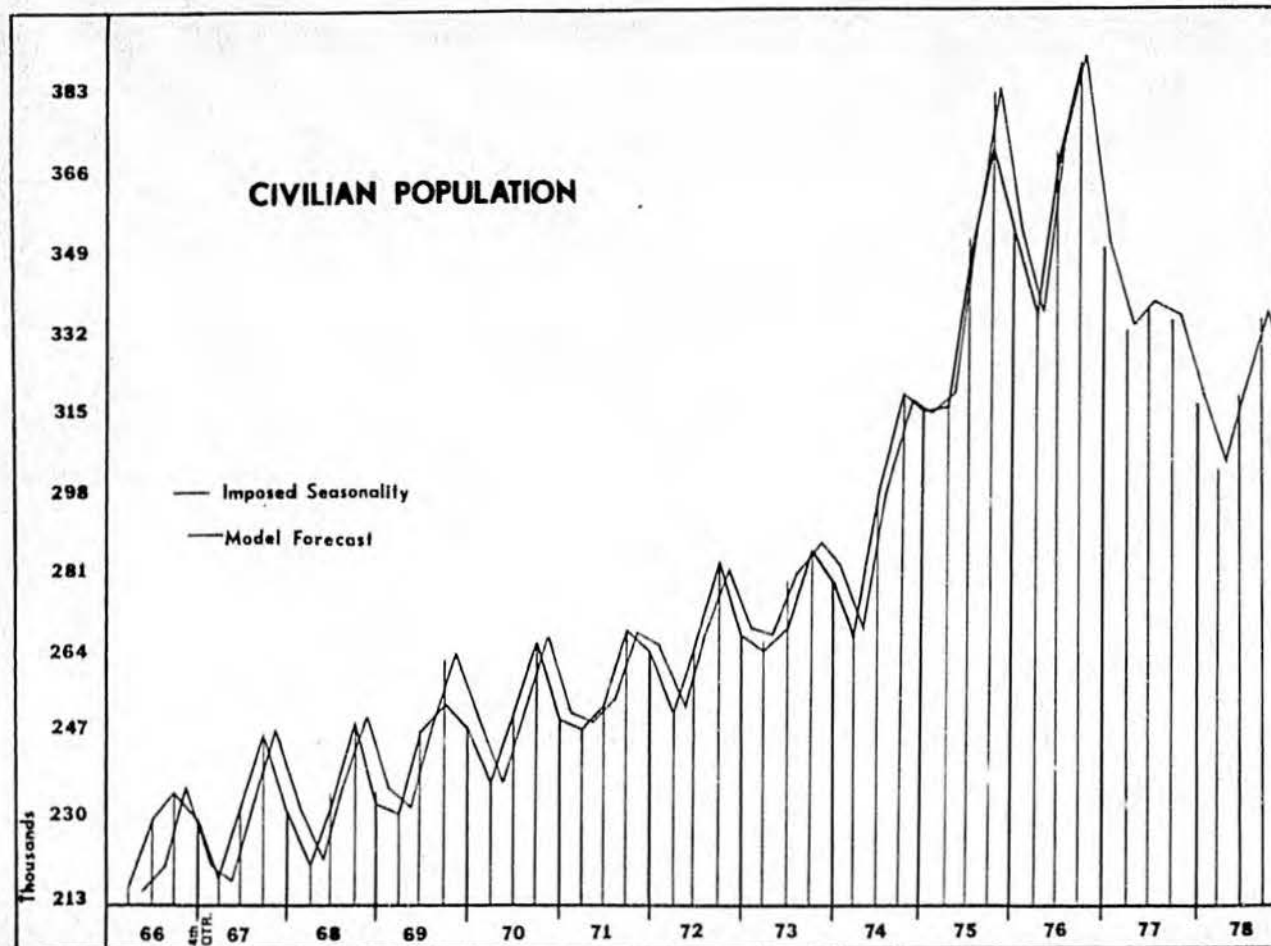
Military personnel and their dependents stationed in Alaska after World War II made up a significant part of Alaska's population. Although the trend in Military personnel has been declining and recently has leveled off at or about 25,000, it still made up 6 percent of the states total population in 1976. In 1880, 99 percent of Alaska's population were natives. Although the native population has been growing at a fast rate, the in-migration of non-natives has grown faster, thus reducing the native share of Alaska's population to approximately 16 percent today.

From 1966 to 1973, Alaska's population grew at an annual rate of 2.8 percent, growing nearly three times faster than the United States as a whole. Through the pipeline construction period the State's population experienced abnormal growth of approximately 7.8 percent per year.

SEASONALLY ADJUSTED CIVILIAN POPULATION

Despite the importance of seasonality in Alaska's basic life, no real attempt has been made to study the effect of seasonal fluctuations in employment on Alaska's population migration. By reviewing past events it appears that surges in population are largely a result of employment opportunities within the state. Although employment does seem to be the primary determinant of in and out population migration in Alaska, population in return creates demand for housing and other basic necessities, thus, affecting employment in other sectors (for

NOTE: Please see accompanying statistics on page 39



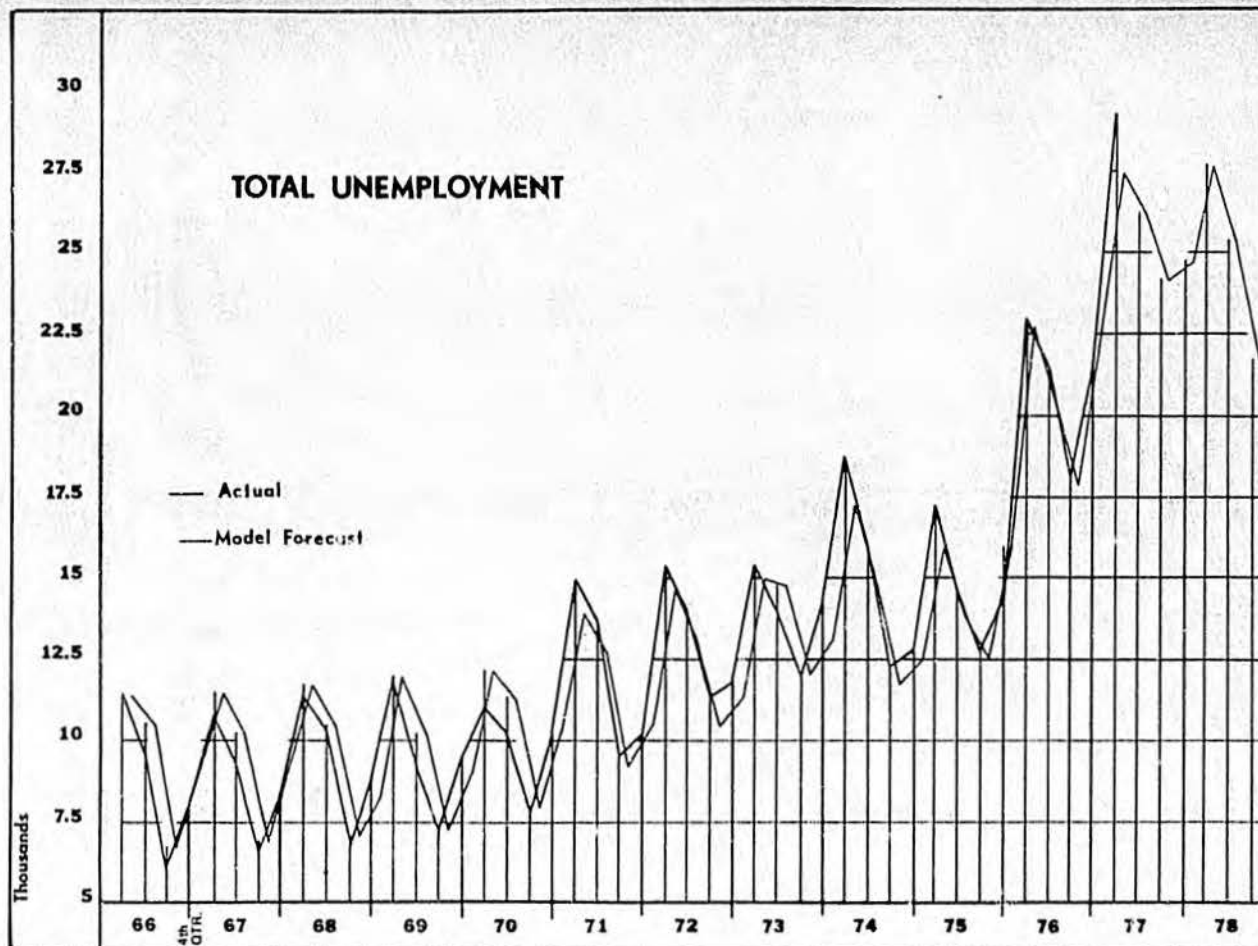
instance, retail trade and residential construction).

Because the Labor Model was designed to provide a quarterly forecast of employment it became necessary to adjust civilian population to its most likely seasonal fluctuations so that the effect of population on employment and visa versa could be more accurately understood.

The Department of Labor provides population estimates as of July 1, on an annual basis in accordance with the Bureau of Census Methodology for estimating populations. Since these estimates reflect Alaska's population during a peak employment month, they have a seasonal bias. The relationship of third quarter employment to July's population estimate was therefore determined. Then, assuming this relationship held during the remainder of the year, the population estimates were adjusted to seasonal changes in employment.

FORECAST

Alaska experienced between a 25 and 30 percent increase in civilian population from 1973 to 1976. With a reduction of economic activity as pipeline construction nears completion, a resulting tighter job market should induce a considerable amount of out-migration. The forecast shows an 8 percent decline in civilian population in 1977 from 1976 and a 2 percent decline in 1978 for a total drop in civilian population of 10 percent in two years.



NOTE: Please see accompanying statistics on page 40

UNEMPLOYMENT

DESCRIPTION

The unemployed in Alaska can be simply described as those who are "actively seeking work" in the state and cannot find work. Theoretically, the unemployment rate, which many follow dearly, is the ratio of all those who are unemployed ("actively seeking work") to all those who are in the labor force (all those employed and unemployed). Because the unemployment rate is computed by a 70 step statistical methodology rather than an actual count, it appears to be somewhat ambiguous and subject to significant change through definitional and statistical manipulation. The current population survey (CPS), in which a sample number of households throughout the state are interviewed to determine, among other things, whether family members are actively in the labor force, is the latest definitional change. The net effect of this change on the statistical estimation of total unemployment in Alaska has reduced the number of unemployed by nearly 40 percent in 1976 and a fixed 8,672 per month in 1977.

Understanding unemployment then, it is not so much knowing how many people are unemployed, but rather, who are defined as being unemployed and the net effect of various, sometimes outdated or inappropriate, adjustment factors in deriving "the total unemployed" figure.

RECENT TREND

Alaska has always managed to maintain a significantly higher unemployment rate than the rate for the lower 48. The boom periods of the past have, traditionally, attracted more

people than there are jobs for, thus causing the work force to grow at a faster rate than employment, resulting in more unemployed workers and a higher unemployment rate. Seasonality in employment, especially in natural resource industries and construction is also a major contributor to unemployment. The number of unemployed can increase as much as 70 percent from summer to winter. The number of unemployed from 1966 to 1976 has grown 141 percent through a series of stepping periods. From 1966 to 1970 the number of unemployed grew at a slow annual rate of 2.7 percent. The rate of increase in the number of unemployed picked up from 1970 to 1973 to an annual rate of 12.8 percent, most likely sparked by Prudhoe Bay activity. 1973 to 1976 marked another period of increase, where the number of unemployed increased at 14.7 percent a year, responding directly to pipeline induced in-migration of job seekers.

FORECAST

The forecast shows the number of unemployed increasing 20.4 percent in 1977 and remaining relatively high throughout the year. The number of unemployed should peak again in the winter or first quarter of 1978 then begin tapering off into the third quarter as summer employment picks up. The overall forecast for 1978 shows the number of unemployed declining 7.5 percent over 1976.

TOTAL NON-AGRICULTURAL WAGES AND SALARIES

DESCRIPTION

Non-agricultural Wages and Salaries in Alaska are wages earned by all those working in the state excluding self-employed persons,

domestics, agricultural workers, and military personnel. The source of this series is derived from: quarterly Unemployment Insurance contribution reports filed by most employers in Alaska in which employers are required to submit their monthly total employment levels and quarterly payrolls in compliance with the Alaska Employment Security Act.

RECENT TREND

From 1966 to 1973 Non-agricultural Wages and Salaries in Alaska increased on a reasonably straight line, growing 113 percent over this period of time for an annual growth rate of 11.4 percent. With pipeline construction beginning in 1974, an increase in the number of total workers in the state, most of whom were working overtime, during the winter, and for premium pay, caused total Non-agricultural Wages and Salaries to increase over 200 percent in three years. The average weekly wage for all Non-agricultural Wage and Salary workers in the state went from \$233.10/week in 1973 to \$449.59/week in 1976, a 93 percent increase.

FORECAST

In 1975, roughly 40 percent of total Non-agricultural Wages and Salaries earned in the state were made by pipeline workers who constituted only about 10 percent of the work force during that period. Winter construction, overtime, and premium pay rates, then, must have played a significant part in the dramatic increases in total Non-agricultural Wages and Salaries. With completion of the pipeline we can expect pipeline related declines in wages and salaries and a certain multiplier effect in support industries. The forecast for 1977 shows a 32 percent decline in Total Non-agricultural

Wages and Salaries over 1976 and a 21 percent decline in 1978 over 1977.

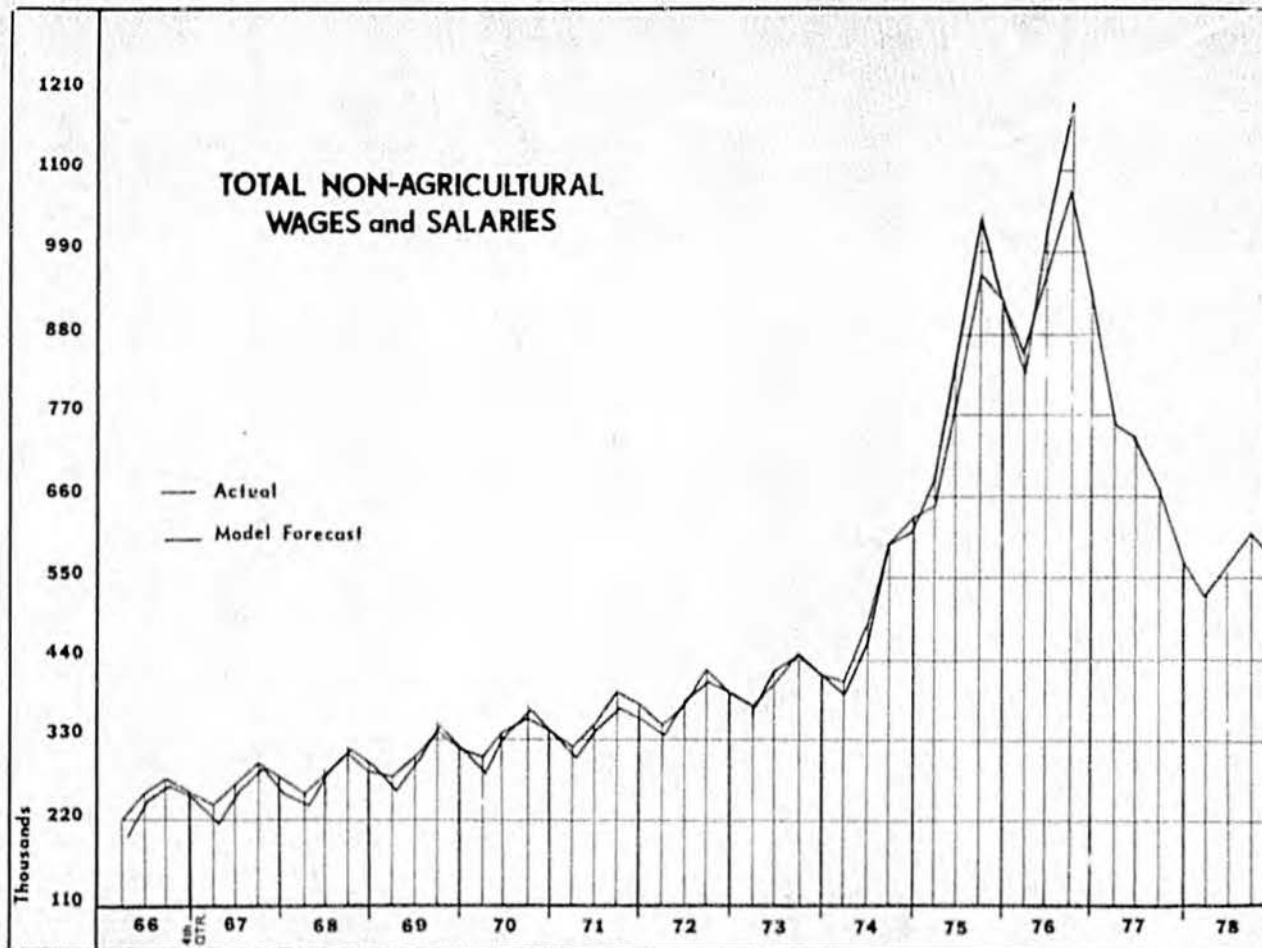
THE LABOR MODEL

DISCUSSION

The labor model was designed primarily for the purpose of generating quarterly employment projections through calendar 1978. During model development, a continuous effort was made to keep this model simple and straightforward, and to include only those relationships likely to be essential over the next two years. There was no attempt to dissect and map out all of the intricate and complex flows of monies and goods for each sub-industry within Alaska, and no attempt was made to link each business enterprise within Alaska to prices and demand elsewhere. Instead, an effort was made to distill out only those generalities needed to adequately explain the changes experienced by major Alaska industries between 1966 quarter 1 and 1976 quarter 4 and those most likely to continue to 1978 quarter 4.

During the development of the labor model, a great deal of effort was expended to understand the economy of Alaska from a number of different view points. Many weeks were spent analyzing and attempting to model the Alaska economy as a dynamic system of dollar flows. Although money flow analysis was found to offer many interesting and valuable insights into the Alaska economy, existing dollar flow data is spotty, and the need arose to obtain other sorts of money flow measurements which have never been kept for Alaska (such as Gross State Product, Disposable Personal Income, leakages in

NOTE: Please see accompanying statistics on page 41



money flow, etc.). In order to develop a complete money model of the state, it was found that it would be necessary not only to fill holes in existing data series but also to fabricate a number of entirely new series of historical data from the ground up.

An attempt was also made to analyze and model the economy of Alaska from an Input-Output perspective. The Input-Output approach describes an economically interdependent system of consumers and producers. Each producer in such a system satisfies the demands of other consumers and other producers in the system. As with money flow analysis, Input-Output analysis offers both valuable insights and serious limitations as a modeling technique for Alaska. Problems with availability of meaningful data were encountered and again it was necessary to make an overwhelming number of major and minor assumptions and adjustments. There were also very large leakages of supply, demand, and wages into and out of Alaska. Because supply and demand measurements must ultimately be translated into employment to be meaningful, the decision was made to utilize a more suitable technique.

At the beginning of this project, a good deal of time was directed towards organizing and studying employment data for industries operating within the State. Through use of an intricate computer system, industry employment was graphed then studied over the historical period until normal and abnormal fluctuations in the data were reasonably understood.

Through the use of these visuals, certain patterns in employment movements among

various industries emerged. Theories to explain these movements were developed then tested against the actual data. Needless to say, many of the theories were bad, and had to be thrown out. New theories were developed and tested again until they adequately explained industry relationships.

Seven industry equations were arrived at, one for each major industry in Alaska, explaining the fluctuation in employment in that industry as a function of variations in employment in other industries operating within the state. The effect of the states civilian population on employment in various industries was also considered when it was believed to have a significant influence. The seven major industries are Retail Trade; Wholesale Trade; Transportation; Construction; Finance, Insurance, and Real Estate; and Communications. A good amount of time was also spent developing equations explaining the fluctuations in Total Non-agricultural Wage and Salary employment, Total Non-agricultural Wages and Salaries, Total Civilian Population, and the total number of unemployed.

ASSUMPTIONS

The equations when tested against historical data appear to fit reasonably well. However, when forecasting into the future, assumptions have to be made about short term growth trends in basic industries operating within the state. The accuracy at which employment in those industries are forecasted, in large, determine the accuracy of forecasts in Non-basic industries.*

After considerable study, the following industries showed signs of growing outside

demand conditions within the state and were considered as basic or exogenous industries: Pipeline construction; Manufacturing; Mining; Public Utilities; Federal Government; and State and Local Government. As driving forces in the economy, these industries were assumed to increase with respect to time and seasons much as they have in the past. Because of recent outer-continental shelf exploration, mining was given special consideration.

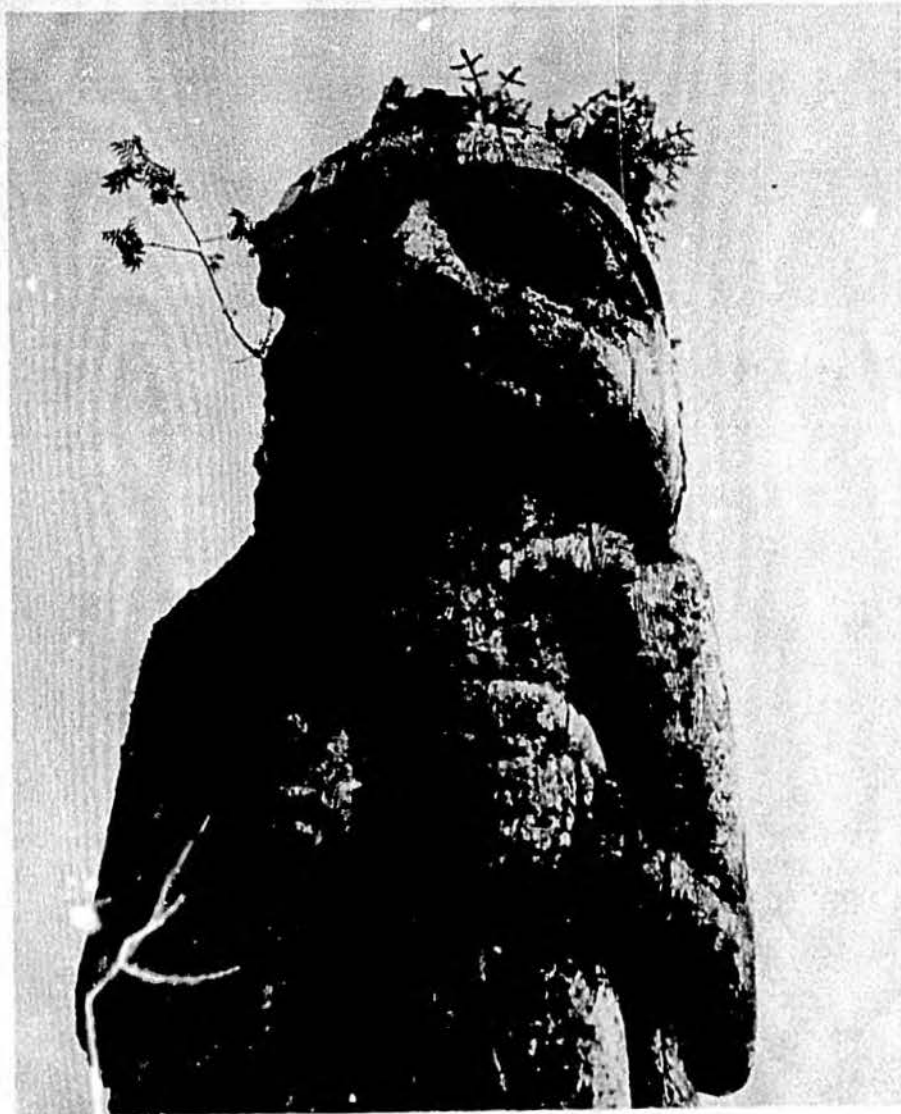
More importantly, assumptions had to be made concerning future exogenous activities within the state such as alternative gas pipelines, the capital move, etc. Fortunately, the forecast period extends out for only two years (1977-1978) and assumptions concerning the magnitude of such projects were reduced to assumptions concerning the timing of such projects. Only those factors likely to play a significant role during the forecast period were considered in the model. The following is a list of assumptions during the forecast period.

1. No gas pipeline until after 1978.
2. No capital move until after 1978.
3. No significant OCS development until after 1978.
4. No significant native corporation development until after 1978.

* Basic industries are generally those which produce for export or whose dollar flow originate exogenous to the state's demands. Non-basic industries are those that respond and produce for local demand and consumption.

5. No significant construction projects in 1977 and 1978.
6. That pipeline construction employment will continue to decline according to Alyeska estimates.
7. No stabilization policy in 1977 or 1978.

One other assumption used in the modeling effort was that civilian population exhibits seasonality in migration similar to that of total non-agricultural wage and salary employment.



APPENDIX:
ACCOMPANYING STATISTICS FOR GRAPHICS

NON-AGRICULTURAL WAGE & SALARY EMPLOYMENT
Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	64,668	63,587	72,976	70,788	82,426	81,917	72,440	71,690	73,128	71,996
1967	67,675	66,500	77,442	75,506	85,878	84,913	76,002	76,506	76,749	75,856
1968	70,320	70,716	79,006	79,917	90,295	91,182	79,590	81,173	79,803	80,747
1969	75,235	76,220	87,487	87,440	96,349	97,262	87,150	86,946	86,565	86,967
1970	83,958	83,322	93,350	93,104	101,818	102,981	90,741	91,696	92,467	92,776
1971	86,625	86,371	96,630	96,031	108,152	107,833	98,930	99,592	97,584	97,457
1972	92,455	92,944	103,574	103,822	115,152	113,953	105,790	107,505	104,243	104,556
1973	99,313	103,342	109,416	111,038	120,410	120,105	110,107	111,563	109,812	111,512
1974	105,951	106,170	126,136	123,254	142,889	139,555	137,739	136,169	128,179	126,287
1975	136,421	141,727	161,814	165,430	180,686	183,519	167,952	165,175	161,718	163,963
1976	155,699	153,956	176,009	176,745	189,552	190,315	165,449	163,909	171,677	171,231
1977		148,958		156,263		152,224		140,724		149,542
1978		134,693		144,521		153,883		145,481		144,645

CONSTRUCTION EMPLOYMENT
Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	3,046	2,831	5,752	5,666	8,605	8,113	6,055	5,831	5,865	5,610
1967	3,596	3,042	6,175	5,867	8,361	8,439	5,835	6,040	5,992	5,847
1968	3,474	3,375	6,017	6,158	8,743	8,745	5,753	6,477	5,997	6,189
1969	3,655	3,699	6,590	6,538	8,917	9,268	7,446	6,902	6,652	6,602
1970	4,890	4,100	7,014	7,031	9,072	9,663	6,596	7,303	6,893	7,024
1971	4,329	4,432	7,003	7,243	10,293	9,868	7,996	7,644	7,405	7,297
1972	4,944	4,984	7,453	7,702	10,863	10,415	8,108	8,076	7,842	7,794
1973	5,044	5,540	7,740	8,431	10,389	10,923	7,983	8,512	7,789	8,352
1974	5,737	6,111	12,021	10,930	18,028	17,366	17,333	16,963	13,280	12,843
1975	15,356	19,449	25,620	27,083	33,977	36,108	28,520	27,900	25,868	27,658
1976	23,156	23,962	32,760	31,960	38,453	36,654	26,502	26,476	30,218	29,763
1977		18,100		19,445		15,432		11,282		16,065
1978		7,901		10,653		13,307		10,928		10,697

WHOLESALE TRADE EMPLOYMENT
Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	2,048	2,083	2,157	2,117	2,225	2,293	2,135	2,203	2,141	2,174
1967	2,162	2,191	2,421	2,333	2,520	2,382	2,438	2,454	2,385	2,340
1968	2,358	2,398	2,356	2,581	2,642	2,817	2,559	2,671	2,479	2,617
1969	2,511	2,585	2,870	2,867	3,174	3,091	3,137	2,986	2,923	2,882
1970	3,017	3,188	3,337	3,428	3,450	3,400	3,171	3,173	3,244	3,297
1971	3,051	3,064	3,203	3,132	3,454	3,308	3,183	3,196	3,223	3,175
1972	3,112	2,978	3,510	3,236	3,467	3,350	3,307	3,364	3,349	3,232
1973	3,141	3,314	3,419	3,443	3,609	3,480	3,451	3,447	3,405	3,421
1974	3,398	3,375	3,931	3,877	4,458	4,302	4,407	4,594	4,049	4,037
1975	5,055	5,011	5,852	5,794	6,460	6,493	6,266	5,986	5,908	5,821
1976	6,067	5,789	6,248	6,439	6,239	6,774	5,584	5,978	6,035	6,245
1977		5,260		5,440		4,922		4,798		5,105
1978		4,639		4,794		4,985		4,947		4,841

RETAIL TRADE EMPLOYMENT

Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>
1966	7,929	8,414	8,645	8,655	9,154	9,584	8,936	9,563	8,666	9,054
1967	8,271	8,858	9,334	9,413	10,040	9,477	9,830	10,241	9,369	9,497
1968	8,949	9,352	9,853	9,834	10,776	11,165	10,585	10,661	10,041	10,253
1969	9,995	9,869	10,937	11,239	11,587	11,668	11,577	11,494	11,024	11,068
1970	11,007	11,296	12,141	12,328	12,690	12,872	12,612	12,140	12,113	12,159
1971	11,875	11,278	12,832	12,107	13,642	13,270	13,345	13,342	12,924	12,499
1972	12,527	11,755	13,601	13,151	14,509	13,971	14,396	14,431	13,758	13,327
1973	13,602	14,119	14,742	14,788	15,811	15,258	15,569	15,662	14,931	14,957
1974	14,523	14,540	16,787	16,462	18,229	17,485	18,772	18,486	17,087	16,743
1975	17,849	17,958	19,838	20,642	21,570	22,402	21,879	21,621	20,284	20,656
1976	19,961	19,734	22,224	22,264	22,923	23,782	22,430			22,053
1977		19,711		20,422		19,694	19,573			19,850
1978		18,587		19,545		20,163	20,352			19,662

TRANSPORTATION EMPLOYMENT

Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	4,153	3,978	4,788	4,451	5,452	5,240	4,435	4,438	4,707	4,527
1967	4,315	4,324	5,291	4,937	5,772	5,510	4,916	4,971	5,074	4,936
1968	4,480	4,788	5,340	5,366	6,196	6,299	5,219	5,481	5,309	5,484
1969	4,914	5,244	6,638	6,337	7,274	7,124	6,429	6,046	6,314	6,188
1970	6,088	6,216	6,655	6,945	7,132	7,263	5,876	6,076	6,438	6,625
1971	5,618	5,733	6,151	6,248	6,766	7,020	5,932	6,075	6,117	6,269
1972	5,463	5,561	6,350	6,308	7,217	6,972	6,432	6,200	6,366	6,260
1973	5,595	6,045	6,852	6,718	7,649	7,402	6,963	6,938	6,765	6,776
1974	6,748	6,889	8,359	8,510	9,758	9,778	9,252	9,870	8,529	8,762
1975	10,083	9,812	11,929	11,381	13,033	12,895	12,513	11,633	11,890	11,430
1976	10,679	10,682	10,931	11,639	11,759	12,709	10,867	10,690	11,059	11,430
1977		9,493		10,102		9,946		9,177		9,680
1978		8,841		9,454		10,143		9,477		9,479

SERVICES EMPLOYMENT

Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>
1966	7,425	7,835	7,976	7,837	8,224	8,263	7,935	7,871	7,890	7,952
1967	7,880	8,336	8,792	8,685	9,243	8,552	8,854	8,694	8,692	8,567
1968	8,075	9,028	9,217	9,388	9,855	10,019	9,386	9,410	9,288	9,461
1969	9,612	9,872	10,693	10,756	11,007	10,867	10,632	10,464	10,485	10,490
1970	10,967	11,332	11,677	12,014	11,713	12,226	11,386	11,439	11,436	11,753
1971	11,603	11,837	12,546	12,394	13,220	13,045	13,010	12,970	12,595	12,562
1972	12,971	12,924	14,181	13,870	14,851	14,196	14,337	14,481	14,085	13,868
1973	14,333	15,284	15,300	15,534	15,939	15,549	15,344	15,511	15,229	15,470
1974	15,806	15,794	18,661	17,871	20,451	19,483	21,481	20,570	19,100	18,430
1975	22,481	22,989	25,383	26,566	26,552	29,143	26,074	26,769	25,123	26,367
1976	27,532	25,828	29,664	29,282	30,853	30,552	26,774	26,700	28,706	28,090
1977		24,435		24,471		21,662		20,775		22,836
1978		20,946		21,582		21,743		21,610		21,470

FINANCE, INSURANCE AND REAL ESTATE EMPLOYMENT
Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	2,181	1,947	2,314	2,118	2,344	2,151	2,299	2,128	2,285	2,086
1967	2,203	2,074	2,307	2,212	2,381	2,425	2,364	2,309	2,314	2,255
1968	2,336	2,346	2,449	2,527	2,545	2,049	2,603	2,600	2,483	2,531
1969	2,491	2,592	2,655	2,817	2,685	2,961	2,773	2,893	2,651	2,816
1970	2,752	2,890	3,062	3,135	3,470	3,287	3,109	3,229	3,098	3,135
1971	3,068	3,178	3,186	3,374	3,359	3,562	3,365	3,570	3,245	3,421
1972	3,331	3,525	3,653	3,711	3,818	3,907	4,046	3,854	3,712	3,749
1973	4,005	3,944	4,141	4,201	4,422	4,356	4,402	4,169	4,243	4,168
1974	4,474	4,126	4,804	4,492	5,101	4,933	5,198	5,160	4,894	4,678
1975	5,271	5,484	5,831	6,191	6,621	6,862	6,496	7,013	6,055	6,388
1976	6,490	6,610	6,970	6,804	7,758	7,391	7,552	7,282	7,193	7,022
1977		6,578		6,432		6,364		5,802		6,294
1978		5,707		5,892		6,043		5,967		5,902

MANUFACTURING
Industry

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>
1966	4,527	6,654	9,843	5,504	6,632
1967	4,652	6,978	9,161	5,694	6,621
1968	4,664	6,897	10,618	5,509	6,922
1969	4,515	7,556	10,210	5,811	7,023
1970	5,477	8,390	11,295	6,191	7,838
1971	5,194	7,826	11,252	6,848	7,780
1972	4,992	8,280	11,454	7,357	8,021
1973	6,952	9,583	12,403	8,460	9,350
1974	7,016	10,031	12,604	8,792	9,611
1975	6,628	9,740	13,191	9,050	9,652
1976	7,402	10,500	14,022	10,187	10,528
1977	7,938	10,703	13,695	9,413	10,438
1978	8,322	11,087	14,078	9,797	10,821

MINING
Industry

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>
1966	1,016	1,342	1,634	1,499	1,373
1967	1,574	1,847	2,375	2,070	1,967
1968	2,178	2,253	2,523	2,853	2,452
1969	2,890	3,741	4,089	3,256	3,494
1970	3,196	3,225	2,996	2,559	2,994
1971	2,378	2,495	2,643	2,205	2,430
1972	2,265	2,127	2,281	1,781	2,114
1973	1,683	1,984	2,200	2,003	1,968
1974	2,415	3,064	3,318	3,107	2,976
1975	3,759	4,343	3,695	3,363	3,790
1976	3,656	3,744	4,300	4,192	3,973
1977	4,335	4,380	4,425	4,470	4,403
1978	4,515	4,560	4,605	4,650	4,583

FEDERAL GOVERNMENT CIVILIAN EMPLOYMENT
Industry

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>
1966	16,863	17,518	17,981	17,663	17,506
1967	17,276	17,686	17,856	16,866	17,421
1968	16,341	16,912	17,564	16,622	16,860
1969	15,950	16,549	17,193	16,115	16,452
1970	16,589	16,999	17,777	17,079	17,111
1971	16,491	17,169	17,973	17,446	17,270
1972	16,876	17,240	17,491	17,332	17,235
1973	16,787	17,209	17,429	17,073	17,125
1974	17,305	18,136	18,678	17,940	18,015
1975	17,737	18,313	18,908	18,195	18,288
1976	17,718	17,929	18,371	17,735	17,938
1977	17,484	18,005	18,515	17,863	17,967
1978	17,581	18,102	18,612	17,960	18,064

STATE & LOCAL GOVERNMENT
Industry

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>
1966	12,775	13,051	14,144	13,339	13,327
1967	13,289	14,123	15,442	14,557	14,353
1968	14,366	15,565	16,010	15,857	15,450
1969	16,095	16,560	17,526	17,327	16,877
1970	17,419	17,992	19,172	19,111	18,424
1971	19,419	20,285	21,370	21,655	20,682
1972	22,122	22,963	23,594	24,377	23,264
1973	24,190	24,056	24,759	24,311	24,329
1974	24,325	25,735	26,533	26,502	25,774
1975	27,710	29,599	28,619	29,523	28,863
1976	28,588	29,924	29,792	28,331	29,159
1977	30,276	31,144	31,791	31,603	31,204
1978	31,984	32,853	33,499	33,311	32,912

COMMUNICATIONS EMPLOYMENT
Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Pre</u>	<u>Led</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	1,979	1,623	1,944	1,704	1,874	1,842	1,822	1,715	1,905	1,721
1967	1,758	1,655	1,713	1,760	1,693	1,881	1,737	1,773	1,725	1,767
1968	1,714	1,703	1,772	1,816	1,786	1,968	1,779	1,832	1,763	1,830
1969	1,782	1,769	1,721	1,916	1,653	2,057	1,778	1,909	1,734	1,913
1970	1,700	1,860	1,837	1,995	1,891	2,144	1,989	1,975	1,854	1,994
1971	2,642	2,429	2,811	2,567	2,860	2,750	2,799	2,620	2,778	2,592
1972	2,707	2,522	2,663	2,686	2,702	2,852	2,700	2,745	2,693	2,701
1973	2,581	2,678	2,570	2,803	2,740	2,959	2,635	2,812	2,632	2,813
1974	2,615	2,723	2,731	2,488	2,900	2,801	2,995	2,733	2,810	2,686
1975	3,153	2,845	3,384	3,366	3,501	3,811	3,607	3,360	3,411	3,346
1976	3,392	3,105	3,722	3,639	3,612	3,988	3,442	3,331	3,542	3,516
1977		2,997		3,156		3,067		2,825		3,011
1978		2,704		2,903		3,104		2,923		2,909

PUBLIC UTILITIES

Industry

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual Average
	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>	<u>Actual/Predicted</u>
1966	632	659	688	686	666
1967	630	617	767	716	683
1968	693	733	781	749	739
1969	726	763	785	779	763
1970	758	788	856	865	817
1971	846	883	968	952	912
1972	864	920	991	952	932
1973	909	984	1,119	1,012	1,006
1974	925	1,048	1,095	1,090	1,040
1975	1,077	1,119	1,145	1,142	1,121
1976	1,093	1,192	1,208	1,183	1,169
1977	1,147	1,197	1,260	1,235	1,210
1978	1,199	1,249	1,313	1,288	1,262

CIVILIAN POPULATION *

Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	220,231	219,186	231,474	228,691	244,262	243,914	230,749	229,956	231,679	230,437
1967	224,300	223,034	237,517	234,950	248,933	247,910	235,569	236,348	236,580	235,561
1968	227,880	228,613	239,634	240,815	254,910	256,294	240,424	242,558	240,712	242,070
1969	234,531	235,916	251,110	250,852	263,102	264,452	250,708	250,262	249,863	250,371
1970	246,335	245,371	259,044	258,436	270,503	272,148	255,574	256,619	257,849	258,143
1971	249,944	249,442	263,483	262,364	279,074	278,698	266,225	267,220	264,774	264,431
1972	257,833	258,239	272,879	272,849	288,547	286,982	275,878	277,891	273,784	273,990
1973	267,113	272,219	280,785	282,599	295,662	295,337	281,720	283,380	281,320	283,384
1974	276,096	276,035	303,410	299,189	326,081	321,929	319,112	316,916	306,175	303,517
1975	317,328	324,499	351,690	357,292	377,228	383,036	359,996	357,006	351,561	355,458
1976	343,415	341,376	370,899	373,096	394,984	392,605		355,245		365,581
1977		334,466		344,554		339,397		323,171		335,397
1978		314,841		328,328		341,691		329,721		328,645

* Imposed Seasonality

UNEMPLOYMENT
Industry

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Annual Average	
	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>	<u>Actual</u> / <u>Predicted</u>
1966	11,316	11,173	9,534	10,413	6,108	6,665	7,973	7,973	8,733	9,056
1967	10,671	11,469	9,233	10,246	6,481	7,088	8,253	7,904	8,660	9,177
1968	11,360	11,692	10,285	10,493	6,843	6,943	8,843	8,364	9,333	9,373
1969	11,848	11,959	9,371	10,264	7,317	7,279	9,484	8,899	9,505	9,600
1970	11,050	12,225	10,150	11,140	7,800	8,256	9,900	10,202	9,725	10,456
1971	14,900	13,964	13,800	12,759	9,500	9,208	10,200	10,377	12,100	11,577
1972	15,400	14,733	14,050	13,322	11,200	10,401	11,700	11,128	13,088	12,396
1973	15,400	15,010	14,100	14,750	12,000	12,107	14,300	13,275	13,950	13,786
1974	18,700	17,276	15,900	14,814	12,200	11,645	12,850	12,601	14,913	14,084
1975	17,150	16,037	14,750	13,829	12,800	12,473	14,600	16,118	14,825	14,614
1976	23,094	22,627	21,417	20,455	18,175	18,059	21,508	22,505	21,049	20,912
1977		27,542		26,306		24,366		24,799		25,753
1978		27,679		25,499		21,845		22,213		24,309

TOTAL NON-AGRICULTURAL WAGES & SALARIES
(In Thousands of Dollars)

Year	Quarter 1		Quarter 2		Quarter 3		Quarter 4		Total Yearly Wages	
	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>	<u>Actual</u>	<u>Predicted</u>
1966	\$124,789	\$107,994	\$152,653	\$156,106	\$185,262	\$184,984	\$159,829	\$158,244	\$622,533	\$607,328
1967	140,126	122,412	172,412	170,425	200,806	206,941	178,386	173,091	691,730	672,869
1968	157,779	145,166	185,664	190,493	221,404	228,504	193,490	202,688	758,337	766,851
1969	175,630	167,674	216,285	217,261	254,799	264,079	235,151	231,839	881,865	880,853
1970	213,686	195,674	249,523	250,754	280,739	291,280	252,791	259,144	996,739	996,852
1971	229,238	217,975	263,006	265,315	312,573	305,907	286,381	283,476	1,091,198	1,072,673
1972	260,318	255,595	292,761	297,195	344,924	343,003	315,063	313,665	1,213,066	1,209,458
1973	284,963	294,535	326,442	346,391	373,705	377,632	340,396	342,990	1,325,506	1,361,548
1974	327,188	318,760	421,826	402,479	536,554	535,476	570,497	561,711	1,856,065	1,818,426
1975	587,383	642,194	739,302	813,310	928,998	1,016,930	896,295	909,933	3,151,978	3,382,367
1976	781,367	822,710	1,002,500	942,503	1,183,500	1,065,810	****	908,628	****	3,739,651
1977		715,676		703,285		617,783		508,045	****	2,544,889
1978		456,144		499,640		541,445		508,952	****	2,006,181



ALASKA Economic Trends



PETROCHEMICAL DEVELOPMENT IN ALASKA

SEPTEMBER 1977

STATE OF ALASKA • DEPARTMENT OF LABOR

Employment Security Division • Research and Analysis Section

PETROCHEMICAL DEVELOPMENT IN ALASKA

By Calvin Hanson

Alaska's royalty share of the Prudhoe gas reserve is 12.5 percent of 26 trillion cubic feet, or approximately 3.25 trillion cubic feet. Alaskans must now decide how this natural resource will be used. Historically, 95 percent of all petroleum products in the United States have been used as an energy source leaving only 5 percent for petrochemical production. Fairbanks, for example, has already expressed a desire for a natural gas distribution system. However, chemical development of natural gas may be commercially more attractive in Alaska. Some portion greater than the national average of 5 percent could be devoted to petrochemical production within the state.

Petrochemicals have dominated recent discussions of Alaska's industrial future. The term petrochemical is applicable to a broad range of petroleum production derived from either oil or natural gas. There are three broad categories of elements: aromatic chemicals, methane derivatives and aliphatic chemicals. The first group is considered commercially feasible only in very large refineries — 100,000 barrels per day facilities. The second group, methane derivatives, produces ammonia, methanol, urea and other chemical fertilizers. The final group, aliphatic chemicals, produces molecular chains of the most basic building block in the petrochemical industry: ethylene. It is in the latter two categories that Alaska's chemical production will most likely occur.

The Collier Chemical Company has already established a petrochemical industry based on methane. Using methane gas received from the Cook Inlet oil field, their facility in Kenai has been producing ammonia and urea for export primarily to the states in the Pacific Northwest. Doubling their capacity in both products this year the company has had a very positive economic impact in the Kenai area. With the new facility in operation over 250 people will be directly employed. This project has stimulated a new cycle of growth in the Peninsula city.

Though not under production at the present time,

the aliphatic elements are probably the most valuable. This group also occurs in natural gas in addition to methane. From this group ethylene and propylene can be produced. Both of these derivatives are basic elements in building synthetic products, plastics, synthetic fibers and pharmaceuticals.

Ethylene producing plants must be extremely large in order to be competitive on the world market. It is felt that a new facility must be able to produce nearly 1.2 billion pounds of ethylene per year. An estimated capital outlay of 160 million dollars would be required to build such a plant, perhaps more in Alaska. These capital expenses are not great, however, compared to recent investment plans on the Gulf Coast of Texas and Louisiana. This area produces approximately half of the world's petrochemical supply. Unfortunately the impending lack of natural gas feedstocks in that area has forced the industry to turn to more costly naphtha, oil cracking plants. Amoco Chemical, Arco Chemical, Union Carbide and Exxon are just a few of the firms investing over 400 million dollars each in new ethylene production units. The cost of converting to naphtha cracking facilities in Texas and Louisiana may neutralize any increased transportation costs associated with Alaskan production.

A new industry, or increased activity in an existing industry will result in employment increases and additional income. This will then generate a second round of new employment in other support sectors as the additional income is spent. This generation of additional income as the original dollars change hands from one individual or business to another is called the multiplier effect. A multiplier tries to measure the impact of these exchanges of the initial investment dollars. The multiplier for a given industry will vary from region to region. Generally the less self-efficient an area, the smaller the multiplier. This is because a greater percentage of the original dollar is spent outside the area than within. Alaska currently does not have a diversified economy large enough to support a petrochemical industry solely within the state. Therefore, any future petrochemical industry will have to depend on

outside suppliers for support, and outside markets for a majority of its income. This will result in a smaller multiplier for this industry in Alaska than in other areas of the United States which have more sophisticated economies.

Though the degree of impact as measured by the multiplier will not be as great as in other more industrialized areas, the relative magnitude of total dollar sales from such an industry should not be overlooked. The relative impact of a \$160 million dollar facility would be much greater in Alaska than the same facility in the highly industrialized "lower 48".

Although petrochemical products are more or less irreplaceable, there are alternative energy sources. The advent of solar power coupled with Alaska's vast coal reserves are viable alternatives. The trend in the OPEC nations and in the North Sea oil fields is toward conservation of depleting petroleum resources for use in petrochemical production. With some certainty it is expected that Alaska will also be moving in this direction with its valuable petroleum resources.

ALASKA'S LABOR MARKET IN JULY

Employment and Unemployment: Alaska's civilian labor force has declined significantly with the completion of the Alaska pipeline. When compared to one year ago, total employment in the state has dropped approximately 13.0 percent.

Though activity within the state has not increased to levels similar to the pipeline era, total employment in July increased over the month by approximately 2.1 percent. Gains were primarily seasonal in nature and were limited to the construction, manufacturing, and transportation industries in the private sector. Public employment also increased primarily in the Federal government. Severe forest fires in interior Alaska required the hiring of many firefighters to control the blazes.

Mining: No significant changes occurred in the mining industry during the month of July. Increased activity in oil and mineral exploration is seen as the major factor behind the growth in employment when compared to a year ago.

Construction: With the exception of the Chena Lakes flood control project near Fairbanks, the

majority of the larger construction projects in the state are taking place in the Anchorage area. Though no new major construction projects have started this summer, new homes continue to be built throughout the state.

Manufacturing: The wood products industry continued to be hampered by strikes during July. Striking workers did not return to work until the latter half of the month.

In contrast to the wood products industry, employment in the fish processing industry was booming. Strong salmon runs during the month had many salmon canneries operating at peak capacity. In Southeastern Alaska it was feared that the local processors would not be able to handle the greater than anticipated catch. Fortunately, that situation was never realized and local canneries were able to process the entire catch.

Transportation, Communications & Utilities: Other than normal seasonal activity no significant changes occurred during the month of July.

Trade: Since the first of the year wholesale trade employment has remained essentially static. Expectations of a natural gas pipeline from Prudhoe Bay, and increased population may have offset any negative factors brought about by the completion of the Trans-Alaska oil pipeline.

The retail trade sector also has not followed previous trends this summer. This sector normally expands during the summer months and then tapers off in August and September. This is the first time this decade that employment in the retail trade sector has declined in July.

Finance, Insurance & Real Estate: This industry did not change noticeably from June to July. Due to the stable nature of the banking sector, which makes up a large percentage of this industry, drastic changes in employment normally do not occur.

Services & Miscellaneous: Changes in employment levels from June to July were quite mixed. Hotels and other lodging facilities remained relatively unchanged when compared to the previous month. This is normally a time when the hotel industry is expanding to accommodate the summer tourist season. A slight drop off in the number of tourists coming to the state, perhaps related to the shutdown of the Alaskan Marine Highway System due to a labor

INDICATORS OF ALASKA ECONOMIC ACTIVITY*

INDICATOR	Most	Previous	Year
	Recent	Month	Ago
	Month	Month	
	<u>7/77</u>	<u>6/77</u>	<u>7/76</u>
Selected Economic Activity Measures			
Total Labor Force <u>a/</u>	144,848	145,571	157,929
Total Unemployment Rate <u>a/</u>	13.3	12.2	8.0
Insured Unemployment (weekly average) <u>a/ b/</u>	16,969	15,972	10,748
New Employers (unadjusted) <u>c/</u>	186	189	239
Nonagricultural Wage Payments (millions \$, unadjusted)...	275	255	357
Wage Payments in Mining, Manufacturing & Construction..	107	102	180
Employment (1967=100) <u>a/</u>			
Nonagricultural Wage & Salary.....	191.5	195.4	223.7
Mining.....	253.7	265.0	198.4
Construction.....	240.9	237.7	493.9
Manufacturing.....	160.6	177.6	142.4
Transportation-Communications & Utilities.....	197.8	196.5	202.7
Trade.....	215.5	219.0	234.9
Finance-Insurance & Real Estate.....	318.9	321.0	318.9
Services.....	267.8	280.4	322.7
Government.....	142.6	143.0	149.0
Alaska State Employment Service Activities			
Nonagricultural Placements (unadjusted).....	3,070	2,142	3,525
Nonagricultural Placements (daily average) <u>a/</u>	146	97	160
Banking Activities (millions \$, unadjusted) <u>e/</u>			
Loans & Investments.....	1,049	1,044	936
Demand Deposits.....	561	566	544
Time Deposits.....	502	472	439
	<u>5/77</u>	<u>4/77</u>	<u>5/76</u>
Personal Income (millions \$ Annual Rate) <u>d/</u>	4,461	4,464.8	4,464.8
Crude Petroleum Production (000 bbls., unadj.) <u>f/</u>	5,402	5,138	4,897

* All data seasonally adjusted unless otherwise noted. Current month preliminary.
a/ Seasonally adjusted by the 1966 U.S. Bureau of Labor Statistics seasonal adjustment method.

b/ Unemployment in Alaska insured by State law.

c/ Employers newly subject to the Alaska Employment Security Act.

d/ Source: Business Week Magazine, seasonally adjusted by the Alaska Employment Security Division.

e/ Source: Federal Reserve Bank of San Francisco. Members banks only.

f/ Source: Alaska Department of Natural Resources, Division of Mines and Minerals.

ALASKA CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

Changes From:

	<u>7/77</u> ^{p/}	<u>6/77</u> ^{r/}	<u>7/76</u>	<u>6/77</u>	<u>7/76</u>	NON- [*] CPS
CIVILIAN LABOR FORCE.....	155,400	153,700	171,200	1,700	-15,800	196,476
INVOLVED IN WORK STOPPAGES.....	1,300	1,300	0	0	1,300	1,303
TOTAL UNEMPLOYMENT.....	17,200	18,300	11,300	-1,100	5,900	26,237
Percent of Labor Force.....	11.1	11.9	6.6	-	-	13.4
TOTAL EMPLOYMENT <u>2/</u>	138,200	135,400	159,900	2,800	-21,700	170,239

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

Changes From:

	<u>7/77</u> ^{p/}	<u>6/77</u> ^{r/}	<u>7/76</u>	<u>6/77</u>	<u>7/76</u>
Nonagricultural Wage & Salary.....	161,600	158,600	188,800	3,000	-27,200
Mining.....	5,500	5,500	4,300	0	1,200
Construction.....	18,500	17,700	38,700	800	-20,200
Manufacturing.....	15,900	14,100	14,100	1,800	1,800
Durable Goods.....	3,600	3,700	3,300	-100	300
Lumber, Wood Products.....	2,400	2,700	2,400	-300	0
Other Durable Goods.....	1,200	1,000	900	200	300
Nondurable Goods.....	12,300	10,400	10,800	1,900	1,500
Food Processing.....	9,600	7,700	8,200	1,900	1,400
Other Nondurable Goods.....	2,700	2,700	2,600	0	100
Transp.-Comm. & Utilities.....	16,100	15,700	16,500	400	-400
Trucking & Warehousing.....	2,700	2,700	3,300	0	-600
Water Transportation.....	2,400	2,300	1,500	100	900
Air Transportation.....	4,500	4,400	5,000	100	-500
Other Transp.-Comm. & Utilities..	6,500	6,300	6,700	200	-200
Trade.....	26,700	26,900	29,100	-200	-2,400
Wholesale Trade.....	5,500	5,500	6,300	0	-800
Retail Trade.....	21,200	21,400	22,800	-200	-1,600
General Merchandise & Apparel..	3,900	3,800	4,300	100	-400
Food Stores.....	3,200	3,100	3,100	100	100
Eating & Drinking Places.....	6,300	6,900	7,100	-600	-800
Other Retail Trade.....	7,800	7,600	8,300	200	-500
Finance-insurance & Real Estate....	7,600	7,600	7,600	0	0
Services & Miscellaneous.....	25,400	25,800	30,600	-400	-5,200
Government <u>3/</u>	45,900	45,300	47,900	600	-2,000
Federal.....	19,200	18,200	18,300	1,000	900
State.....	13,600	13,800	15,100	-200	-1,500
Local.....	13,100	13,300	14,500	-200	-1,400

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

AVAILABLE JOB OPPORTUNITIES ^{1/}
ALASKA

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>July 77</u>	<u>June 77</u>
Professional & Managerial.....	232	224
Clerical.....	439	435
General Office.....	193	176
Book Keeping.....	145	191
Other.....	101	68
Sales.....	119	133
Domestic Service.....	65	45
Public Oriented Service.....	480	356
Food & Beverage Preparation.....	339	271
Lodging.....	37	21
Other.....	102	64
Farming, Fishing, Forestry.....	40	29
Processing.....	66	97
Machine Trades.....	101	86
Bench Work.....	45	34
Structural Work.....	298	268
Motor Freight & Transportation.....	81	93
Packaging and Materials Handling.....	47	40
Logging, Mining, Utilities.....	88	684

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>July 77</u>	<u>June 77</u>
Professional & Managerial.....	145	100
Clerical.....	160	199
General Office.....	91	78
Book Keeping.....	43	78
Other.....	26	43
Sales.....	55	72
Domestic Service.....	22	15
Public Oriented Service.....	192	111
Food & Beverage Preparation.....	145	78
Lodging.....	19	12
Other.....	28	21
Farming, Fishing, Forestry.....	28	9
Processing.....	47	75
Machine Trades.....	61	39
Bench Work.....	25	28
Structural Work.....	158	91
Motor Freight & Transportation.....	46	45
Packaging and Materials Handling.....	22	26
Logging, Mining, Utilities.....	73	613

ACTIVE APPLICANTS ON FILE

	<u>July 77</u>	<u>June 77</u>
Professional & Managerial.....	2,024	2,128
Clerical.....	2,611	2,740
General Office.....	883	913
Book Keeping.....	1,080	1,123
Other.....	648	704
Sales.....	583	641
Domestic Service.....	143	200
Public Oriented Service.....	2,134	2,311
Food & Beverage Preparation.....	1,225	1,334
Lodging.....	248	243
Other.....	661	734
Farming, Fishing, Forestry.....	211	285
Processing.....	203	246
Machine Trades.....	582	661
Bench Work.....	99	106
Structural Work.....	2,151	2,455
Motor Freight & Transportation.....	812	931
Packaging and Materials Handling.....	553	617
Logging, Mining, Utilities.....	265	297

^{1/} Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

dispute, is seen as a major cause behind the lack of growth.

Employment in the business services sector continued to show effects of the completion of the trans-Alaska pipeline as employment dropped slightly from June to July. Employment in other sectors of the service industry, such as education, and social services, also declined during the month.

The miscellaneous category, which in Alaska is primarily the fishing industry, increased significantly during the month. This year's salmon runs have been much greater than anticipated and many of the larger boats have taken on extra deck hands.

Government: Employment on the state and local levels declined during the month of July. However, due to the severe fire problem in interior Alaska, employment on the Federal level increased by about 5.5 percent. This increase in employment is not permanent as personnel hired to help contain these fires are employed on a temporary basis only and will be laid off at the end of the fire season.

Private IUR: The insured unemployment rate has been declining steadily from the March high of 14.1 percent to its current level of 8.8 percent in July. With the exception of the wood products and trade industries, all other industries in Alaska experienced a decline in their respective insured unemployment rates during July. Even though the construction industry's IUR dropped from June to July, an insured unemployment rate of 18.5 percent continues to be the highest of any industry in the state.

Manpower Resources: No dramatic changes have occurred in the supply of labor from June to July. A slight decline in the number of persons seeking employment through the Department of Labor's Job Service offices may indicate that the number of people actively looking for work declined slightly during the month.

Available Job Opportunities: As a result of the drop in the number of applicants looking for work through the Department of Labor Job Service offices, the number of jobs which remained unfilled increased during the month of July. Most of the increases in unfilled job openings were in the public oriented service occupations. This would seem reasonable at this time as the tourist season is at its peak and the demand for this type of labor is at its highest. On the other hand, the wages usually paid to these positions are low and therefore may not attract many workers.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA			
State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	7/77	6/77	7/76
Total Weeks Claimed.....	11,479	11,167	6,444
Percent Distribution			
Characteristic	100	100	100
Total.....			
Sex and Age			
Men			
Under 45.....	54	55	45
45 and over.....	16	16	16
Women			
Under 45.....	25	23	28
45 and over.....	5	6	7
Industry			
Mining.....	2	2	4
Contract Construction.....	47	47	32
Manufacturing.....	6	7	7
Transp.-Comm. & Utilities...	10	11	13
Trade.....	12	10	15
Finance-Insurance & R. E....	3	3	3
Service & Miscellaneous.....	17	19	22
All Other.....	3	1	4
Occupation			
Professional & Managerial...	8	6	11
Clerical & Sales.....	14	12	16
Service.....	11	11	13
Farming-Fishing & Forestry..	2	2	2
Processing.....	2	3	3
Machine Trades.....	5	5	5
Bench Work.....	-	-	1
Structural Work.....	38	41	32
Miscellaneous.....	16	17	14
Unknown.....	4	3	3
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	35	33	36
5-14 Weeks.....	40	38	40
15 Weeks and over.....	25	29	24

ANCHORAGE'S LABOR MARKET IN JULY

Employment and Unemployment: The unemployment rate dropped from 8.9 percent to 7.4 percent in July. The back to work trend has been continuing in Anchorage and has helped to lower the unemployment rate. Demand for non-union workers remained high in the community although it has tapered off from June. The market for union skills in Anchorage was near normal but the hiring halls were overloaded with pipeliners who comprised a large share of the unemployed.

Mining: The rise in mining employment slowed down, but it was still at the highest point it has ever been. The over the year increase of 850 should be maintained until the end of the year. Mining is still a small industry in the Anchorage area, but with continued outer continental shelf activity it will continue to grow.

Construction: Employment here has begun to really show the direct effects of the end of pipeline construction. Even though commercial and residential construction continued in a nearly normal fashion in Anchorage, the pipeline construction firms accounted for a majority of the 3,450 decline in employment from the previous year.

Manufacturing: This industry is progressing toward a higher than normal seasonal peak this year. The seasonal component of manufacturing is closely related to local construction as some building materials used in housing and building construction are made in the Anchorage area.

Transportation, Communications and Utilities: July employment in this industry was nearly the same as last year and the previous month. Most of the declines caused by completion of the pipeline took place in 1976. The effects of strikes within the air transportation industry were evident.

Trade: Trade has had an over-the-year decline in employment of 250. The wholesale sector accounted for all of this decline, plus a little more, since retail trade employment has actually increased slightly in the last year. The wholesale sector was more closely tied to pipeline construction, while retail trade was more independent and continues to expand in Anchorage.

Finance, Insurance and Real Estate: The number of people working rose by approximately 50 during July. This was only 150 more than last year. The employment level essentially has been flat since last July and little seasonal change is foreseen in the second half of the year. This would give a year and a half of almost no growth in employment for this industry until completion of new banking facilities.

Service and Miscellaneous: After a June high of 18,100, employment dropped 1.4 percent in July. Despite the fall in employment, there were 2,400 more workers this July than one year ago. The immigration of ex-pipeline workers, the better than expected construction season, and tourism have helped to strengthen this industry this year.

Government: Employment showed a sharp rise this month mainly because of the federal sector although the local sector also increased. The over-the-year increase was more evenly divided among the three sectors.

Private IUR: The insured unemployment rate for Anchorage during July was 8.6 percent, down from 10.9 percent last month. This compared to an IUR of 7.1 percent during July of last year. The number of people drawing unemployment insurance continued at a high level. Initial claims for

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ANCHORAGE			
State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	7/77	6/77	7/76
Total Weeks Claimed.....	3,614	3,307	2,879
Characteristic			
	Percent Distribution		
Total.....	100	100	100
Sex and Age			
Men			
Under 45.....	56	56	50
45 and over.....	15	17	15
Women			
Under 45.....	23	22	28
45 and over.....	5	5	7
Industry			
Mining.....	1	2	4
Contract Construction.....	52	52	35
Manufacturing.....	3	4	3
Transp.-Comm. & Utilities...	8	8	10
Trade.....	15	13	19
Finance-Insurance & R. E....	3	2	3
Service & Miscellaneous.....	17	18	23
All Other.....			
Occupation			
Professional & Managerial...	7	7	12
Clerical & Sales.....	18	17	21
Service.....	11	11	13
Farming-Fishing & Forestry..	-	-	1
Processing.....	1	1	1
Machine Trades.....	2	3	3
Hand Work.....	-	-	-
Structural Work.....	39	42	34
Miscellaneous.....	18	15	13
Unknown.....	4	3	2
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	40	35	43
5-14 Weeks.....	40	37	37
15 Weeks and over.....	20	28	20

ANCHORAGE CIVILIAN LABOR FORCE SUMMARY ^{1/} ^{4/}
BY PLACE OF RESIDENCE

Changes From:

	^{p/} <u>7/77</u>	^{r/} <u>6/77</u>	<u>7/76</u>	<u>6/77</u>	<u>7/76</u>	NON- * CPS
CIVILIAN LABOR FORCE.....	67,500	67,700	71,800	-200	-4,300	94,111
INVOLVED IN WORK STOPPAGES.....	300	300	0	0	300	255
TOTAL UNEMPLOYMENT.....	5,000	6,050	4,150	-1,050	850	8,970
Percent of Labor Force.....	7.4	8.9	5.8	-	-	9.5
TOTAL EMPLOYMENT ^{2/}	62,500	61,650	67,650	850	-5,150	85,141

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT ^{1/}
BY PLACE OF WORK

Changes From:

	^{p/} <u>7/77</u>	^{r/} <u>6/77</u>	<u>7/76</u>	<u>6/77</u>	<u>7/76</u>
Nonagricultural Wage & Salary.....	78,500	77,150	76,550	1,200	1,800
Mining.....	2,400	2,350	1,550	50	850
Construction.....	6,050	5,450	9,500	600	-3,450
Manufacturing.....	2,250	2,100	1,850	150	400
Food Processing.....	500	500	400	0	100
Other Manufacturing.....	1,750	1,600	1,450	150	300
Transp.-Comm. & Utilities.....	7,700	7,800	7,750	-100	-50
Trucking & Warehousing.....	1,600	1,850	1,400	-250	200
Water Transportation.....	450	400	450	50	0
Air Transportation.....	2,700	2,600	2,900	100	-200
Other Transp.-Comm. & Utilities..	2,950	2,950	3,000	0	-50
Trade.....	16,350	16,150	16,600	200	-250
Wholesale Trade.....	4,050	4,100	4,350	-50	-300
Retail Trade.....	12,300	12,050	12,250	250	50
General Merchandise & Apparel..	1,950	2,000	2,400	-50	-450
Food Stores.....	1,600	1,500	1,300	100	300
Eating & Drinking Places.....	3,300	3,700	3,900	-400	-600
Other Retail Trade.....	5,450	4,850	4,650	600	800
Finance-Insurance & Real Estate....	4,650	4,600	4,500	50	150
Services & Miscellaneous.....	17,850	18,100	15,450	-250	2,400
Government ^{3/}	21,100	20,600	19,350	500	1,750
Federal.....	10,650	10,250	9,900	400	750
State.....	4,400	4,400	4,050	0	350
Local.....	6,050	5,950	5,400	100	650

^{1/} Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the interconnecting highways.

^{2/} Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

^{3/} Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

^{4/} Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

^{p/} Denotes preliminary estimates.

^{r/} Denotes revised estimates.

AVAILABLE JOB OPPORTUNITIES 1/
ANCHORAGE

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>July 77</u>	<u>June 77</u>
Professional & Managerial.....	121	135
Clerical.....	293	327
General Office.....	126	129
Book Keeping.....	98	150
Other.....	69	48
Sales.....	99	109
Domestic Service.....	36	22
Public Oriented Service.....	376	275
Food & Beverage Preparation.....	293	228
Lodging.....	29	13
Other.....	54	34
Farming, Fishing, Forestry.....	28	20
Processing.....	6	18
Machine Trades.....	71	60
Bench Work.....	24	11
Structural Work.....	223	170
Motor Freight & Transportation.....	61	64
Packaging and Materials Handling.....	16	19
Logging, Mining, Utilities.....	69	67

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>July 77</u>	<u>June 77</u>
Professional & Managerial.....	76	45
Clerical.....	102	146
General Office.....	65	56
Book Keeping.....	23	60
Other.....	14	30
Sales.....	44	59
Domestic Service.....	6	8
Public Oriented Service.....	136	72
Food & Beverage Preparation.....	117	58
Lodging.....	13	11
Other.....	32	3
Farming, Fishing, Forestry.....	20	0
Processing.....	2	8
Machine Trades.....	38	18
Bench Work.....	5	7
Structural Work.....	98	29
Motor Freight & Transportation.....	32	29
Packaging and Materials Handling.....	6	12
Logging, Mining, Utilities.....	60	2

ACTIVE APPLICANTS ON FILE

	<u>July 77</u>	<u>June 77</u>
Professional & Managerial.....	826	904
Clerical.....	1,024	1,146
General Office.....	282	32
Book Keeping.....	459	510
Other.....	283	311
Sales.....	232	245
Domestic Service.....	35	41
Public Oriented Service.....	744	865
Food & Beverage Preparation.....	461	529
Lodging.....	59	55
Other.....	224	281
Farming, Fishing, Forestry.....	20	23
Processing.....	30	34
Machine Trades.....	147	220
Bench Work.....	45	53
Structural Work.....	499	750
Motor Freight & Transportation.....	261	334
Packaging and Materials Handling.....	192	238
Logging, Mining, Utilities.....	52	70

1/ Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

compensation still ran above last years levels, but only by about 10 percent. The IUR will continue to decline for a couple of months but the rate will remain substantially above last years level.

Manpower Resources: The insured unemployed make up a large percentage of total unemployment in Anchorage, and their characteristics give a good indication of the human resources available in Anchorage. The characteristics of the insured unemployed haven't changed much from last month, but are considerably different from last year. Pipeline related unemployment is overwhelming any local back to work trends. The differences do not result from a lack of unemployed workers in any particular occupation or industry, but rather a tremendous number of former pipeline workers. The contract construction industry contributed 35 percent of the insured unemployed during July of 1976. At the present time, contract construction is the greatest contributor with a 52 percent share. The occupation which shows the largest insured unemployment increase over the year and the month is equipment operators and truck drivers which are part of the miscellaneous category. Other pipeline related occupations are in excess supply but structural workers have declined to 39 percent of the total as the local economy has put some of these people to work.

Available Job Openings: The number of unfilled openings with Anchorage Job Service has begun to taper off. This accompanies the declining number of job openings received. Though the job market in July was very active and a large number of openings were received, activity was 10 percent below June, which was exceptional. The only occupations to show an increase in the number of openings received were food service and construction worker.

The average wage offered for most occupations tended to increase slightly or stay the same when compared to June. This was because the demand for labor was still high.

The hard to fill openings, those still open after 30 days, were on the increase. The clerical occupations have been bucking this trend with a decline in the number of hard to fill openings indicating a more than adequate supply of workers to fill the demand.

FAIRBANK'S LABOR MARKET IN JULY

Highlights: Oil exploration activities on the North Slope are increasing. Husky Oil Company's contract

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS			
State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	<u>7/77</u>	<u>6/77</u>	<u>7/76</u>
Total Weeks Claimed.....	3,368	2,906	1,106
Percent Distribution			
Characteristic			
<u>Total</u>	100	100	100
Sex and Age			
<u>Men</u>			
Under 45.....	57	55	50
45 and over.....	15	17	16
<u>Women</u>			
Under 45.....	22	23	27
45 and over.....	6	5	7
Industry			
Mining.....	2	1	2
Contract Construction.....	56	58	37
Manufacturing.....	2	1	3
Transp.-Co. & Utilities...	11	13	20
Trade.....	9	8	14
Finance-Insurance & R. E....	2	2	3
Service & Miscellaneous.....	17	16	19
All Other.....	1	1	2
Occupation			
Professional & Managerial...	9	6	12
Clerical & Sales.....	11	10	13
Service.....	12	12	12
Farming-Fishing & Forestry..	-	-	-
Processing.....	-	-	-
Machine Trades.....	6	6	7
Bench Work.....	-	-	1
Structural Work.....	40	40	30
Miscellaneous.....	16	20	19
Unknown.....	6	6	6
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	37	35	47
5-14 Weeks.....	42	40	39
15 Weeks and over.....	21	25	14

with the Navy for drilling operations on the National Petroleum Reserve - Alaska (Pet 4) has continued under the Interior Department's management. The Interior Department has taken over responsibility for field exploration. The 1977 - 1978 winter plan involves site selection for six drilling pads. Two deep wells will be started some time next spring after pad development this winter. Four other medium depth wells will also be drilled. The intention now is to contract four rigs for the operation. The two deep wells will require approximately a year each for completion. These two sites will be accompanied by all-season airstrips. This same plan calls for three shallow gas wells to be drilled near Barrow.

**FAIRBANKS CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE**

	Changes From:					
	<u>7/77</u> ^{p/}	<u>6/77</u> ^{r/}	<u>7/76</u>	<u>6/77</u>	<u>7/76</u>	NON- * CFS
CIVILIAN LABOR FORCE.....	17,350	18,050	22,850	-700	-5,500	24,749
INVOLVED IN WORK STOPPAGES.....	100	100	0	0	100	99
TOTAL UNEMPLOYMENT.....	2,600	3,100	1,400	-500	1,200	4,653
Percent of Labor Force.....	14.9	17.1	6.2	-	-	18.8
TOTAL EMPLOYMENT <u>2/</u>	14,750	14,950	21,450	-200	-6,700	20,096

**NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK**

	Changes From:				
	<u>7/77</u> ^{p/}	<u>6/77</u> ^{r/}	<u>7/76</u>	<u>6/77</u>	<u>7/76</u>
Nonagricultural Wage & Salary.....	22,050	22,500	29,500	-450	-7,540
Mining.....	300	250	200	50	100
Construction.....	2,250	2,200	6,650	50	-4,700
Manufacturing.....	700	600	400	100	300
Food Processing.....	50	50	50	0	0
Other Manufacturing.....	650	550	350	100	300
Transp.-Comm. & Utilities.....	3,300	3,400	3,650	-100	-350
Trucking & Warehousing.....	1,250	1,300	1,200	-50	50
Water Transportation.....	50	50	50	0	0
Air Transportation.....	600	650	800	-50	-200
Other Transp.-Comm. & Utilities..	1,400	1,400	1,600	0	-200
Trade.....	4,050	4,150	4,750	-100	-700
Wholesale Trade.....	650	700	950	-50	-300
Retail Trade.....	3,400	3,450	3,800	-50	-400
General Merchandise & Apparel..	550	500	550	50	0
Food Stores.....	600	650	550	-50	50
Eating & Drinking Places.....	900	950	1,100	-50	-200
Other Retail Trade.....	1,350	1,350	1,600	0	-250
Finance-Insurance & Real Estate....	950	1,000	1,000	-50	-50
Services & Miscellaneous.....	3,650	3,950	5,600	-300	-1,950
Government <u>3/</u>	6,850	6,850	6,950	0	-100
Federal.....	2,650	2,500	2,550	150	100
State.....	2,450	2,600	2,600	-150	-150
Local.....	1,750	1,750	1,800	0	-50

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Another exploration project has been proposed by Atlantic Richfield. They are interested in drilling two exploratory wells this winter west of Prudhoe Bay. These operations will tide northern region employment through the usually quiet winter.

Employment and Unemployment: The unemployment rate in July declined to 14.9 percent from June's revised 17.1 percent rate. Despite the weakening trade and service sectors it is likely that the rate will decline further in August. Employment opportunities this month were in construction, manufacturing and mining occupations. Fall employment opportunities may increase in the financial sector as two new branch bank locations on College Road have been proposed.

Mining: This industry should be near its peak for this year, with a seasonal decline beginning in September. Winter drilling plans for National Petroleum Reserve - Alaska, "Pet 4" and seismic surveys will support mining employment in the northern regions this winter.

Construction: Employment continued to increase at a moderate rate in this industry. A seasonal peak can be expected within the next two months. Local building permits illustrate a continued confidence in apartment and home dwelling demand. Total new dwelling unit permits totaled 472 to date for 1977. Last year at this time only 149 had been filed. Vacancy rates this year are greater than in the past two years when in effect they were negative due to the presence of more tenants than available units. Some caution would have been expected this year, but local builders feel there is sufficient pent-up demand to support the current building levels.

Manufacturing: Manufacturing employment increased again in July making it and mining the only two major sectors showing employment gains over July 1976. This month's report indexes a 42 percent gain in employment from a year ago in manufacturing. No definitive area explains this increase other than refinery employment at the new North Pole plant. Manufacturing employment is generally less seasonal than many other industry groups and it will be interesting to see whether any decline takes place this winter.

Transportation, Communications and Utilities: July historically has been a slack month in these industries, having as many June to July decreases as increases in employment. This month's drop was split between two sub-groups. The first, trucking and warehousing, was reduced by about 50 workers. A

strong market for backhauling equipment from the North Slope combined with supply operations has helped local employment despite this month's slippage. The second group, air transportation, continued to decrease in conjunction with declining passenger loads and reduced freight tonnage. Passenger volume was down approximately 31.6 percent from last July. August should follow this month's declining trend in employment.

Trade: Although trade employment is off 14.7 percent from last July, local merchants have invested a substantial amount of money in new stores. The two new shopping malls are an example of their enthusiasm as is Safeway's intention to make a \$500,000 addition to its Airport Way store. Therefore, despite the reductions in trade employment this year, there is apparently an underlying optimism in Fairbanks economy. No major changes are foreseen in next month's employment report.

Finance, Insurance and Real Estate: Employment in this group fell from 1,000 to 950 this month. New facilities however are upcoming. Alaska State Bank has recently applied for a permit to build a new facility on College Road near the proposed National Bank of Alaska location. These two developments should offset other future decline in this group's employment.

Service and Miscellaneous: The number of workers employed in this industry was off 300 from June. In net employment decline, 1,950 from July 1976, this group ranks second only to construction. Unfortunately this group is sensitive to a broad range of economic impacts and those have been principally negative this year. Continued weakness is expected in this group's employment.

Government: Federal employment increases offset state decreases. The major reduction in state employment was university related. Government employment is once again increasing in relative importance to the community. In the early 1970's government employment was as much as 45 percent of nonagricultural wage and salary employment. In 1976 it was only 26 percent of that group but this July it has grown to 31 percent of the total. A return to a high level of government dependent employment may in some respects be unfortunate, yet it does provide a bottom line of security for the areas economic stability.

Private IUR: The private industry insured unemployment rate (IUR) declined to 9.5 percent

from June's 9.9 percent. Weeks claimed totaled 13,986. The rate has shown gradual improvement through the summer but may increase again in the fall as the construction season nears its end. A slowdown in the wholesale trade industry indicates a decrease in basic spending patterns that will affect other employment groups, especially the service sector. This may signal the end of this season's employment gains.

Human Resources: Weeks claimed in July's survey week exceeded those in June's survey week by 462. The weakening of retail trade, wholesale trade and service employment has shifted the industry shares of those claiming. Construction claims are still the substantial claiming group however with 56 percent of the total. Occupational attachment statistics follow from the industry relationships with a percentage increase in clerical and sales unemployment claims.



1/

HOURS AND EARNINGS - SELECTED INDUSTRIES

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	7/77	6/77	7/76	7/77	6/77	7/76	7/77	6/77	7/76
MINING.....	604.30	618.55	660.11	45.3	43.9	50.7	13.34	14.09	13.02
CONTRACT CONSTRUCTION.....	1,068.93	1,224.95	1,098.12	57.5	64.1	62.5	18.59	19.11	17.57
MANUFACTURING.....	394.61	356.75	362.86	48.3	43.4	46.7	8.17	8.22	7.77
Food Processing.....	342.08	276.64	303.18	53.2	45.5	48.9	6.43	6.08	6.20
Logging-Lumber & Pulp.....	451.25	429.14	382.64	40.8	40.6	41.1	11.06	10.57	9.31
WHOLESALE TRADE.....	354.24	357.00	368.52	41.0	40.8	41.5	8.64	8.75	8.88
RETAIL TRADE <u>2/</u>	244.76	241.85	239.57	33.3	34.6	36.8	7.35	6.99	6.51
FINANCE-INSURANCE & REAL ESTATE..	240.54	221.08	193.29	-	-	-	-	-	-

EXPLANATION NOTES:

AVERAGE HOURS & EARNINGS SERIES: Averages are based on data for full- and part-time production and non-supervisory workers and are for gross earnings and hours worked, or paid for, including overtime pay and hours. Administrative, supervisory, technical, and office personnel are excluded.

1/ Prepared in cooperation with Bureau of Labor Statistics, U. S. Department of Labor.

2/ Excluded eating and drinking places.

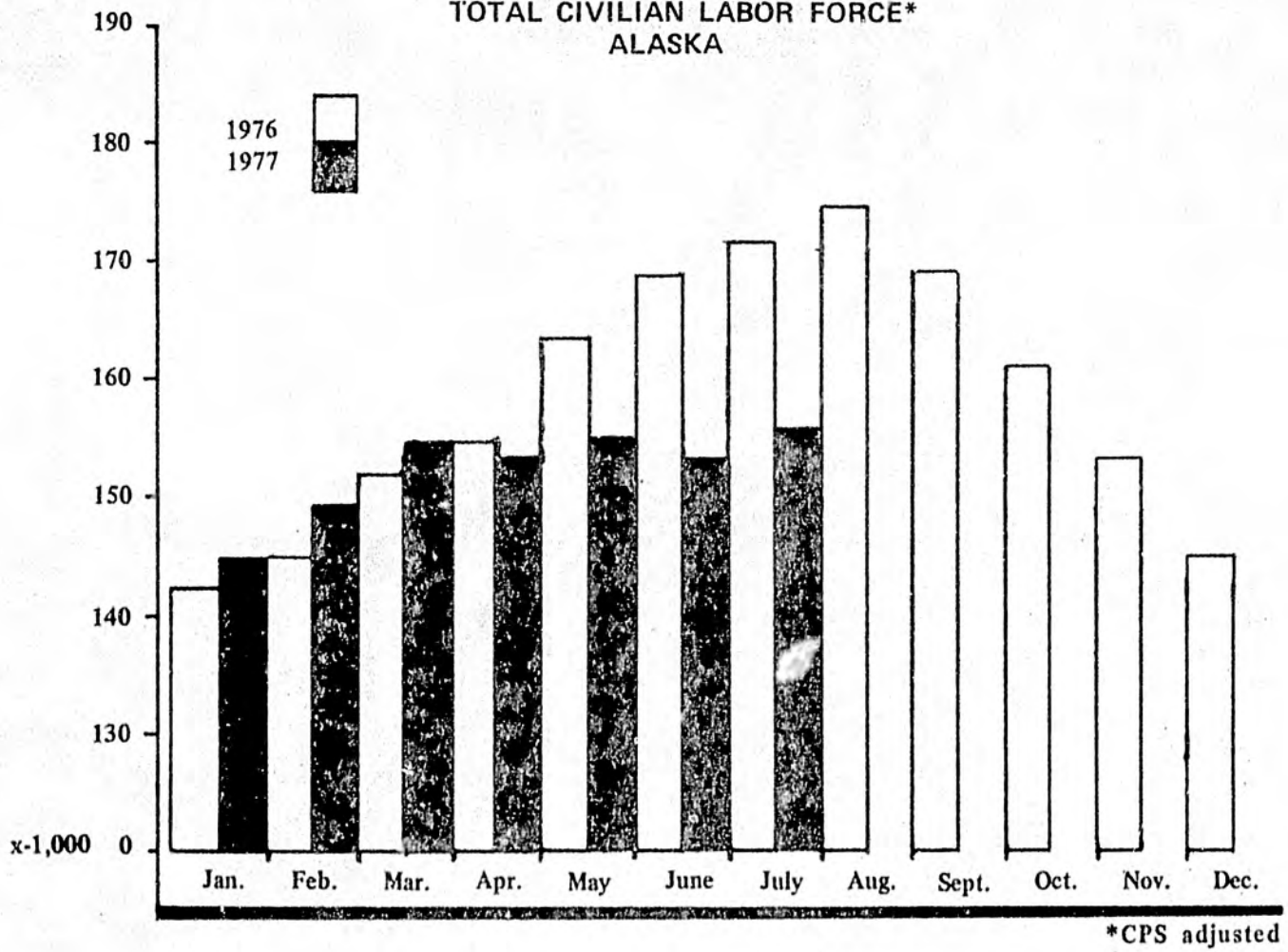
PRIVATE INDUSTRY INSURED UNEMPLOYMENT RATE (IUR)

AREA	<u>IUR</u> 7/77	<u>IUR</u> 6/77	<u>IUR</u> 7/76
Statewide	8.8	9.3	6.0
Anchorage	8.6	9.2	7.1
Fairbanks	9.5	9.9	3.7
Juneau	8.3	9.7	6.2
Ketchikan	10.4	9.4	5.3
Nome	NA	NA	NA
Kenai-Kodiak	8.8	9.1	8.7
Sitka	8.2	9.0	7.2

INDUSTRY	<u>IUR</u> 7/77	<u>IUR</u> 6/77	<u>IUR</u> 7/76
Total	8.8	9.3	6.0
Oil & Gas	5.2	5.1	7.1
Other Mining	7.3	9.8	4.4
Construction	18.5	19.8	8.5
Food Processing	6.2	9.1	7.1
Log, Lumber & Pulp	6.0	5.6	6.2
Other Mfg.	5.3	6.1	4.2
Trans. & Utilities	7.1	7.2	6.1
Wholesale Trade	3.6	3.4	2.5
Retail Trade	5.0	4.9	4.7
Finance	5.0	5.4	3.0
Service & Other	6.5	6.6	5.6

Insured Unemployment Rate: The IUR is derived by dividing the number of man weeks of unemployment claimed by the number of weeks for the month and then dividing this answer by the State U. I. covered employment from final employment figures relating to a quarter ending six months earlier. This IUR is not seasonally adjusted.

TOTAL CIVILIAN LABOR FORCE*
ALASKA



ALASKA
DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
OFFICIAL BUSINESS

EMPLOYMENT SECURITY MAIL
POSTAGE AND FEES PAID

LAB 449

00670 G

ALASKA STATE LEGISLATURE
PERMANENT FUND
538 W 5TH AVE
ANCHORAGE AK 99501

DELIVERED TO THE
WRONG ADDRESS !!

ALASKA Economic Trends



**ARE FEDERAL
U.I. BENEFIT
STANDARDS
APPROPRIATE
FOR
ALASKA?**

JULY 1977
STATE OF ALASKA • DEPARTMENT OF LABOR
Employment Security Division • Research and Analysis Section

JAY S. HAMMOND, GOVERNOR

ARE FEDERAL U. I. BENEFIT STANDARDS APPROPRIATE FOR ALASKA?

This is a highlight of views of the Alaska Department of Labor staff that were shared with the Committee on Ways and Means of the U. S. House of Representatives.

National concern regarding the Federal—State Unemployment Insurance System has led to the creation of the National Commission on Unemployment Compensation. This commission will be looking at both the tax and benefit provisions of the system. The most controversial topic to be discussed could be the establishment of national benefit standards. The U.S. Department of Labor currently advocates that unemployment benefits should be at least 50 percent or no more than 66 2/3 percent of a state's average weekly wage. A program such as this could potentially put an extreme burden on Alaska's unemployment insurance fund.

At the outset, it is most appropriate to list the critical conditions pertinent to the Unemployment Insurance Program and the State of Alaska today.

- (1) Alaska currently has the highest effective UI tax in the nation.
- (2) Using the U.S. Department of Labor's measurement criteria, Alaska has the least adequate benefits in the nation. Alaska's replacement of income through UI benefits now averages approximately 17 percent. In a period of time when the Congress is considering the imposition of National Benefit standards, the financial condition of Alaska's U.I. fund is in jeopardy.
- (3) Alaska has the highest average weekly wage in the nation—\$502.00 for calendar year 1976. Coupled with the high seasonality of the state's industries, a minimum federal benefit standard which is computed as a fixed percent of a state's average weekly wage would cause significant problems which should be addressed.
- (4) 50 percent of Alaska's U.I. benefits, which are designed to stabilize Alaska's economy, are currently going outside of this state.

- (5) With Alaska's oil and gas development forthcoming, we anticipate a continuation of these conditions at least through the mid-1980's.

With regard to Alaska's U.I. program, the major problem with Federal Benefit Standards results from laws regulating the payment of Interstate benefits. The current level of benefits the state now pays is terribly inadequate for anyone living in Alaska and yet they are quite adequate in relation to the benefits paid in other states when an individual is filing an Interstate claim.

If Alaska were to raise its maximum benefit amount to \$250.00 per week instead of the current \$90 per week, under current laws those who monetarily qualify for this amount must be paid equally regardless of whether they file in Alaska or from the lower '48'. As a result, 50 percent of our benefits would go out of state. These high Interstate benefits would serve as a disincentive for those outside the state to return to full-time work. If Alaska paid adequate benefits to residents and the same benefits to those outside the state, we would have to triple U.I. taxes and support a tremendous drain on the U.I. trust fund.

In the past, Alaska approached this problem by establishing a maximum Interstate payment of \$20.00 per week. Congress acted in 1972 to say that no state could reduce benefit payments to a claimant filing from another state solely because of their place of residence. The State of Alaska then began paying all claimants the same amount of benefits given the same wage conditions.

The U.S. Department of Labor has been encouraging all states to pay benefits of no less than 50 percent and no more than 66 2/3 percent of the state's average weekly wage. Doing this would satisfy the individuals that are concerned about adequate benefits but it would also make Alaska's program financially impractical.

An alternative approach would be to pay benefits as a percent of the average weekly wage in the State in which the claimant is filing.

This method of paying unemployment benefits would:

- (1) pay adequate benefits relative to the purchasing power in the area in which the claimant is living;
- (2) maintain a sound financial program for the State of Alaska; and
- (3) maintain equity so that all claimants will be receiving the same parity of benefits.

U. S. Department of Labor has stated that the above would be in violation of the current law. However, this opinion may be open to question, and the legality of such a program may have to be argued in court. In the meantime, the state is stymied in its efforts to bring about an adequate tax situation as well as equitable benefits consistent with U.I. program intent in the State of Alaska.

Although National U.I. benefit standards may be necessary to insure that all states maintain adequate benefits, it is most important that such standards take into account differences in the cost of living between each state. Without such a provision inequities in the program are certain to arise. Rigid benefit standards that cannot be adjusted for differences in cost of living would put an undue hardship on the unemployed in high cost areas, and would be more than adequate in areas where the cost of living is low. Foremore, such a program would be certain to increase the tax burden on employers in order to keep the program financially sound.

For those interested in further information about Alaska's Unemployment Insurance program, please contact the Research and Analysis Section of the Department of Labor and ask for the booklet, Unemployment Insurance Theory in Alaska: A Layperson's Guide.

ALASKA'S LABOR MARKET IN MAY

Employment and Unemployment: The employment and unemployment picture for Alaska's labor force during the month of May improved slightly over the previous month. Total employment increased less than one percent during the month. When compared to the same period one year ago, total employment has declined almost 13 percent. The primary factor behind this drop in employment, as well as the slow recovery of seasonal employment this summer, is completion of the Trans-Alaska Pipeline construction project.

Currently Alaska's unemployment rate is approximately 13.9 percent, slightly improved from April's revised figure of 14.2 percent. Although activity within the state should not reach levels experienced last year, summer expansion of the economy should be significant enough to have a positive effect on the economy and employment. The summer employment season should help to stabilize any impact of layoffs along the Trans-Alaska Pipeline.

Mining: The mining industry is currently in its normal spring time transition from winter activities to more warm weather operations. Employment in the oil industry is now declining slightly as most oil drilling operations are done during the winter months. On the other hand, hardrock mining is on the increase. Gold dredging and gravel quarrying operations generally operate during the summer months in order to avoid freeze-up conditions.

Construction: Though employment in the construction industry only dropped slightly during the month of May, this is a rather atypical trend when compared to previous years. In recent years pipeline construction has dominated the construction industry and at this time of year employment was usually rising rapidly as pipeline contractors geared up for the summer season.

Manufacturing: A five percent decline in employment in manufacturing was mainly caused by a decline in employment in the food processing sector. Employment declines are mainly among employers engaged in shellfish processing. Employment in the lumber industry remained steady during the month of May and the number of people in this industry continued to be greater than one year ago due to the warmer than normal weather conditions experienced this year.

Transportation, Communications & Utilities: With the exception of the trucking industry, which experienced a slight decline during the month of May, the transportation industry is showing signs of normal spring activity. Improved weather conditions have allowed firms in the air and water transportation industries to increase their activities.

Trade: When compared to previous years, employment in the trade industry this spring has remained somewhat suppressed. Normally at this time of year employment in this industry tends to pick up as Alaska's economy expands during the summer months. In May employment in the retail

INDICATORS OF ALASKA ECONOMIC ACTIVITY*

INDICATOR	Most	Previous	Year
	Recent	Month	Ago
	Month	Month	
	<u>5-77</u>	<u>4-77</u>	<u>5-76</u>
Selected Economic Activity Measures			
Total Labor Force <u>a/</u>	151,612	155,613	162,573
Total Unemployment Rate <u>a/</u>	14.5	12.2	8.6
Insured Unemployment (weekly average) <u>a/ b/</u>	13,707	12,434	9,000
New Employers (unadjusted) <u>c/</u>	263	248	260
Nonagricultural Wage Payments (millions \$, unadjusted)...	262	262	282
Wage Payments in Mining, Manufacturing & Construction..	100	100	134
Employment (1967=100) <u>a/</u>			
Nonagricultural Wage & Salary.....	197.3	208.2	229.9
Mining.....	233.2	237.6	171.4
Construction.....	310.0	410.7	515.7
Manufacturing.....	137.2	168.0	148.5
Transportation-Communications & Utilities.....	209.1	202.0	213.1
Trade.....	220.3	231.5	241.4
Finance-Insurance & Real Estate.....	318.5	319.3	297.0
Services.....	278.7	282.3	329.8
Government.....	143.2	144.5	149.4
Alaska State Employment Service Activities			
Nonagricultural Placements (unadjusted).....	2,142	1,400	2,076
Nonagricultural Placements (daily average) <u>a/</u>	90	103	97
Banking Activities (millions \$, unadjusted) <u>e/</u>			
Loans & Investments.....	992	1,028	919
Demand Deposits.....	533	578	500
Time Deposits.....	472	468	433
	<u>3-77</u>	<u>2-77</u>	<u>3-76</u>
Personal Income (millions \$ Annual Rate) <u>d/</u>	4,455.4	4,457.6	3,342.3
Crude Petroleum Production (000 bbls., unadj.) <u>f/</u>	5,402	4,968	6,178

* All data seasonally adjusted unless otherwise noted. Current month preliminary.

a/ Seasonally adjusted by the 1966 U.S. Bureau of Labor Statistics seasonal adjustment method.

b/ Unemployment in Alaska insured by State law.

c/ Employers newly subject to the Alaska Employment Security Act.

d/ Source: Business Week Magazine, seasonally adjusted by the Alaska Employment Security Division.

e/ Source: Federal Reserve Bank of San Francisco. Members banks only.

f/ Source: Alaska Department of Natural Resources, Division of Mines and Minerals.

ALASKA CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

	Changes From:					
	<u>5-77</u> ^{p/}	<u>4-77</u> ^{r/}	<u>5-76</u>	<u>4-77</u>	<u>5-76</u>	<u>5-77</u> *
CIVILIAN LABOR FORCE.....	153,500	153,400	165,000	100	-11,500	190,500
INVOLVED IN WORK STOPPAGES.....	100	0	100	100	0	100
TOTAL UNEMPLOYMENT.....	21,300	21,800	13,500	-500	-7,800	29,900
Percent of Labor Force.....	13.9	14.2	8.2	-	-	15.7
TOTAL EMPLOYMENT <u>2/</u>	132,200	131,700	151,600	500	-19,400	160,600

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:				
	<u>5-77</u> ^{p/}	<u>4-77</u> ^{r/}	<u>5-76</u>	<u>4-77</u>	<u>5-76</u>
Nonagricultural Wage & Salary.....	154,300	154,100	176,500	200	-22,200
Mining.....	4,900	5,000	3,600	-100	1,300
Construction.....	18,800	18,900	33,000	-100	-1,200
Manufacturing.....	10,100	10,200	10,500	-100	0
Durable Goods.....	3,500	3,300	3,200	200	0
Lumber, Wood Products.....	2,700	2,700	2,300	0	0
Other Durable Goods.....	800	600	900	200	-100
Nondurable Goods.....	6,600	6,900	7,300	-300	-700
Food Processing.....	3,900	4,300	5,000	-400	-1,100
Other Nondurable Goods.....	2,700	2,600	2,300	100	400
Transp.-Comm. & Utilities.....	15,800	14,700	16,100	1,100	-300
Trucking & Warehousing.....	2,800	3,000	3,200	-200	-400
Water Transportation.....	2,300	1,400	1,300	900	1,000
Air Transportation.....	4,400	4,200	4,800	200	-400
Other Transp.-Comm. & Utilities..	6,300	6,100	6,800	200	-500
Trade.....	26,100	26,400	28,500	-300	-2,500
Wholesale Trade.....	5,500	5,500	6,200	0	-700
Retail Trade.....	20,600	20,900	22,400	-300	-1,800
General Merchandise & Apparel..	3,800	3,700	4,200	100	-400
Food Stores.....	3,100	3,300	3,100	-200	0
Eating & Drinking Places.....	6,400	6,400	7,000	0	-600
Other Retail Trade.....	7,300	7,500	8,100	-200	-800
Finance-Insurance & Real Estate....	7,400	7,300	6,900	100	500
Services & Miscellaneous.....	25,100	25,400	29,700	-300	-4,600
Government <u>3/</u>	46,100	46,200	48,100	-100	-2,000
Federal.....	18,200	17,600	18,000	600	200
State.....	14,100	14,500	16,300	-400	-2,200
Local.....	13,800	14,100	13,800	-300	0

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

trade industry declined by approximately 1½ percent. It is quite likely that the current decline in the size of Alaska's labor force due to completion of the Trans-Alaska Pipeline may be having a negative affect on this industry.

Finance, Insurance & Real Estate: With employment in the banking sector remaining essentially the same during the months of April and May growth in employment during the month of May was primarily the results of expansion in the real estate sector.

Services: Employment in the services industry declined by just over one percent in the month of May. The main factor behind this decline in employment was a drop in activity by firms engaged in services to businesses. Again it is suspected that the decline in pipeline activity has had some effect upon this industry.

Government: Employment growth on the federal level during the month of May was mainly seasonal in nature. Agencies involved with land management normally increase their staffing at this time in anticipation of the warmer summer months. Employment on the state and local level declined during May as most schools such as the University of Alaska and local school districts recessed for the summer during the month of May.

Private IUR: The insured unemployment rate for May for the state of Alaska was 10.4 percent. This represents a significant drop from April's rate of 12.3 percent. Though the insured unemployment rates for the various major industries tended to be somewhat higher than last year, without exception the IUR dropped in all categories during the month of May when compared to April.

Manpower Resources: Alaska's labor markets continue to be effected by a surplus of labor during the month of May. As would be expected, workers from a construction industry are currently the most plentiful. This situation is basically due to completion of the Trans-Alaska Pipeline.

Available Job Opportunities: The number of job opportunities improved somewhat during the month of May. Though the economy is somewhat sluggish this summer, new openings are becoming available. Its noteworthy to point out that while several occupations listed with the Department of Labor experienced an increase in the number of unfilled jobs available. Positions in the clerical field declined

during the month of May. More specifically this decline was mainly in the bookkeeping field.

Employment and Training Activities: Pending legislation in Congress will be creating the National Young Adult Conservation Corps. This program will be directed at the youth population ages 16-23. A major goal of the program will be to provide jobs for unemployed, out-of-school youth in conservation and wildlife management projects on federal and

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA			
State Unemployment Insurance			
Insured Unemployed Based on Key Week			
	5-77	4-77	5-76
Total Weeks Claimed.....	14,574	22,773	10,459
Percent Distribution			
Characteristic			
Total.....	100	100	100
Sex and Age			
Men			
Under 45.....	57	57	54
45 and over.....	18	18	20
Women			
Under 45.....	19	18	20
45 and over.....	6	5	6
Industry			
Mining.....	2	2	3
Contract Construction.....	51	49	38
Manufacturing.....	8	8	11
Transp.-Comm. & Utilities...	9	9	11
Trade.....	11	11	14
Finance-Insurance & R. E....	1	3	3
Service & Miscellaneous.....	16	16	13
All Other.....	2	2	7
Occupation			
Professional & Managerial...	6	7	7
Clerical & Sales.....	12	11	12
Service.....	10	9	11
Farming-Fishing & Forestry..	2	2	4
Processing.....	4	4	5
Machine Trades.....	4	4	4
Bench Work.....	-	-	1
Structural Work.....	42	43	38
Miscellaneous.....	17	17	15
Unknown.....	3	3	3
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	30	26	32
5-14 Weeks.....	38	43	39
15 Weeks and over.....	32	31	29

AVAILABLE JOB OPPORTUNITIES ^{1/}
ALASKA

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>May 1977</u>	<u>April 1977</u>
Professional & Managerial.....	206	181
Clerical.....	525	602
General Office.....	210	204
Book Keeping.....	231	299
Other.....	84	99
Sales.....	150	726
Domestic Service.....	47	46
Public Oriented Service.....	454	346
Food & Beverage Preparation.....	283	221
Lodging.....	51	40
Other.....	120	85
Farming, Fishing, Forestry.....	14	20
Processing.....	91	.08
Machine Trades.....	103	85
Bench Work.....	56	46
Structural Work.....	211	180
Motor Freight & Transportation.....	110	90
Packaging and Materials Handling.....	70	71
Logging, Mining, Utilities.....	629	625

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>May 1977</u>	<u>April 1977</u>
Professional & Managerial.....	126	105
Clerical.....	306	411
General Office.....	134	136
Book Keeping.....	118	221
Other.....	54	54
Sales.....	81	80
Domestic Service.....	31	30
Public Oriented Service.....	250	237
Food & Beverage Preparation.....	141	132
Lodging.....	36	34
Other.....	73	71
Farming, Fishing, Forestry.....	12	19
Processing.....	62	84
Machine Trades.....	73	56
Bench Work.....	38	34
Structural Work.....	152	138
Motor Freight & Transportation.....	68	67
Packaging and Materials Handling.....	52	56
Logging, Mining, Utilities.....	618	620

ACTIVE APPLICANTS ON FILE

	<u>May 1977</u>	<u>April 1977</u>
Professional & Managerial.....	1,895	1,830
Clerical.....	2,652	2,435
General Office.....	875	790
Book Keeping.....	1,065	985
Other.....	712	660
Sales.....	638	599
Domestic Service.....	130	112
Public Oriented Service.....	2,122	2,036
Food & Beverage Preparation.....	1,181	1,153
Lodging.....	241	224
Other.....	700	659
Farming, Fishing, Forestry.....	280	290
Processing.....	255	278
Machine Trades.....	605	600
Bench Work.....	116	123
Structural Work.....	2,318	2,388
Motor Freight & Transportation.....	907	896
Packaging and Materials Handling.....	538	529
Logging, Mining, Utilities.....	302	350

^{1/} Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

non-federal lands. The Department of Labor will be responsible for overall administration and referral of persons to the program. The Departments of Interior and Agriculture will manage the corps centers, determine work assignments, and be responsible for effective programming at each site. It is anticipated that this program will have a significant impact on Southeastern Alaska and in the Kenai Peninsula.

Employment and Unemployment Outlook: It is estimated that the total unemployment rate for June will be approximately 12.5 percent.

ANCHORAGE LABOR MARKET AREA

Employment and Unemployment: Increases in the civilian labor force equalled employment increases, an effect which steadied the number of unemployed. The enlarged job market has reduced the ratio of employed to unemployed therefore creating a decline in the unemployment rate from 10.2 percent to 10.0 percent. At present a balance has been achieved between the growth of the labor supply and the growth of the job market.

Pipeline employment seems to have peaked for the year during March and April. It is expected that Anchorage will attract a large portion of those workers who are laid-off the pipeline project. This may adversely affect the unemployment rate locally but the severity of this affect is unknown.

Local employment opportunities remain largely within service and trade occupations. Construction seems to be declining in importance as the local economy matures.

Mining: Mining employment has more than doubled over the past year. This rise is attributable to increased oil exploration activity in the Gulf of Alaska. As the focus of exploration shifts from the North Slope to the Gulf, Anchorage will continue to benefit in increased oil company support and supply related employment. The summer season should provide further gains in mining employment.

Construction: Employment in the construction industries continued to increase in May as it had in April. Several large projects are in full swing including the Calista Corporation's new hotel. In the public sector, summer projects will include the completion of the Peters Creek highway project and reconstruction of International Airport Road.

Despite the relatively active building seasons, total construction employment in May is well below 1976 levels. This situation was not unexpected in light of pipeline completion. In perspective, the present employment level is below what had been hoped for but is well above pre-pipeline employment. Through the period 1971-1973, employment increased at approximately 6 percent per year, as computed from May to May statistics. However, in the period 1973-1974, a 30 percent increase occurred. This pattern, although less forcefully, repeated itself through 1976. In 1977 employment growth has returned to pre-pipeline rates with an average growth from 1973 of slightly less than 5 percent per annum. These averages are computed from May figures. It is expected that this return to moderate growth rates will be lasting through this construction season.

Manufacturing: The increase in manufacturing activity this month is a result of construction support industries increasing their work forces. As building activity increases this summer a moderate gain in employment should occur. The over-the-year increase in manufacturing employment, unlike the monthly increase, is attributed to the food processing segment of this industry.

Transportation, Communications & Utilities: Transportation employment has not absorbed the net loss that has affected this season's construction industry. In part this is due to increased support services provided for Gulf of Alaska oil exploration. Port activities are less voluminous this year with a noticeable decline in inbound vehicle shipments. Increases in employment are normal for this season and the trend should continue in June.

Trade: Trade employment had rebounded from early year indecision. Retail store openings are responsible for the majority of this month's gain. Trade sector's strength as a source of new employment should be enhanced by the opening of the Dimond Center Shopping Mall. Increased restaurant employment is also foreseen.

Finance, Insurance & Real Estate: As local financial institutions have increased in both number and outlets so has this industry's employment. Functional sophistication of these institutions has demanded clerical and professional support personnel. This trend should decrease as financial institutions overtake current demand for services.

Service & Miscellaneous: Service has led all other

ANCHORAGE CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

Changes From:

	<u>p/</u> 5-77	<u>r/</u> 4-77	5-76	4-77	5-76	5-77 *
CIVILIAN LABOR FORCE.....	73,850	72,300	69,400	1,550	4,450	91,100
INVOLVED IN WORK STOPPAGES.....	(0)	(150)	(0)	-	-	(0)
TOTAL UNEMPLOYMENT.....	7,350	7,350	4,350	0	3,000	10,350
Percent of Labor Force.....	10.0	10.2	6.3	-	-	11.4
TOTAL EMPLOYMENT <u>2/</u>	66,500	64,950	65,050	1,550	1,450	80,750

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

Changes From:

	<u>p/</u> 5-77	<u>r/</u> 4-77	5-76	4-77	5-76
Nonagricultural Wage & Salary.....	74,450	73,200	73,100	1,250	1,350
Mining.....	2,250	2,250	1,200	0	1,050
Construction.....	4,900	4,750	7,350	150	-2,450
Manufacturing.....	1,800	1,650	1,650	150	150
Food Processing.....	450	450	300	0	150
Other Manufacturing.....	1,350	1,200	1,350	150	0
Transp.-Comm. & Utilities.....	7,300	7,150	7,350	150	- 50
Trucking & Warehousing.....	1,400	1,400	1,300	0	100
Water Transportation.....	400	400	400	0	0
Air Transportation.....	2,500	2,500	2,750	0	-250
Other Transp.-Comm. & Utilities..	3,000	2,850	2,900	150	100
Trade.....	16,400	16,000	16,350	400	50
Wholesale Trade.....	4,100	4,050	4,250	50	-150
Retail Trade.....	12,300	11,950	12,100	350	200
General Merchandise & Apparel..	2,100	2,000	2,350	100	-250
Food Stores.....	1,400	1,500	1,250	-100	150
Eating & Drinking Places.....	3,850	3,850	3,900	0	- 50
Other Retail Trade.....	4,950	4,600	4,600	350	350
Finance-Insurance & Real Estate....	4,450	4,400	4,150	50	300
Services & Miscellaneous.....	17,500	16,950	15,800	550	1,700
Government <u>3/</u>	19,850	20,050	19,250	-200	600
Federal.....	10,100	9,950	9,900	150	200
State.....	4,150	4,400	3,900	-250	250
Local.....	5,600	5,700	5,450	-100	150

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the interconnecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

industries as a source of new employment over the past year. In fact, Anchorage has only experienced net employment declines over the year in construction and transportation. Persistent skepticism concerning future growth in services still exists. Yet many businessmen feel that service related industries have not peaked. This is based upon the assumption that there has been an excess demand situation throughout the recent growth boom. In other words, services are just catching up with the communities demands. This may be true but it would seem that services should proportionately match pre-pipeline industry employment ratios. What has happened, however, is an increase in service employment in relation to total nonagricultural wage and salary employment. Service employment as an annual average from 1970-1973 was 15 percent of total nonagricultural employment. This month service related employment has risen to 24 percent of that total. It is yet to be seen whether the local economy can support this level of services.

Government: Government recorded a decline from April but remains at a substantially higher level than May 1976. The decline for the month is a result of the end of the school year. Both the Anchorage school district and local colleges have made seasonal adjustments to summer sessions.

Private Industry IUR: Construction trades still hold a substantial lead over other industry groups in weeks claimed on private industry unemployment insurance. Weeks claimed in that industry have declined this month statewide but they are still at a rate more than twice that of May 1976. Though there is some hope that the private industry Insured Unemployment Rate (IUR) will decline, it is not believed that it will equal or go below last years rate. Anchorage area IUR rates should remain relatively high due to pipeline employment decreases in June. People with construction occupations will undoubtedly remain a large proportion of the IUR.

Manpower Resources: Anchorage's insured unemployed have decreased in number from April. A larger percentage of those remaining on unemployment insurance have moved to the over 15 week category. These long term unemployed are very likely those construction workers who have not been able to find work this season. Adequate demand has not materialized to handle the mass of workers formerly employed by the pipeline project. Any demand that is locally generated is not expected to offset this situation.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ANCHORAGE			
State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
Total Weeks Claimed.....	5-77	4-77	5-76
	4,987	7,831	3,549
Percent Distribution			
Characteristic			
Total.....	100	100	100
Sex and Age			
Men			
Under 45.....	59	59	54
45 and over.....	18	20	20
Women			
Under 45.....	18	16	21
45 and over.....	5	5	5
Industry			
Mining.....	2	2	3
Contract Construction.....	56	56	44
Manufacturing.....	3	3	4
Transp.-Comm. & Utilities...	8	7	11
Trade.....	12	12	17
Finance-Insurance & R. E....	2	2	3
Service & Miscellaneous.....	16	16	15
All Other.....	1	1	3
Occupation			
Professional & Managerial...	7	7	8
Clerical & Sales.....	14	13	15
Service.....	9	9	11
Farming-Fishing & Forestry..	1	-	-
Processing.....	-	1	1
Machine Trades.....	2	2	3
Bench Work.....	-	-	1
Structural Work.....	45	47	42
Miscellaneous.....	18	17	15
Unknown.....	4	4	4
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	31	31	37
5-14 Weeks.....	39	42	40
15 Weeks and over.....	30	27	23

Structural and miscellaneous occupations combine to account for 63 percent of those claiming. Miscellaneous occupations would include truck drivers, equipment operators and material handlers.

In addition to these occupations, job service statistics indicate that there is an adequate supply of clerical workers in the Anchorage market. The current labor supply should more than equal an foreseeable labor demand.

AVAILABLE JOB OPPORTUNITIES 1/
ANCHORAGE

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>May 1977</u>	<u>April 1977</u>
Professional & Managerial.....	117	108
Clerical.....	397	377
General Office.....	153	155
Book Keeping.....	183	153
Other.....	61	69
Sales.....	118	97
Domestic Service.....	36	27
Public Oriented Service.....	356	264
Food & Beverage Preparation.....	249	184
Lodging.....	45	34
Other.....	62	46
Farming, Fishing, Forestry.....	6	5
Processing.....	10	17
Machine Trades.....	67	59
Bench Work.....	30	26
Structural Work.....	129	122
Motor Freight & Transportation.....	81	66
Packaging and Materials Handling.....	51	49
Logging, Mining, Utilities.....	15	8

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>May 1977</u>	<u>April 1977</u>
Professional & Managerial.....	70	62
Clerical.....	252	247
General Office.....	110	108
Book Keeping.....	100	99
Other.....	42	40
Sales.....	66	63
Domestic Service.....	21	20
Public Oriented Service.....	191	186
Food & Beverage Preparation.....	124	124
Lodging.....	35	30
Other.....	32	32
Farming, Fishing, Forestry.....	4	5
Processing.....	-	7
Machine Trades.....	46	38
Bench Work.....	18	16
Structural Work.....	93	89
Motor Freight & Transportation.....	50	46
Packaging and Materials Handling.....	36	38
Logging, Mining, Utilities.....	7	6

ACTIVE APPLICANTS ON FILE

	<u>May 1977</u>	<u>April 1977</u>
Professional & Managerial.....	939	881
Clerical.....	1,271	1,176
General Office.....	373	346
Book Keeping.....	530	488
Other.....	368	342
Sales.....	292	259
Domestic Service.....	29	29
Public Oriented Service.....	891	808
Food & Beverage Preparation.....	532	481
Lodging.....	74	61
Other.....	285	266
Farming, Fishing, Forestry.....	27	31
Processing.....	49	41
Machine Trades.....	196	181
Bench Work.....	56	54
Structural Work.....	788	767
Motor Freight & Transportation.....	349	303
Packaging and Materials Handling.....	244	229
Logging, Mining, Utilities.....	87	62

1/ Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

Anchorage Job Openings: An increase in Anchorage Job Service activities has been the result of seasonal increases in both labor demand and supply. The number of new applicants continues to exceed the number of new job orders for the month. Though this is the usual situation, the rate of increase in job openings over the past month has been greater than the rate of increase of applicants. This change in proportion decreases the number of applicants on file per job opening.

The number of applicants with clerical skills increased in May. An adequate demand still exists for these skills although job orders in this group were slightly below last year's level. The average starting wage for secretaries rose from \$5.16 per hour to \$6.07 per hour as compiled from job order averages for May 1976 and May 1977. The average wage for tellers, clerk typists and bookkeepers has also increased. The demand for tellers was much stronger this May than last. The average job order wage was \$4.51 per hour. Future demand for clerical services should be good throughout the summer.

Job Service orders should increase as the summer business cycle continues into June. A growing supply of applicants may fill some of the job openings which have remained open for more than 30 days. These openings are the result of low wages offered or hard to fill professional positions which demand a great deal of experience.

Employment and Unemployment Outlook: It is estimated that the total unemployment rate for June in the Anchorage labor market will be approximately 9.2 percent.

FAIRBANKS LABOR MARKET AREA

Highlights: The final weld on the Trans-Alaska Pipeline project was completed on May 30 bringing to a close one of the world's largest construction projects. Given the size of the local economy combined with such a tremendous project, the economic impact has created a totally new economic base. Pipeline impact will be the subject of study for some time to come. More importantly the immediate consequence of losing the majority of pipeline related employment is of community concern. Pipeline employment has already peaked this season in April. Excepting a brief spurt of activity in June's start-up, the decrease in jobs will be permanent. The Fairbanks economy now faces serious re-adjustments with respect to local business

expectations and growth rates. Some return to a statewide growth rate of 6 percent per-annum should be in the future.

Fortunately future economic input is already planned. Eventually a route selection for the natural gas pipeline will be of vital concern to the community. More immediate impact will be provided by the North Pole refinery. The refinery is expected to begin production sometime in August or

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS

State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	5-77	4-77	5-76
Total Weeks Claimed.....	3,196	4,797	1,629

Characteristic	Percent Distribution		
Total.....	100	100	100

Sex and Age			
<u>Men</u>			
Under 45.....	56	58	53
45 and over.....	18	18	21
<u>Women</u>			
Under 45.....	21	19	21
45 and over.....	5	5	5

Industry			
Mining.....	1	-	1
Contract Construction.....	60	59	47
Manufacturing.....	1	2	3
Transp.-Comm. & Utilities...	12	12	15
Trade.....	10	10	14
Finance-Insurance & R. E....	1	1	2
Service & Miscellaneous.....	15	15	16
All Other.....	-	1	2

Occupation			
Professional & Managerial...	7	7	9
Clerical & Sales.....	9	10	10
Service.....	12	10	12
Farming-Fishing & Forestry..	-	-	-
Processing.....	1	1	1
Machine Trades.....	5	4	5
Bench Work.....	-	-	-
Structural Work.....	40	41	36
Miscellaneous.....	19	19	21
Unknown.....	7	8	6

Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	38	30	45
5-14 Weeks.....	36	42	39
15 Weeks and over.....	26	28	16

September. The project represents a 40 million dollar investment in its initial stage. Further capital improvements in the refinery are planned for 1978-79. Once in production the refinery will provide 40 to 50 jobs locally and add a substantial amount of money to the local system. A second source of investment in the area involves native corporate interests in local businesses. The recent purchase of Santa's Bakery by eleven Doyon region village corporations is an example of the potential native investment. This joint venture may prove to be an important precedent for local investment.

Employment—Unemployment: The unemployment rate was 17.0 percent in May. The civilian labor force continued to grow at a rate greater than the local job market could accommodate. Total employment increased by 300 and the labor force increased by 400. It is possible that a stabilization of labor supply and demand may occur in the Fairbanks labor market by July, as this trend has already begun to appear in the Anchorage labor market.

Area employment opportunities for the month were in the service sector. Future job openings should be in the area of oil exploration and local construction employment. Competition for construction work will be great, however, as the majority of the unemployed are people within this skill group.

Mining: Mining employment increased again in May. In part, industry employment has been dependent on oil field exploration. Atlantic Richfield has an interest in exploring the potential of the Kuparuk and Lisburne formations adjacent to the Prudhoe fields. Some gain in mining employment should accompany these explorations.

Construction: Construction employment has substantially declined from the 1975-76 building seasons. In terms of the early 1970's though, the industry is quite healthy. Twice as many people were employed in construction this May than were employed in comparable periods for the years 1970-1973. Another index of construction strength is the valuation of local building permits. Builders seem confident in local demand. Though valuations are not as high as the peak in 1976, building permit valuations continue to exceed those for the same period during the years 1973-75. The trend in construction employment should continue up for the next month.

Manufacturing: Employment in this sector increased from April and exceeded last year's May total. Mining and manufacturing, in fact, are the only industries employing more people this year than last. Construction support activities are responsible for this month's increase. As local building projects such as the Farmer's Loop to Fox Hill road work increase, so will employment in gravel supply operations.

Transportation, Communication & Utilities: Transportation employment declined from the month of April. Trucking and warehousing functions were the declining sectors. Pipeline employment peaks in March and April have an obvious linkage to this industry. Even though they have thus far moved in unison they may diverge as outbound equipment shipments create new demand. Communications employment should experience gradual increases over the year.

Trade: Trade employment remained constant from April to May. An increase in restaurant employment offset a decline in retail employment in this industry. The retail sector has been one of the most sensitive indicators of business opinion. As summer begins it is likely that high levels of unemployment have discouraged retail employers. In pre-pipeline perspective the industry is still strong. Since May 1973, trade employment has increased by 700 available jobs. Even from 1974 trade employment has grown by 6 percent. It may be a year for re-assessing community demand but it is not felt that any drastic reduction is in sight. The opening of the University Shopping Mall may bolster June retail employment.

Finance, Insurance and Real Estate: With the exception of 1976, industry employment is at its highest May level. Minor downward adjustments should be expected this year.

Service and Miscellaneous: Service employment as a percentage of non-agricultural wage and salary employment has been increasing since 1970. In 1970 service employment was 12 percent of the total. From 1975 to the present 19 percent has been the average. This trend toward higher levels of service employment seems to have peaked and some direct linkage to total non-agricultural wage and salary employment should appear.

Government: Net declines in this division were the result of end of the school year adjustments. Both the Borough school district and the University of Alaska have experienced staff reductions.

FAIRBANKS CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

	Changes From:					
	<u>5-77</u> ^{p/}	<u>4-77</u> ^{r/}	5-76	4-77	5-76	5-77 [*]
CIVILIAN LABOR FORCE.....	20,300	19,900	22,600	400	-2,300	25,350
INVOLVED IN WORK STOPPAGES.....	(0)	(0)	(100)	-	-	(0)
TOTAL UNEMPLOYMENT.....	3,450	3,350	1,650	100	1,800	4,900
Percent of Labor Force.....	17.0	16.8	7.3	-	-	19.3
TOTAL EMPLOYMENT <u>2/</u>	16,850	16,550	20,950	300	-4,100	20,450

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:				
	<u>5-77</u> ^{p/}	<u>4-77</u> ^{r/}	5-76	4-77	5-76
Nonagricultural Wage & Salary.....	22,600	22,200	28,300	400	-5,700
Mining.....	200	150	150	50	50
Construction.....	2,400	2,200	5,500	200	-3,100
Manufacturing.....	500	450	400	50	100
Food Processing.....	50	50	50	0	0
Other Manufacturing.....	450	400	350	50	100
Transp.-Comm. & Utilities.....	3,300	3,400	3,550	-100	-250
Trucking & Warehousing.....	1,100	1,200	1,250	-100	-150
Water Transportation.....	50	50	50	0	0
Air Transportation.....	750	750	800	0	- 50
Other Transp.-Comm. & Utilities..	1,400	1,400	1,450	0	- 50
Trade.....	4,050	4,100	4,850	- 50	-800
Wholesale Trade.....	700	750	950	- 50	-250
Retail Trade.....	3,350	3,350	3,900	0	-550
General Merchandise & Apparel..	450	450	550	0	-100
Food Stores.....	600	600	650	0	- 50
Eating & Drinking Places.....	950	900	1,200	50	-250
Other Retail Trade.....	1,350	1,400	1,500	- 50	-150
Finance-Insurance & Real Estate....	900	950	1,050	- 50	-150
Services & Miscellaneous.....	4,350	4,000	5,450	350	-1,100
Government <u>3/</u>	6,900	7,050	7,350	-150	-450
Federal.....	2,500	2,400	2,500	0	0
State.....	2,650	2,800	3,100	-150	-450
Local.....	1,750	1,850	1,750	-100	0

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Staterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

Private Industry IUR: The private industry insured unemployment rate (IUR) declined from April but remains much higher than last year. As expected, the majority of weeks claimed were in the construction industry. At this time last year construction claims were only 37 percent of the total. Service claims were the next significant claiming group comprising 18 percent of weeks claimed. It is not expected that Fairbanks area IUR rates will go below or equal last years rate. The outlook is for construction claims to remain the dominant group.

Manpower Resources: New claims for unemployment insurance were a greater proportion of total claims action this month than they were last. The percentage of claims in the 15 week and over category declined from April. 59 percent of those claiming declared their occupations in the area of structural work or miscellaneous occupations. These groups contain many pipeline related skills and it is easily assumed that these claimants will have great difficulty finding work this season. A decline in pipeline employment has already started this year where for the past three years the labor force was just beginning to go back to work.

Available labor resources are predominately construction related workers. As the local economy adjusts to life without pipeline jobs this pool of skilled labor will diminish. Other skill groups seem in adequate supply for local employment demands.

Employment and Unemployment Outlook: It is estimated that the total unemployment rate for the Fairbanks labor market for June will be approximately 16.5 percent.

PRIVATE INDUSTRY INSURED UNEMPLOYMENT RATE (IUR)

AREA	IUR	IUR	IUR
	5-77	4-77	5-76
Statewide	10.4	12.3	8.0
Anchorage	10.9	12.4	9.4
Fairbanks	10.3	11.7	5.2
Juneau	9.4	11.1	6.6
Ketchikan	7.7	9.8	6.9
Nome	NA	NA	NA
Kenai-Kodiak	10.9	13.6	11.8
Sitka	9.3	12.3	8.3

INDUSTRY	IUR	IUR	IUR
	5-77	4-77	5-76
Total	10.4	12.3	8.0
Oil & Gas	5.1	5.2	7.9
Other Mining	14.3	17.8	12.0
Construction	22.3	25.8	13.1
Food Processing	12.8	16.8	13.4
Log. Lumber & Pulp	6.9	11.9	9.3
Other Mfg.	7.8	9.2	6.2
Trans. & Utilities	7.7	9.4	7.1
Wholesale Trade	4.0	4.8	4.0
Retail Trade	5.4	6.1	5.1
Finance	5.5	6.4	4.4
Service & Other	7.0	8.3	6.5

Insured Unemployment Rate: The IUR is derived by dividing the number of man weeks of unemployment claimed by the number of weeks for the month and then dividing this answer by the State U. I. covered employment from final employment figures relating to a quarter ending six months earlier. This IUR is not seasonally adjusted.

HOURS AND EARNINGS - SELECTED INDUSTRIES ^{1/}

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	4-77	3-77	4-76	4-77	3-77	4-76	4-77	3-77	4-76
MINING.....	\$787.28	\$808.60	\$642.33	52.0	52.0	50.3	\$15.14	\$15.55	\$12.77
CONTRACT CONSTRUCTION.....	1,097.86	1,124.92	974.45	57.6	56.5	60.6	19.06	19.91	16.08
MANUFACTURING.....	341.82	357.44	302.47	40.5	42.3	40.6	8.44	8.45	7.45
Food Processing.....	204.86	249.53	187.11	38.8	44.4	38.9	5.28	5.62	4.81
Logging-Lumber & Pulp.....	428.00	414.17	380.84	42.8	41.5	42.6	10.00	9.98	8.94
WHOLESALE TRADE.....	344.92	333.38	368.18	39.6	39.5	41.0	8.71	8.44	8.98
RETAIL TRADE ^{2/}	237.87	230.05	219.87	32.9	31.6	34.9	7.23	7.28	6.30
FINANCE-INSURANCE & REAL ESTATE..	273.84	216.38	192.26	-	-	-	-	-	-

EXPLANATION NOTES:

AVERAGE HOURS & EARNINGS SERIES: Averages are based on data for full- and part-time production and non-supervisory workers and are for gross earnings and hours worked, or paid for, including overtime pay and hours. Administrative, supervisory, technical, and office personnel are excluded.

1/ Prepared in cooperation with Bureau of Labor Statistics, U. S. Department of Labor.

2/ Excluded eating and drinking places.

ALASKA
DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
OFFICIAL BUSINESS

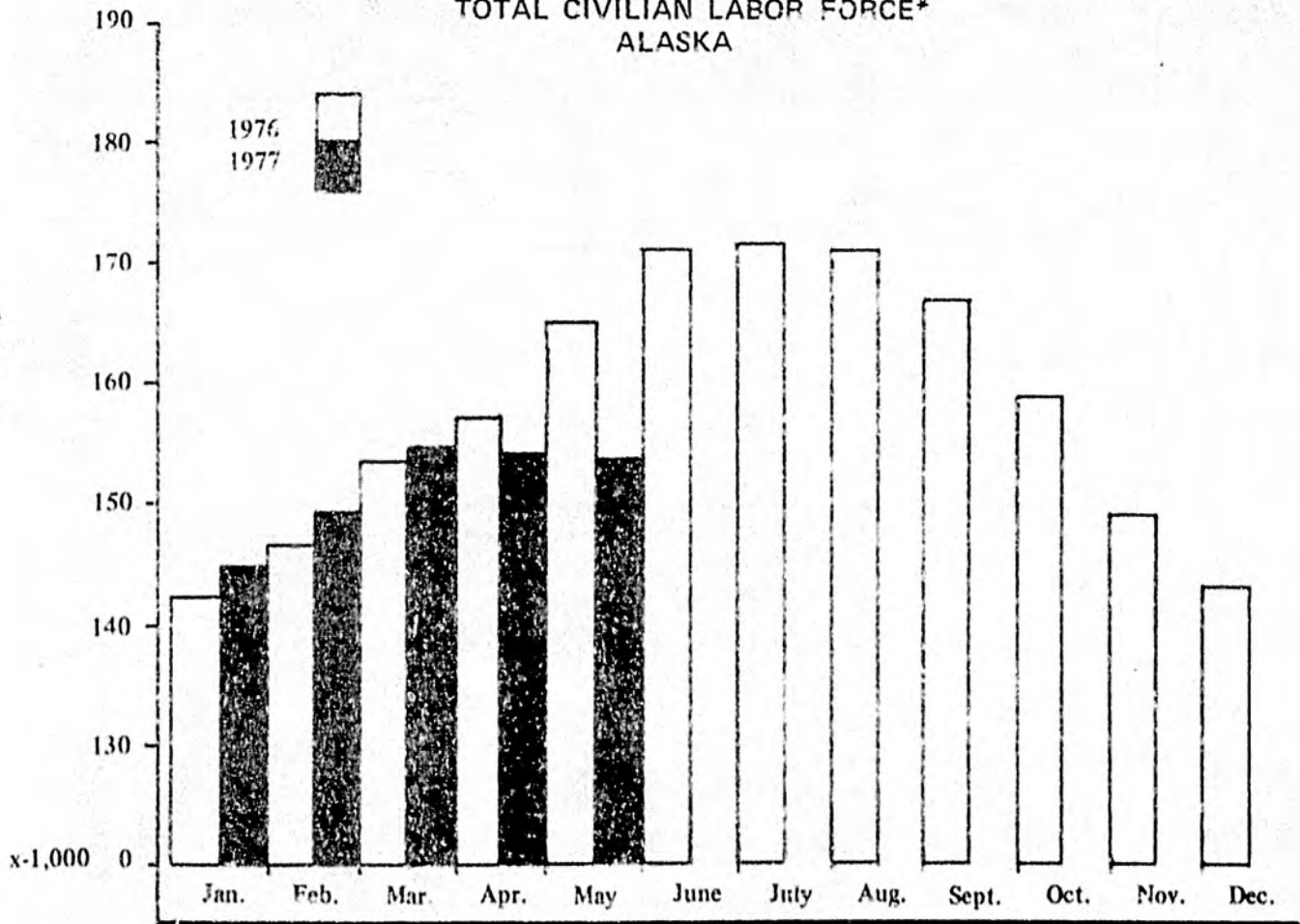
EMPLOYMENT SECURITY MAIL
POSTAGE AND FEES PAID

LAB 449

00655 G

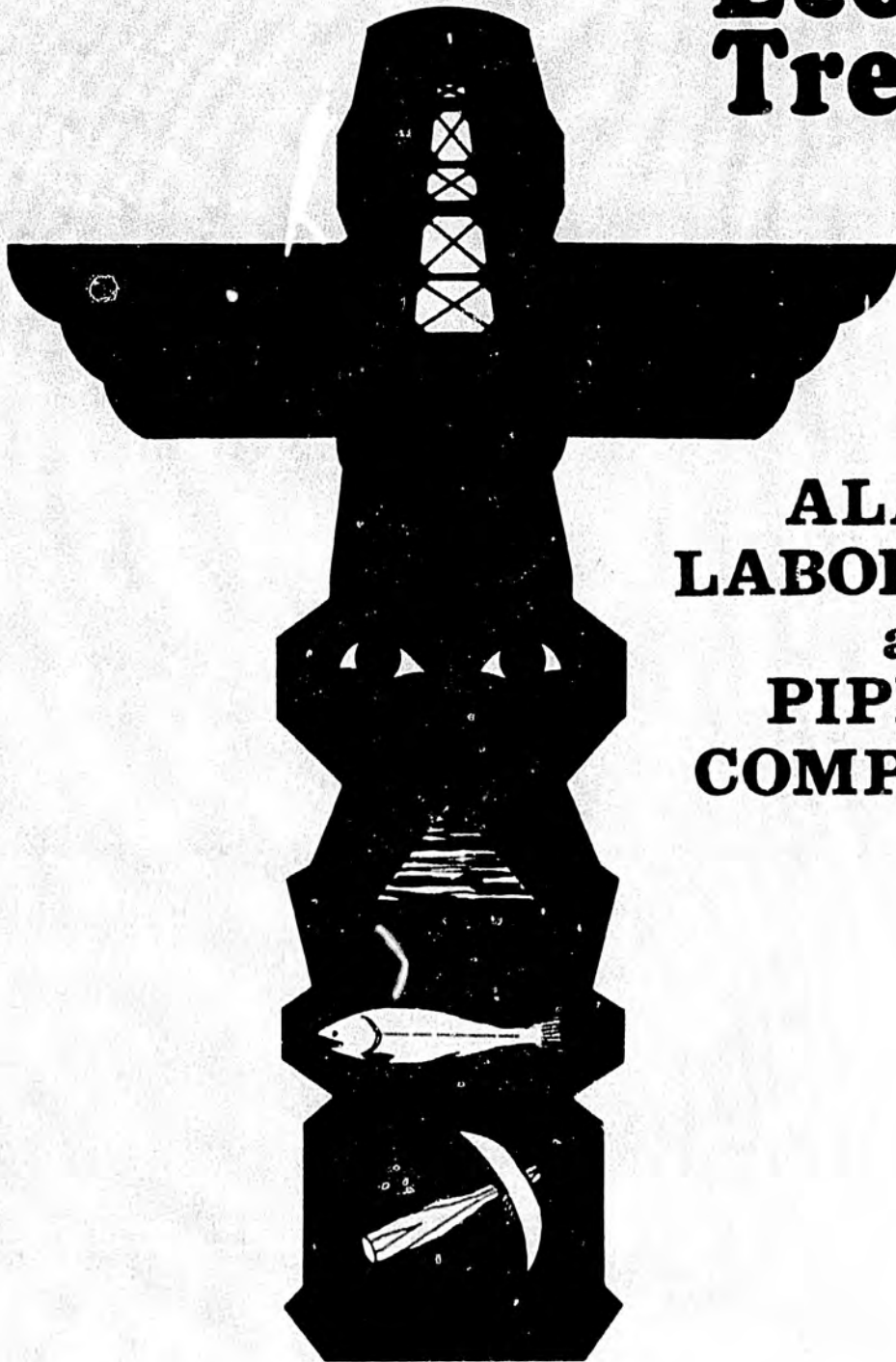
ALASKA STATE LEGISLATURE
PERMANENT FUND
528 W 5TH AVE
ANCHORAGE AK 99501

TOTAL CIVILIAN LABOR FORCE*
ALASKA



*CPS adjusted

ALASKA Economic Trends



ALASKA LABOR FORCE and PIPELINE COMPLETION

JUNE 1977

STATE OF ALASKA • DEPARTMENT OF LABOR

Employment Security Division • Research and Analysis Section

JAY S. HAMMOND, GOVERNOR

ALASKA'S LABOR FORCE AND PIPELINE COMPLETION (A brief review and outlook)

By Christopher Miller

Currently, Alaska is going through the third and final phase of pipeline construction to impact the state's labor force. Phase one of the project consisted mainly of gearing up for the construction. Phase two was the actual construction of the line, and completion of the line and layoff of construction personnel is the last phase.

The effect of pipeline construction on Alaska's labor market can be seen as early as 1971. Unfortunately the pipeline's impact was somewhat negative at the time. Anticipation of the construction was in high gear until environmental and land claims issues put a halt to the project until the latter half of 1974. As a result many people were caught without anything to do. This created a jump in unemployment not experienced since the early sixties.

Actual construction of the trans-Alaska pipeline began in late 1974. The employment picture was already beginning to improve, as large numbers of workers were needed just to transport equipment and material to sites along the pipeline route. Due to the size and notoriety of the project immigration increased tremendously. Alaska's population began to grow rapidly, particularly in those areas close to the pipeline corridor. The city of Fairbanks was probably the most severely impacted by this population growth.

Pressure to complete the pipeline as soon as possible, as well as other factors, such as the sheer size of the project, climatic conditions, and isolation created a situation which soon had a tremendous impact throughout the state. The demand for almost every item available in Alaska skyrocketed. The most notable shortages were in housing, and to no one's surprise the amount of labor available to the local economy. Employers found it very difficult to compete for workers with the high wages paid to pipeline construction personnel. The tremendously high wages paid to pipeline workers occurred not so much from an extraordinarily high hourly wage, but from the almost unheard of amount of overtime

being worked. During peak condition it was not out of the ordinary for workers to put in 12 hours a day six or seven days a week.

During construction of the pipeline Alaska's economy boomed. New businesses sprung up every where in almost every major industry in the economy. Employment levels soared to record heights as business tried to keep up with the demand of the rapidly growing population. Economic activity continued at a feverish pace through all of 1975 and most of 1976, however, a slow down was in the offing as pipeline construction activity reached its peak around August 1976.

The first permanent layoffs along the pipeline began in October of 1976 and continued through November and December. By the end of the year approximately 10,000 pipeline workers had been laid off. The impact of this massive layoff was almost immediate. The CPS adjusted unemployment rate rose from 7.6 percent in October to a rate of 14.5 percent in February. Though unemployment records are not kept by individual firms, approximately one half of the total number of people claiming unemployment insurance were from the construction industry.

By March of this year, the final effort to finish the pipeline was well underway, however, the manpower needed to complete the project was substantially less than in previous years. Employment along the line reached a peak of about 10,500 workers during the month of April compared to the peak last year of approximately 23,000. Many ex-pipeline workers were unable to find pipeline work, and have now been forced to look elsewhere for employment. This has begun to create a surplus of labor in Alaska, where one year ago labor was at a premium.

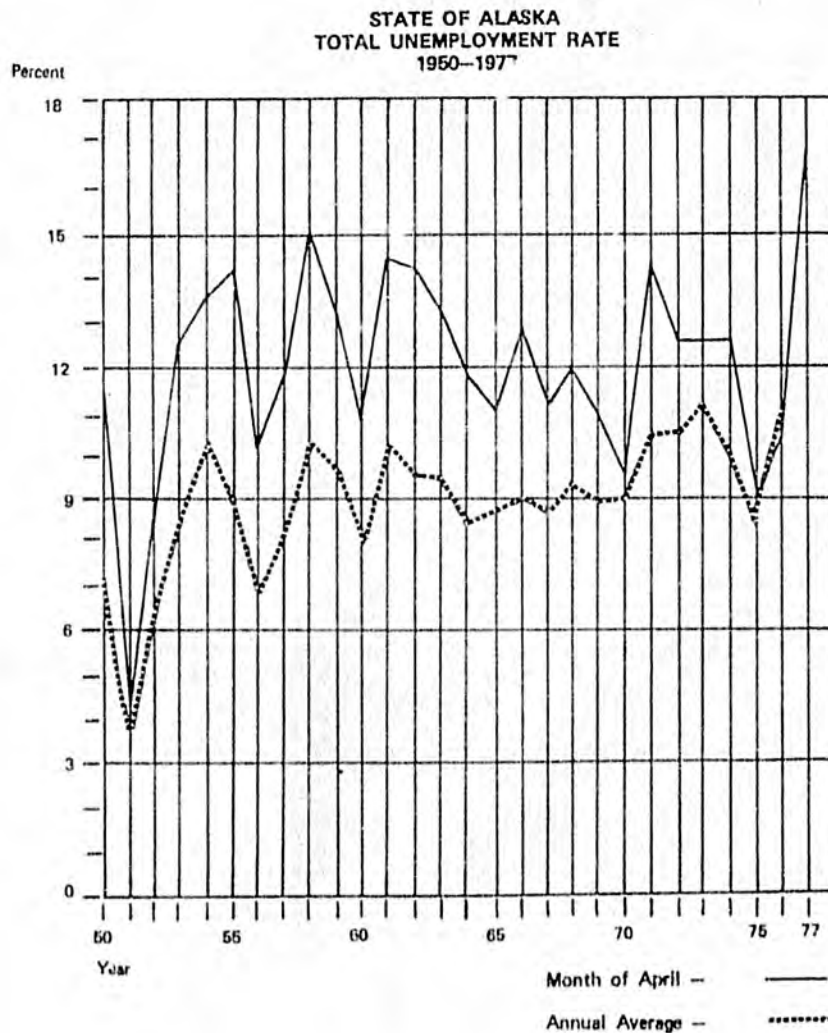
In April, unemployment in Alaska rose to a CPS adjusted rate of 15.4 percent. The unadjusted rate, which probably is more correct, rose to 16.9 percent. This is the first time this decade that the number of unemployed has increased during the month of April. This atypical trend most likely has its origins

in the decline of pipeline construction activity. A second round of layoffs began in May, and will continue to completion of the line in early July. By July the remaining 10,500 construction workers will be out of work. This massive layoff of workers will strengthen an already atypical employment trend. It is quite possible that Alaska's unemployment rate will rise during the early summer months of 1977, rather than decline as has been the case in more normal years.

Due to this large drop in construction employment other industries will also be affected in varying degrees. Those industries more closely involved in pipeline construction may experience a decline in activity by mid-summer as demand for their services begins to fall off. For industries not associated with pipeline construction, such as retail trade, any change in the current level of activity should take longer to take effect.

The coming summer employment season may help to ease some of the impact of pipeline completion. Summer is the normal time for increased employment, and most industries, with the possible exception of construction, should experience some growth in employment. However, this seasonal expansion of the economy will not provide nearly enough jobs to employ all of the pipeline workers looking for employment.

Looking beyond the summer months, Alaska's labor market will continue to decline, as the economy adjusts to a lower level of economic activity in the post pipeline era. It is generally agreed that Alaska's labor force will not return to prepipeline levels, but a reduction in total employment of approximately twelve percent in 1977 is quite likely.



ALASKA CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

	Changes From:					
	<u>p/</u>		<u>r/</u>		*	
	<u>4-77</u>	<u>3-77</u>	<u>4-76</u>	<u>3-77</u>	<u>4-76</u>	<u>4-77</u>
CIVILIAN LABOR FORCE.....	159,800	153,800	156,900	6,000	2,900	197,500
INVOLVED IN WORK STOPPAGES.....	0	0	100	-	-	0
TOTAL UNEMPLOYMENT.....	24,600	21,700	12,900	2,900	11,700	33,300
Percent of Labor Force.....	15.4	14.1	8.2	-	-	16.9
TOTAL EMPLOYMENT <u>2/</u>	135,200	132,100	144,000	3,100	-8,800	164,200

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:					
	<u>p/</u>		<u>r/</u>		*	
	<u>4-77</u>	<u>3-77</u>	<u>4-76</u>	<u>3-77</u>	<u>4-76</u>	<u>4-77</u>
Nonagricultural Wage & Salary.....	154,900	151,500	168,300	3,400	-13,400	
Mining.....	5,000	5,100	3,700	- 100	1,300	
Construction.....	18,800	18,500	29,800	300	-11,000	
Manufacturing.....	10,700	9,300	9,000	1,400	1,700	
Durable Goods.....	3,200	2,900	2,700	300	500	
Lumber, Wood Products.....	2,700	2,400	1,900	300	800	
Other Durable Goods.....	500	500	800	0	- 300	
Nondurable Goods.....	7,500	6,400	6,300	1,100	1,200	
Food Processing.....	4,900	3,900	4,000	1,000	900	
Other Nondurable Goods.....	2,600	2,500	2,300	100	300	
Transp.-Comm. & Utilities.....	14,900	14,300	15,400	600	- 500	
Trucking & Warehousing.....	3,200	2,800	3,000	400	200	
Water Transportation.....	1,400	1,400	1,200	0	200	
Air Transportation.....	4,200	4,100	4,600	100	- 400	
Other Transp.-Comm. & Utilities..	6,100	6,000	6,600	100	- 500	
Trade.....	26,400	26,000	27,300	400	- 900	
Wholesale Trade.....	5,500	5,400	6,200	100	- 700	
Retail Trade.....	20,900	20,600	21,100	300	- 200	
General Merchandise & Apparel..	3,700	3,800	4,100	- 100	- 400	
Food Stores.....	3,200	3,100	3,000	100	200	
Eating & Drinking Places.....	6,600	6,500	6,300	100	300	
Other Retail Trade.....	7,400	7,200	7,700	200	- 300	
Finance-Insurance & Real Estate....	7,400	7,300	6,700	100	700	
Services & Miscellaneous.....	25,600	25,100	28,900	500	-3,300	
Government <u>3/</u>	46,100	45,900	47,500	200	-1,400	
Federal.....	17,500	17,500	17,600	0	- 100	
State.....	14,500	14,500	15,900	0	-1,400	
Local.....	14,100	13,900	14,000	200	100	

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

INDICATORS OF ALASKA ECONOMIC ACTIVITY*

INDICATOR	Most	Previous	Year
	Recent	Month	Ago
	Month	Month	
	<u>4-77</u>	<u>3-77</u>	<u>4-76</u>
Selected Economic Activity Measures			
Total Labor Force <u>a/</u>	161,786	160,045	160,750
Total Unemployment Rate <u>a/</u>	13.2	10.9	7.0
Insured Unemployment (weekly average) <u>a/ b/</u>	12,434	12,407	9,713
New Employers (unadjusted) <u>c/</u>	248	285	175
Nonagricultural Wage Payments (millions \$, unadjusted)...	267	261	242
Wage Payments in Mining, Manufacturing & Construction..	105	103	117
Employment (1967=100) <u>a/</u>			
Nonagricultural Wage & Salary.....	214.0	217.6	227.4
Mining.....	237.6	256.7	175.8
Construction.....	478.1	551.2	647.6
Manufacturing.....	176.2	180.1	148.2
Transportation-Communications & Utilities.....	204.7	208.0	211.6
Trade.....	234.2	234.6	239.4
Finance-Insurance & Real Estate.....	323.7	325.9	293.0
Services.....	291.1	295.8	328.6
Government.....	144.2	145.6	148.6
Alaska State Employment Service Activities			
Nonagricultural Placements (unadjusted).....	1,416	1,978	2,219
Nonagricultural Placements (daily average) <u>a/</u>	103	147	163
Banking Activities (millions \$, unadjusted) <u>e/</u>			
Loans & Investments.....	1,028	1,003	856
Demand Deposits.....	578	506	491
Time Deposits.....	468	492	419
	<u>2-77</u>	<u>1-77</u>	<u>2-76</u>
Personal Income (millions \$ Annual Rate) <u>d/</u>	4,457.6	4,433.7	3,105.9
Crude Petroleum Production (000 bbls., unadj.) <u>f/</u>	4,968	5,647	5,817

* All data seasonally adjusted unless otherwise noted. Current month preliminary.
a/ Seasonally adjusted by the 1966 U.S. Bureau of Labor Statistics seasonal adjustment method.

b/ Unemployment in Alaska insured by State law.

c/ Employers newly subject to the Alaska Employment Security Act.

d/ Source: Business Week Magazine, seasonally adjusted by the Alaska Employment Security Division.

e/ Source: Federal Reserve Bank of San Francisco. Members banks only.

f/ Source: Alaska Department of Natural Resources, Division of Mines and Minerals.

ALASKA'S LABOR MARKET IN APRIL

Employment and Unemployment: Unemployment continued to increase during the month of April. The number of unemployed in Alaska is estimated to be approximately 24,600 persons or 15.4 percent of civilian labor force. This is the first time that total unemployment has increased during the month of April since 1969, and is the highest unemployment rate in almost 20 years. The primary factor behind this atypical trend is the completion of the trans-Alaska pipeline.

Mining: Employment dropped slightly during the month of April. Most of this decline was in the oil industry and may have been caused by the spring thaw in the northern part of the state forcing some onshore oil operations to shut down.

Construction: The start-up of several non-pipeline related construction projects contributed to a modest increase in employment during the month of April. The tremendous seasonal expansion of the construction industry experienced in recent years may not occur this summer as a result of completion of the trans-Alaska pipeline. With completion of the pipeline, employment opportunities in this industry are expected to be significantly reduced. Completion of the pipeline may also have some effect on the amount of construction done elsewhere in the state. Many construction contractors are anticipating a drop in the volume of work done this summer.

Manufacturing: Employment in manufacturing increased by 15 percent during the month of April. Most of this increase occurred in the fish processing sector. Several canneries began operation during the month. Employment was also up in the logging industry, as many firms began gearing up for the summer season. Much of the work being done has been in road construction and other preparatory work.

Transportation: Employment in transportation increased by approximately four percent during the month of April, which is normal for this time of year. A majority of the increase was in the trucking and warehousing industry which was affected by increased activity by firms operating fish cold storage facilities.

Trade: Employment in the trade industry increased slightly during the month of April. Though some firms have reduced employment, most wholesale and retail businesses are maintaining a relatively stable level of employment.

Finance, Insurance & Real Estate: Employment improved slightly during the month of April. Continued growth in the banking sector, and improved employment opportunities in the real estate contributed to this growth in employment.

Service & Miscellaneous: Increased activity in the business services sector was a major factor behind the improved employment picture in the service industry during the month of April. However, it should be noted that with the completion of the trans-Alaska pipeline, employment in this industry is not expected to expand at the tremendous rate experienced during the last two or three years.

Government: Employment in the government sector remained relatively stable, increasing less than one percent during the month of April. Employment growth was mainly experienced on the local level, and may be attributed to normal spring maintenance.

Private IUR: Data on insured unemployment was not available at press time.

Manpower Resources: Alaska's unemployed labor pool continued to expand during the month of April. The length of unemployment has also been increasing over the past several months. Though a large percentage of the unemployed are from the construction industry, the occupational background of the unemployed is quite diversified. Clerical occupations are currently the largest group of unemployed, excluding the construction industry, experiencing a growth in unemployment.

Available Job Opportunities: The number of unfilled job openings available at Department of Labor Job Service offices declined during the month of April in almost all occupations. The decline in the number of unfilled job openings was most likely a result of the tremendous increase in the number of unemployed searching for work in a labor market that is experiencing only a small increase in new jobs.

Employment and Training Activities: The State of Alaska, prime sponsor for CETA programs for the balance of the State outside of the City of Anchorage, stated in their Solicitation for Proposals that, "Work intensive projects should provide a public service in the areas of: Housing and Winterization; Parks and Recreation; Public Works; Social Services; Environmental; Fire Protection; Law Enforcement; Creative Arts; Education." Applicants were urged to submit initial applications on or before July 1, 1977, for consideration by the Executive Committee of the Governor's Manpower Planning Council during July 1977. Applications received after July 1, will be considered at a later date.

Employment and Unemployment Outlook: It is estimated that the total unemployment rate for May will be approximately 15.1 percent (CPS adjusted).

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA			
State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	4-77	3-77	4-76
Total Weeks Claimed.....	22,773	16,400	10,544
Percent Distribution			
Characteristic	Percent Distribution		
Total.....	100	100	100
Sex and Age			
Men			
Under 45.....	57	59	57
45 and over.....	18	18	19
Women			
Under 45.....	18	18	18
45 and over.....	5	5	6
Industry			
Mining.....	2	2	3
Contract Construction.....	49	49	40
Manufacturing.....	8	9	11
Transp.-Comm. & Utilities...	9	10	11
Trade.....	11	10	14
Finance-Insurance & R. E....	3	2	3
Service & Miscellaneous.....	16	16	12
All Other.....	2	2	6
Occupation			
Professional & Managerial...	7	5	7
Clerical & Sales.....	11	11	11
Service.....	9	9	10
Farming-Fishing & Forestry..	2	2	3
Processing.....	4	3	4
Machine Trades.....	4	5	5
Bench Work.....	-	1	1
Structural Work.....	43	42	39
Miscellaneous.....	17	19	17
Unknown.....	3	2	3
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	26	28	29
5-14 Weeks.....	43	49	45
15 Weeks and over.....	31	23	26

AVAILABLE JOB OPPORTUNITIES 1/
ALASKA

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>April 1977</u>	<u>March 1977</u>
Professional & Managerial.....	181	203
Clerical.....	602	691
General Office.....	204	248
Book Keepin	299	339
Other.....	99	104
Sales.....	126	139
Domestic Service.....	46	47
Public Oriented Service.....	346	430
Food & Beverage Preparation.....	221	291
Lodging.....	40	45
Other.....	85	94
Farming, Fishing, Forestry.....	20	28
Processing.....	108	163
Machine Trades.....	85	91
Bench Work.....	46	42
Structural Work.....	180	230
Motor Freight & Transportation.....	90	124
Packaging and Materials Handling.....	71	78
Logging, Mining, Utilities.....	625	628

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>April 1977</u>	<u>March 1977</u>
Professional & Managerial.....	105	134
Clerical.....	411	506
General Office.....	136	170
Book Keeping.....	221	262
Other.....	54	74
Sales.....	80	98
Domestic Service.....	30	33
Public Oriented Service.....	237	312
Food & Beverage Preparation.....	132	205
Lodging.....	34	37
Other.....	71	70
Farming, Fishing, Forestry.....	19	20
Processing.....	84	161
Machine Trades.....	56	75
Bench Work.....	34	34
Structural Work.....	138	186
Motor Freight & Transportation.....	67	100
Packaging and Materials Handling.....	56	73
Logging, Mining, Utilities.....	620	626

ACTIVE APPLICANTS ON FILE

	<u>April 1977</u>	<u>March 1977</u>
Professional & Managerial.....	1,830	1,849
Clerical.....	2,435	2,318
General Office.....	790	768
Book Keeping.....	985	934
Other.....	660	616
Sales.....	599	552
Domestic Service.....	112	101
Public Oriented Service.....	2,036	2,038
Food & Beverage Preparation.....	1,153	1,172
Lodging.....	224	220
Other.....	659	646
Farming, Fishing, Forestry.....	290	257
Processing.....	278	279
Machine Trades.....	600	617
Bench Work.....	123	103
Structural Work.....	2,388	2,289
Motor Freight & Transportation.....	896	873
Packaging and Materials Handling.....	529	560
Logging, Mining, Utilities.....	350	312

1/ Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

ANCHORAGE LABOR MARKET AREA

Highlights: The consumer price index for Anchorage has been released and indicates an inflation rate of 6.7 percent. This is the same annual growth rate that the index displayed at the first of the year, but is down considerably from the rate recorded during the pipeline buildup. The demand pull of the pipeline is gone but the national trend for large increases in consumer prices should keep the local annual rate at its present level or higher. Most goods consumed in this area are produced outside with the result that changes in the national CPI are reflected by changes in the Anchorage CPI.

The major dirt job coming up in the Anchorage area is the new north south runway at Anchorage International Airport. The clearing portion will be done this year with the earthwork starting in 1978. There is also some roadwork to be accomplished at the airport. Meanwhile, roadwork continues on the Muldoon Road project and the Glenn Highway near Peters Creek.

By the end of 1978, there will be some major upgrading in electrical power delivery to Anchorage. The new delivery loop will cross Knik Arm and the military reservations. This is in preference to the Cook Inlet crossing which had problems, or the overhead lines around the arm which stumbled over the Palmer Hay Flats. The capacity at the Beluga plant will be expanded by 130 megawatts to accompany the new delivery systems.

Employment: Total employment increased by a thousand this month as the seasonal economy gains momentum. This monthly change is not unusual and is similar to monthly changes in previous years. There are presently 2,800 more people employed in the Anchorage Labor Market Area than in April of last year. This is unusual in the sense that many people expected employment to decline in 1977. It is still possible for the annual average to show a decline, if monthly totals begin to reflect a lower level than last year. The actual end of pipeline construction, and the final layoffs are yet to occur and could have this effect. At this time the main effect of pipeline completion has been on unemployment and not local employment. Another factor which will contribute to a decline in economic activity is tourism. A decline in the number of tourist bookings is already being noted in the local area.

Mining: Employment in the industry rose at the start of the year and has now leveled off at 2,250, a considerable growth over last year. Oil industry exploration and development plus realignment of personnel caused by the completion of the pipeline seem to be responsible for the growth. The amount of this growth is so large that it seems unlikely that there will be any significant growth later in the year.

Construction: Employment in construction has finally turned up after a longer than normal seasonal decline. Employment in the industry will not match last years levels mainly because of local employment that was directly involved in pipeline construction. Other construction and resulting employment appears to be on a par with previous years. As construction is completed on existing projects, employment could fall off if new projects are not contracted. There is going to be a scarcity of new public projects and the private sector will probably be more cautious when starting a new project.

Manufacturing: Employment is not rising as rapidly this year resulting in an over-the-year decline of 50 workers. The industry will probably peak at a lower level this summer due to less pipeline influence, however this doesn't signal a new downward trend in employment.

Transportation, Communications and Utilities: The trend in employment in this industry is going to be up mainly because outer continental shelf activity will continue to make demands on the industry. The utilities sector will continue to expand since there was no spurt of activity associated with the pipeline. The communications sector is about to complete some pipeline contracts, but the Air Force is going to convert a military operation into a civilian one.

Trade: The only sector to show a decline in the industry is the General Merchantile and Apparel. This is significant because the larger firms respond very rapidly to changing business conditions. The expanding number of retail outlets continues to diminish the market share of individual locations making it difficult to get a true picture of the industry.

Finance, Insurance and Real Estate: Employment shows a growth of 500 compared to April of 1976. Most of this growth was accomplished last year in midsummer, and the trend has been essentially flat since July.

Service and Miscellaneous: The amount of growth so far this year is unusual considering how hesitant the growth pattern was last year along with the ending of the pipeline's service requirements this year.

Government: The local sector contributes most of the change to the industry. Even at that, local government employment continues to vary around a long range level of 5,500. Overall, government employment is at its highest level since 1975.

Private IUR: Data on insured unemployment was not available at press time.

Manpower Resources: The total number of unemployed increased by 500 this month in what is an unusual occurrence. Historically the number of unemployed begins declining in April as the seasonal growth in employment whittles away at the ranks of the unemployed. This year the pipeline is contributing unemployed from outside the labor market area faster than the local economy, even with seasonal growth, is employing workers. The result is a net gain in the number of unemployed even when employment is increasing. The immediate future will have larger numbers of workers terminated on the pipeline, but also larger numbers returning to work locally with a net result of a decline in unemployment. Obviously, there won't be an occupational match between the local employment and the workers coming off the pipeline. This will result in a more difficult unemployment situation for workers with pipeline associated skills.

Available Job Opportunities: The number of unfilled job openings at the Anchorage Job Service office declined from March to April. As in recent months, the drop in unfilled positions is more the result of increased competition among job seekers rather than a decline in the number of jobs that are available. The Anchorage economy has been fairly stable, and the number of job openings are reasonably plentiful. However, the tremendous number of unemployed entrants into the Anchorage labor market has outpaced the market's ability to provide new jobs.

Employment and Unemployment Outlook: It is estimated that the total unemployment rate for May will be approximately 10.9 percent.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ANCHORAGE			
State Unemployment Insurance			
Insured Unemployed Based on Key Week			
	4-77	3-77	4-76
Total Weeks Claimed.....	7,831	6,134	4,013
Percent Distribution			
Characteristic	100	100	100
Total.....			
Sex and Age			
Men			
Under 45.....	59	62	56
45 and over.....	20	18	19
Women			
Under 45.....	16	16	20
45 and over.....	5	4	5
Industry			
Mining.....	2	1	2
Contract Construction.....	56	55	46
Manufacturing.....	3	5	5
Transp.-Comm. & Utilities...	7	8	10
Trade.....	12	12	17
Finance-Insurance & R. E....	2	3	3
Service & Miscellaneous.....	16	15	14
All Other.....	1	1	3
Occupation			
Professional & Managerial...	7	6	8
Clerical & Sales.....	13	13	15
Service.....	9	8	10
Farming-Fishing & Forestry..	-	1	-
Processing.....	1	1	1
Machine Trades.....	2	3	3
Bench Work.....	-	1	-
Structural Work.....	47	46	42
Miscellaneous.....	17	19	17
Unknown.....	4	2	4
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	31	32	33
5-14 Weeks.....	42	48	46
15 Weeks and over.....	27	20	21

**ANCHORAGE CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE**

	Changes From:					
	<u>p/</u>		<u>r/</u>		*	
	<u>4-77</u>	<u>3-77</u>	<u>4-76</u>	<u>3-77</u>	<u>4-76</u>	<u>4-77</u>
CIVILIAN LABOR FORCE.....	73,800	72,300	67,700	1,500	6,100	90,900
INVOLVED IN WORK STOPPAGES.....	0	0	0	-	-	0
TOTAL UNEMPLOYMENT.....	8,100	7,600	4,800	500	3,300	11,100
Percent of Labor Force.....	10.9	10.5	7.1	-	-	12.2
TOTAL EMPLOYMENT <u>2/</u>	65,700	64,700	62,900	1,000	2,800	79,800

**NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK**

	Changes From:				
	<u>p/</u>		<u>r/</u>		*
	<u>4-77</u>	<u>3-77</u>	<u>4-76</u>	<u>3-77</u>	<u>4-76</u>
Nonagricultural Wage & Salary.....	74,100	72,850	70,900	1,250	3,200
Mining.....	2,250	2,250	1,350	0	900
Construction.....	5,650	5,500	6,250	150	-600
Manufacturing.....	1,550	1,450	1,600	100	-50
Food Processing.....	500	450	300	50	200
Other Manufacturing.....	1,050	1,000	1,300	50	-250
Transp.-Comm. & Utilities.....	7,150	7,050	7,100	100	50
Trucking & Warehousing.....	1,400	1,250	1,250	150	150
Water Transportation.....	400	350	400	50	0
Air Transportation.....	2,500	2,450	2,650	50	-150
Other Transp.-Comm. & Utilities..	2,850	3,000	2,800	-150	50
Trade.....	15,950	15,800	15,750	150	200
Wholesale Trade.....	4,000	3,950	4,250	50	-250
Retail Trade.....	11,950	11,850	11,500	100	450
General Merchandise & Apparel..	2,000	2,050	2,300	-50	-300
Food Stores.....	1,500	1,450	1,200	50	300
Eating & Drinking Places.....	3,850	3,850	3,550	0	300
Other Retail Trade.....	4,600	4,500	4,450	100	150
Finance-Insurance & Real Estate....	4,550	4,450	4,050	100	500
Services & Miscellaneous.....	16,950	16,650	15,450	300	1,500
Government <u>3/</u>	20,050	19,700	19,350	350	700
Federal.....	10,000	10,000	9,750	0	250
State.....	4,400	4,350	3,850	50	550
Local.....	5,650	5,350	5,750	300	-100

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the interconnecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

AVAILABLE JOB OPPORTUNITIES 1/
ANCHORAGE

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>April 1977</u>	<u>March 1977</u>
Professional & Managerial.....	108	133
Clerical.....	377	436
General Office.....	155	184
Book Keeping.....	153	153
Other.....	69	99
Sales.....	97	109
Domestic Service.....	27	30
Public Oriented Service.....	264	306
Food & Beverage Preparation.....	184	219
Lodging.....	34	36
Other.....	46	51
Farming, Fishing, Forestry.....	5	7
Processing.....	17	7
Machine Trades.....	59	64
Bench Work.....	26	21
Structural Work.....	122	145
Motor Freight & Transportation.....	66	81
Packaging and Materials Handling.....	49	48
Logging, Mining, Utilities.....	8	8

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>April 1977</u>	<u>March 1977</u>
Professional & Managerial.....	62	85
Clerical.....	247	301
General Office.....	108	121
Book Keeping.....	99	129
Other.....	40	51
Sales.....	63	79
Domestic Service.....	20	18
Public Oriented Service.....	186	225
Food & Beverage Preparation.....	124	154
Lodging.....	30	29
Other.....	32	42
Farming, Fishing, Forestry.....	5	7
Processing.....	7	7
Machine Trades.....	38	53
Bench Work.....	16	13
Structural Work.....	89	109
Motor Freight & Transportation.....	46	61
Packaging and Materials Handling.....	38	46
Logging, Mining, Utilities.....	6	7

ACTIVE APPLICANTS ON FILE

	<u>April 1977</u>	<u>March 1977</u>
Professional & Managerial.....	881	961
Clerical.....	1,176	1,165
General Office.....	346	362
Book Keeping.....	488	466
Other.....	342	337
Sales.....	259	257
Domestic Service.....	29	27
Public Oriented Service.....	808	878
Food & Beverage Preparation.....	481	532
Lodging.....	61	61
Other.....	266	285
Farming, Fishing, Forestry.....	31	20
Processing.....	41	56
Machine Trades.....	181	223
Bench Work.....	54	44
Structural Work.....	767	824
Motor Freight & Transportation.....	303	318
Packaging and Materials Handling.....	229	269
Logging, Mining, Utilities.....	62	74

1/ Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

FAIRBANKS LABOR MARKET AREA

Nonagricultural wage and salary employment declined by 50 workers in the Fairbanks region. This decline in total employment was accompanied by an increase of 500 in the civilian labor force. The combination of shrinking labor demand and increasing labor supply resulted in an increase in the unemployment rate from 15.8 percent in March to 18.0 percent in April. With the conclusion of the Alyeska pipeline construction project, it is expected that unemployment will remain unusually high into the summer season.

Construction related employment was down 100 from March. This was an unusual trend and again is attributable to the pipeline slowdown. There were 2,450 fewer construction related jobs during April than at the same time in 1976. Another index of construction activity, the total building permit valuation for the City of Fairbanks, also evidences a substantial decline in area building projects. However, several major construction projects are planned for the summer season. These include the Farmer's Loop to Fox road highway project, the Chena River flood control project, and Fairbanks airport taxiway improvements.

Transportation and Trade groups showed advances in employment for the month of April, the only exception being a decline in wholesale trade. Retail trade employment increased from March although the past year has seen a 13 percent decrease in retail employment. Transportation, unlike trade and construction, maintained relative stability with respect to April 1976 employment numbers.

Service related industries have been very sensitive to pipeline construction. Service employed workers decreased by 1,300 when comparing April 1976. This represents a 24 percent reduction in the total work force. Although April showed a gain over March in Service employment it is not expected to be a strong segment in future employment.

If you accept the premise that economic activity will not return to prepipeline levels, but rather to some level that normal growth would have accomplished, then more than half of the employment decline has already taken place. Total nonagricultural wage and salary employment is down 4,800 compared to April

1976, and is now 22,250. In April 1973, before any major pipeline impact, nonagricultural wage and salary was 15,096, and even in April 1974 when the pipeline building had started, the level was only 16,996.

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN FAIRBANKS			
State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	4-77	3-77	4-76
Total Weeks Claimed.....	4,797	3,322	1,465
Percent Distribution			
Characteristic	100	100	100
Total.....	100	100	100
Sex and Age			
Men			
Under 45.....	58	59	58
45 and over.....	18	17	19
Women			
Under 45.....	19	19	19
45 and over.....	5	5	4
Industry			
Mining.....	-	1	1
Contract Construction.....	59	58	46
Manufacturing.....	2	1	5
Transp.-Comm. & Utilities...	12	15	16
Trade.....	10	9	15
Finance-Insurance & R. E....	1	1	1
Service & Miscellaneous.....	15	14	13
All Other.....	1	1	3
Occupation			
Professional & Managerial...	7	5	10
Clerical & Sales.....	10	9	8
Service.....	10	10	11
Farming-Fishing & Forestry..	-	-	-
Processing.....	1	-	1
Machine Trades.....	4	6	7
Bench Work.....	-	1	-
Structural Work.....	41	42	36
Miscellaneous.....	19	22	23
Unknown.....	8	4	4
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	30	34	40
5-14 Weeks.....	42	51	45
15 Weeks and over.....	28	15	15

FAIRBANKS CIVILIAN LABOR FORCE SUMMARY ^{1/} _{4/}
BY PLACE OF RESIDENCE

	Changes From:					
	^{p/} <u>4-77</u>	^{r/} <u>3-77</u>	<u>4-76</u>	<u>3-77</u>	<u>4-76</u>	[*] <u>4-77</u>
CIVILIAN LABOR FORCE.....	20,100	19,600	21,600	500	-1,500	25,100
INVOLVED IN WORK STOPPAGES.....	0	0	100	-	-	0
TOTAL UNEMPLOYMENT.....	3,600	3,100	1,600	500	2,000	5,100
Percent of Labor Force.....	18.0	15.8	7.1	-	-	20.2
TOTAL EMPLOYMENT ^{2/}	16,500	16,500	20,000	0	-3,500	20,000

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT ^{1/}
BY PLACE OF WORK

	Changes From:				
	^{p/} <u>4-77</u>	^{r/} <u>3-77</u>	<u>4-76</u>	<u>3-77</u>	<u>4-76</u>
Nonagricultural Wage & Salary.....	22,250	22,200	27,050	50	-4,800
Mining.....	150	100	100	50	50
Construction.....	2,200	2,300	4,650	-100	-2,450
Manufacturing.....	400	350	350	50	50
Food Processing.....	50	50	50	0	0
Other Manufacturing.....	350	300	300	50	50
Transp.-Comm. & Utilities.....	3,400	3,350	3,500	50	-100
Trucking & Warehousing.....	1,200	1,150	1,200	50	0
Water Transportation.....	50	50	50	0	0
Air Transportation.....	750	750	800	0	-50
Other Transp.-Comm. & Utilities..	1,400	1,400	1,450	0	-50
Trade.....	4,000	3,950	4,700	50	-700
Wholesale Trade.....	700	750	950	-50	-250
Retail Trade.....	3,300	3,200	3,750	100	-450
General Merchandise & Apparel..	450	450	550	0	-100
Food Stores.....	600	600	600	0	0
Eating & Drinking Places.....	900	800	1,150	100	-250
Other Retail Trade.....	1,350	1,350	1,450	0	-100
Finance-Insurance & Real Estate....	950	1,000	950	-50	0
Services & Miscellaneous.....	4,050	3,950	5,350	100	-1,300
Government ^{3/}	7,100	7,200	7,450	-100	-350
Federal.....	2,350	2,450	2,400	-100	-50
State.....	2,900	2,900	3,200	0	-300
Local.....	1,850	1,850	1,850	0	0

^{1/} Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

^{2/} Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting.

^{3/} Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

^{4/} Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

^{p/} Denotes preliminary estimates.

^{r/} Denotes revised estimates.

HOURS AND EARNINGS - SELECTED INDUSTRIES ^{1/}

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	<u>3-77</u>	<u>2-77</u>	<u>3-76</u>	<u>3-77</u>	<u>2-77</u>	<u>3-76</u>	<u>3-77</u>	<u>2-77</u>	<u>3-76</u>
MINING.....	\$694.78	\$735.11	\$725.74	50.9	53.0	54.2	\$13.65	\$13.87	\$13.39
CONTRACT CONSTRUCTION.....	876.68	920.96	977.06	50.5	53.7	61.8	17.36	17.15	15.81
MANUFACTURING.....	368.08	353.60	307.89	43.0	43.6	40.3	8.56	8.11	7.64
Food Processing.....	260.96	265.37	192.84	46.6	47.9	38.8	5.60	5.54	4.97
Logging-Lumber & Pulp.....	414.17	402.11	389.08	41.5	41.2	42.2	9.98	9.76	9.22
WHOLESALE TRADE.....	333.38	343.00	324.75	39.5	40.4	39.7	8.44	8.49	8.18
RETAIL TRADE <u>2/</u>	226.97	218.68	228.81	31.7	30.8	34.1	7.16	7.10	6.71
FINANCE-INSURANCE & REAL ESTATE..	216.38	197.74	182.08	-	-	-	-	-	-

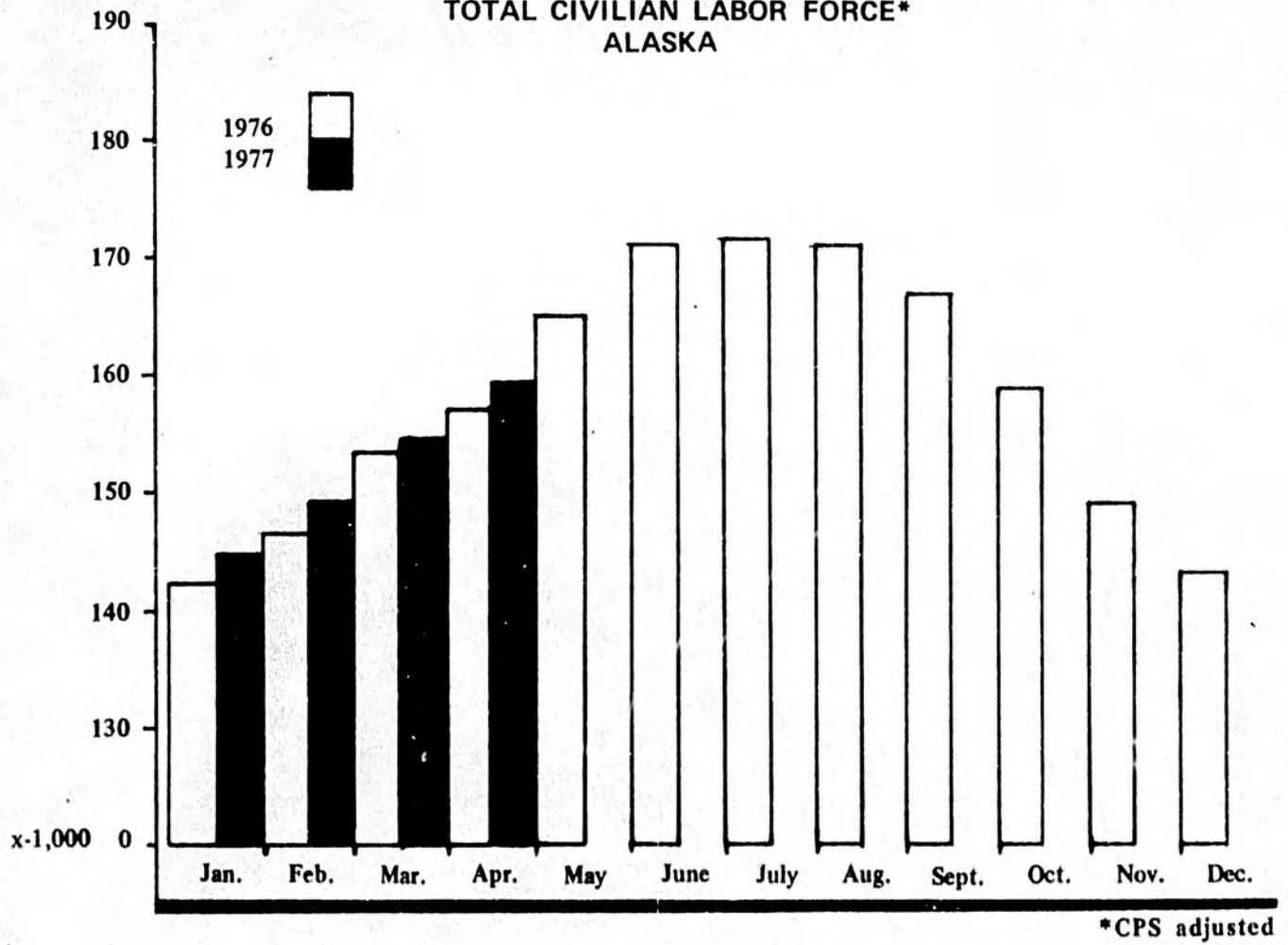
EXPLANATION NOTES:

AVERAGE HOURS & EARNINGS SERIES: Averages are based on data for full- and part-time production and non-supervisory workers and are for gross earnings and hours worked, or paid for, including overtime pay and hours. Administrative, supervisory, technical, and office personnel are excluded.

1/ Prepared in cooperation with Bureau of Labor Statistics, U. S. Department of Labor.

2/ Excluded eating and drinking places.

TOTAL CIVILIAN LABOR FORCE*
ALASKA



ALASKA
DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
OFFICIAL BUSINESS

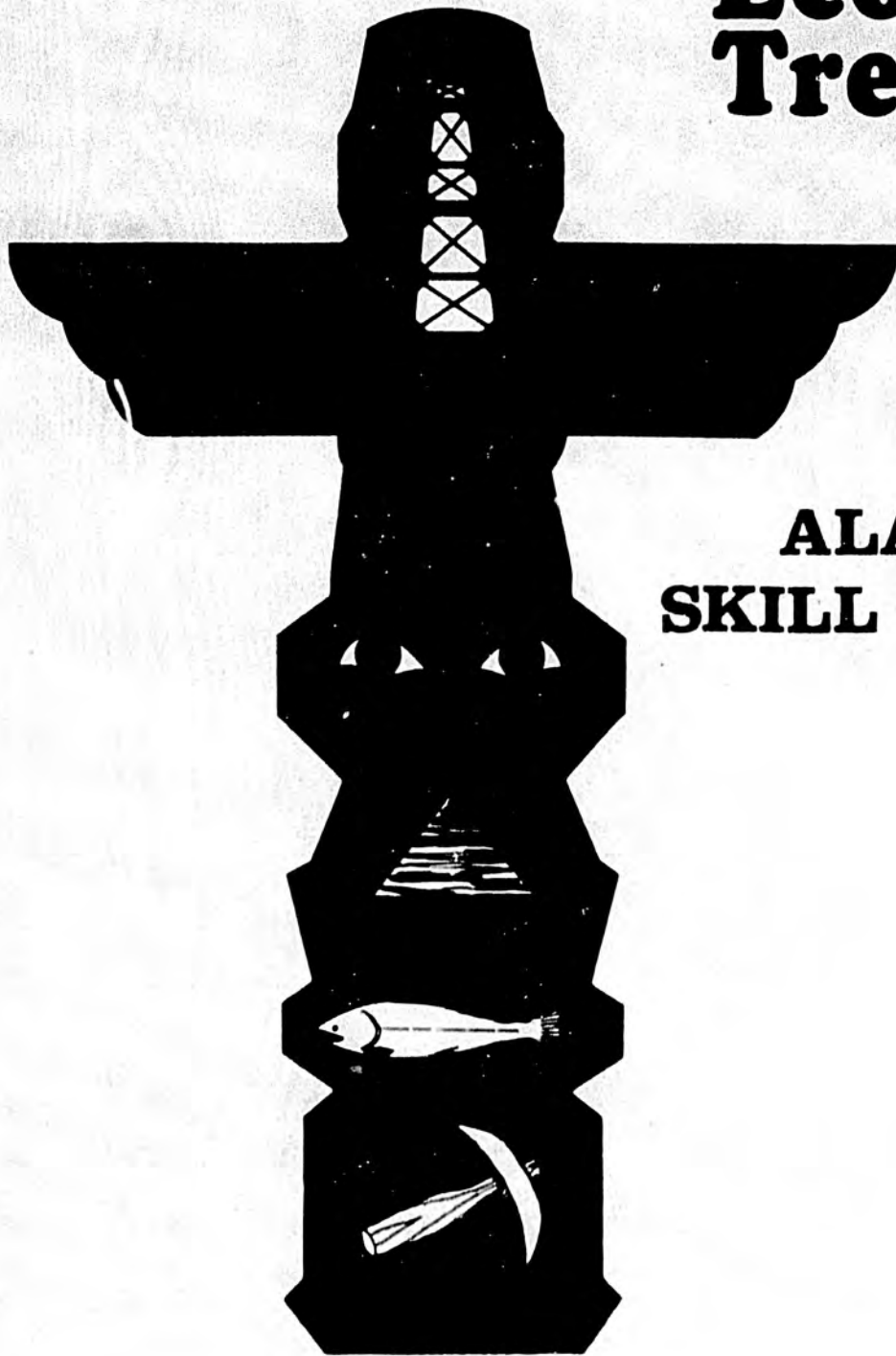
00655 G

ALASKA STATE LEGISLATURE
PERMANENT FUND
538 W 5TH AVE
ANCHORAGE AK 99501

EMPLOYMENT SECURITY MAIL
POSTAGE AND FEES PAID

LAB 449

ALASKA Economic Trends



ALASKA SKILL CENTER

MAY 1977

STATE OF ALASKA • DEPARTMENT OF LABOR

Employment Security Division • Research and Analysis Section

JAY S. HAMMOND, GOVERNOR

ALASKA SKILL CENTER

According to Jerry Hiley, Director of Vocational and Continuing Education in the Department of Education, the seven-year-old Alaska Skill Center in Seward is in the initial stages of evolving into a more sophisticated vocational-technical school. Hiley is responsible for the day-to-day operation of the institution.

A conspicuous monolith towering the Seward skyline will notate the addition of the newest course. The course, which began April 4 with an enrollment of 24, is on oilfield utility technology. The monolith is a working 96-foot oil derrick capable of a 6,000 foot drilling depth. Most of the cost of the \$230,000 derrick was donated by the John Cassidy Companies, an Oklahoma oil firm. Federal Manpower monies covered about \$90,000 of that cost.

Hiley expects delivery of the derrick in June and erection on school property 1½ miles north of Seward later this summer.

The course was added to the mechanical cluster of courses at the skill center, one of four course clusters offered. Upon completion of the six month course, graduates can qualify for entry level oilfield jobs or can enter a petrochemical course leading to an associates degree at Kenai Peninsula Community College.

"I think it's going to be one of the best courses in the state," Hiley said, adding that the Alaska oil industry has endorsed the course. "The knowledge the students gain from the course will enable any graduate to hold jobs particularly in Alaska; it has great potential for the future."

The three other course clusters, building trades (carpentry, plumbing, electrical furnace repair), culinary (cooks, bakers), office occupations (typing, bookkeeping, filing) also are geared to train Alaskans to land jobs in Alaska. And with the addition of courses such as the oil utility course, the skill center is responding to the changing needs of the state's varied industries.

"One of the things that industrial representatives are emphasizing is that they want people trained at a higher level," Hiley said.

"We have always been geared pretty much to the basic entry level, or channeled students into an entry level job or to an on-the-job training program following their classroom training, but now they're beginning to ask for more technical people."

In the past, the skill center program has prepared students for job needs on the trans-Alaska pipeline. As job demands from the almost completed pipeline quieted, the skill center shifted its focus from training people for construction jobs to training people for pipeline finishing work, such as line insulators and pump station workers.

The new oilfield technology course is the center's initial effort to supply a continuing need of personnel to industry for routine oilfield work.

The center, the only residential training center for adults in Alaska, is capable of handling 175 students, some of whom go on to brighter-than-ever futures. For instance, skill center graduates have enjoyed a dramatic increase in wages over what they were earning prior to enrollment. A survey of more than 900 former students revealed that pre-training annual salaries averaged \$1,755 while post-training salaries leaped to \$8,628. Twenty-six had incomes more than \$20,000 annually.

Graduates today, estimates indicate, will gross more than \$5 million in annual wages and will pay back some \$1 million in taxes, a figure that exceeds training costs at the school.

The center curriculum includes high school completion through the General Education Development program. Although 100 of the equivalency diplomas are awarded annually, students are not required to obtain GEDs to graduate from one of the center's clusters.

Driver Education also is offered. Some 75 percent of the students lack drivers licenses. Counseling is offered to help trainees understand legal and health responsibilities.

During the two years from the beginning of 1974 to the end of 1975, a total of 919 students graduated from the center. Some 593 were Native Alaskans

and 307 were Caucasians. A total of 19 represent other ethnic groups.

Enrollment in the fall of 1976 indicated 65 percent were men and 35 percent women.

The skill center has removed many Alaskans from public assistance roles. Of 276 trainees surveyed during the first quarter of 1975 some 142, or 51 percent, had been on public assistance sometime since 1969. Immediately prior to enrolling at the school, 31.9 percent were receiving assistance of various types.

A post training review of the 142 students indicated that only 20, or 14 percent of the original 275, had received public assistance since entering training.

Federal Manpower dollars support about 80 percent of total tuition costs, and room and board payments.

ALASKA'S LABOR MARKET IN MARCH

Employment and Unemployment: Alaska's unemployment rate dropped slightly from 14.5 percent in February to 14.4 percent in March. Though the actual number of unemployed still increased slightly during the month of March, a moderate increase in total employment produced the drop in the unemployment rate. The improved employment picture during the month of March was primarily the result of seasonal activity. Those industries which are normally thought to be highly seasonal showed some increase in employment during the month of March. It should be pointed out that the seasonal increases in employment experienced in recent years will not occur this year. The completion of the trans-Alaska pipeline is the main factor behind this new trend. Not only will there be just a modest increase in seasonal employment this summer, but as the pipeline is completed in early summer there will be a mass layoff of workers almost similar to that experienced during the months of October, November, and December of 1976. This massive layoff of workers will actually produce an atypical trend during the summer of 1977, with total employment actually declining slightly rather than increasing.

Mining: Employment in the mining industry rose 2 percent during the month of March. Increased activity in the oil industry continues to be a major source of new employment in this industry.

Construction: Employment in the construction industry is showing signs of seasonal improvement. There are several projects throughout the state which began to get underway during the month of March. Employment also increased along the trans-Alaska pipeline where it is estimated that employment will peak at approximately 10,500 persons by early April.

Manufacturing: Employment in the manufacturing industries continues to be above levels experienced one year ago. Improved employment opportunities in the lumber and wood products industry continue

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA			
State Unemployment Insurance			
Insured Unemployed Based on Key Week			
	3-77	2-77	3-76
Total Weeks Claimed.....	16,400	16,341	12,883
Percent Distribution			
Characteristic	100	100	100
Total.....	100	100	100
Sex and Age			
Men			
Under 45.....	59	60	57
45 and over.....	18	19	20
Women			
Under 45.....	18	16	17
45 and over.....	5	5	6
Industry			
Mining.....	2	2	3
Contract Construction.....	49	51	43
Manufacturing.....	9	8	12
Transp.-Comm. & Utilities...	10	10	11
Trade.....	10	10	12
Finance-Insurance & R. E....	2	3	2
Service & Miscellaneous.....	16	14	12
All Other.....	2	2	5
Occupation			
Professional & Managerial...	6	6	7
Clerical & Sales.....	11	10	10
Service.....	9	10	10
Farming-Fishing & Forestry..	2	2	2
Processing.....	3	3	4
Machine Trades.....	5	6	5
Bench Work.....	1	-	-
Structural Work.....	42	41	41
Miscellaneous.....	19	21	18
Unknown.....	2	1	3
Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	28	29	32
5-14 Weeks.....	49	52	46
15 Weeks and over.....	23	19	22

ALASKA CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

	Changes From:					
	<u>p/</u> 3-77	<u>r/</u> 2-77	3-76	2-77	3-76	3-77 *
CIVILIAN LABOR FORCE.....	150,600	148,800	153,500	1,800	-2,900	186,900
INVOLVED IN WORK STOPPAGES.....	0	0	100	-	-	0
TOTAL UNEMPLOYMENT.....	21,700	21,600	14,800	100	6,900	30,300
Percent of Labor Force.....	14.4	14.5	9.7	-	-	16.2
TOTAL EMPLOYMENT <u>2/</u>	128,900	127,200	138,700	1,700	-9,800	156,600

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:				
	<u>p/</u> 3-77	<u>r/</u> 2-77	3-76	2-77	3-76
Nonagricultural Wage & Salary.....	150,500	149,000	162,100	1,500	-11,600
Mining.....	5,000	4,900	3,800	100	1,200
Construction.....	17,500	17,000	26,800	500	-9,300
Manufacturing.....	9,100	8,500	8,000	600	1,100
Durable Goods.....	2,800	2,100	2,100	700	700
Lumber, Wood Products.....	2,300	1,600	1,400	700	900
Other Durable Goods.....	500	500	700	0	-200
Nondurable Goods.....	6,300	6,400	5,900	-100	400
Food Processing.....	3,800	3,900	3,600	-100	200
Other Nondurable Goods.....	2,500	2,500	2,300	0	200
Transp.-Comm. & Utilities.....	14,300	14,300	15,200	0	-900
Trucking & Warehousing.....	2,800	2,800	3,000	0	-200
Water Transportation.....	1,400	1,400	1,100	0	300
Air Transportation.....	4,000	4,000	4,500	0	-500
Other Transp.-Comm. & Utilities..	6,100	6,100	6,600	0	-500
Trade.....	26,200	26,700	26,100	-500	100
Wholesale Trade.....	5,400	5,400	6,100	0	-700
Retail Trade.....	20,800	21,300	20,000	-500	800
General Merchandise & Apparel..	3,900	4,000	3,900	-100	0
Food Stores.....	3,100	3,100	2,800	0	300
Eating & Drinking Places.....	6,500	6,800	6,000	-300	500
Other Retail Trade.....	7,300	7,400	7,300	-100	0
Finance-Insurance & Real Estate....	7,300	7,400	6,600	-100	700
Services & Miscellaneous.....	25,400	24,800	28,500	600	-3,100
Government <u>3/</u>	45,700	45,400	47,100	300	-1,400
Federal.....	17,500	17,500	17,700	0	-200
State.....	14,300	14,000	15,600	300	-1,300
Local.....	13,900	13,900	13,800	0	100

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

INDICATORS OF ALASKA ECONOMIC ACTIVITY*

INDICATOR	Most	Previous	Year
	Recent	Month	Ago
	Month	Month	
	<u>3-77</u>	<u>2-77</u>	<u>3-76</u>
Selected Economic Activity Measures			
Total Labor Force <u>a/</u>	157.0	159.1	160.1
Total Unemployment Rate <u>a/</u>	11.1	11.3	7.3
Insured Unemployment (weekly average) <u>a/ b/</u>	12,407	10,300	8,587
New Employers (unadjusted) <u>c/</u>	285	150	414
Nonagricultural Wage Payments (millions \$, unadjusted)...	248	244	242
Wage Payments in Mining, Manufacturing & Construction..	87	84	117
Employment (1967=100) <u>a/</u>			
Nonagricultural Wage & Salary.....	211.7	214.2	228.0
Mining.....	251.6	261.9	191.3
Construction.....	444.5	453.9	680.3
Manufacturing.....	176.2	180.8	154.9
Transportation-Communications & Utilities.....	208.0	208.7	221.1
Trade.....	236.4	245.0	235.5
Finance-Insurance & Real Estate.....	325.9	332.1	294.6
Services.....	299.4	298.2	335.9
Government.....	145.0	145.2	149.4
Alaska State Employment Service Activities			
Nonagricultural Placements (unadjusted).....	1,978	1,155	2,219
Nonagricultural Placements (daily average) <u>a/</u>	90	64	101
Banking Activities (millions \$, unadjusted) <u>e/</u>			
Loans & Investments.....	1,003	991	819
Demand Deposits.....	506	518	510
Time Deposits.....	492	489	421
	<u>1-77</u>	<u>12-76</u>	<u>1-76</u>
Personal Income (millions \$ Annual Rate) <u>d/</u>	4433.7	4384.8	3105.9
Crude Petroleum Production (000 bbls., unadj.) <u>f/</u>	5,647	5,765	6,305

* All data seasonally adjusted unless otherwise noted. Current month preliminary.
a/ Seasonally adjusted by the 1966 U.S. Bureau of Labor Statistics seasonal adjustment method.

b/ Unemployment in Alaska insured by State law.

c/ Employers newly subject to the Alaska Employment Security Act.

d/ Source: Business Week Magazine, seasonally adjusted by the Alaska Employment Security Division.

e/ Source: Federal Reserve Bank of San Francisco. Members banks only.

f/ Source: Alaska Department of Natural Resources, Division of Mines and Minerals.

AVAILABLE JOB OPPORTUNITIES 1/

ALASKA

UNFILLED JOB OPENINGS

Occupation	March 1977	Feb. 1977
Professional & Managerial.....	203	182
Clerical.....	691	679
General Office.....	248	243
Book Keeping.....	339	323
Other.....	104	113
Sales.....	139	132
Domestic Service.....	47	52
Public Oriented Service.....	430	452
Food & Beverage Preparation.....	291	294
Lodging.....	45	59
Other.....	94	99
Farming, Fishing, Forestry.....	28	33
Processing.....	163	206
Machine Trades.....	91	108
Bench Work.....	42	44
Structural Work.....	230	253
Motor Freight & Transportation.....	124	127
Packaging and Materials Handling.....	78	90
Logging, Mining, Utilities.....	628	633

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	March 1977	Feb. 1977
Professional & Managerial.....	134	137
Clerical.....	506	567
General Office.....	170	195
Book Keeping.....	262	287
Other.....	74	85
Sales.....	98	104
Domestic Service.....	33	42
Public Oriented Service.....	312	402
Food & Beverage Preparation.....	205	262
Lodging.....	37	51
Other.....	70	89
Farming, Fishing, Forestry.....	20	31
Processing.....	161	202
Machine Trades.....	75	98
Bench Work.....	34	42
Structural Work.....	186	227
Motor Freight & Transportation.....	100	120
Packaging and Materials Handling.....	73	84
Logging, Mining, Utilities.....	626	628

ACTIVE APPLICANTS ON FILE

	March 1977	Feb. 1977
Professional & Managerial.....	1,849	1,771
Clerical.....	2,318	2,186
General Office.....	768	723
Book Keeping.....	934	876
Other.....	616	587
Sales.....	552	499
Domestic Service.....	101	106
Public Oriented Service.....	2,038	1,761
Food & Beverage Preparation.....	1,172	1,011
Lodging.....	220	195
Other.....	646	555
Farming, Fishing, Forestry.....	257	214
Processing.....	279	254
Machine Trades.....	617	556
Bench Work.....	103	99
Structural Work.....	2,289	2,023
Motor Freight & Transportation.....	873	807
Packaging and Materials Handling.....	560	514
Logging, Mining, Utilities.....	312	240

1/ Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

REVISED STATEWIDE 1976 EMPLOYMENT

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Average
Total Non-agricultural	149,700	155,300	162,100	168,300	176,500	183,200	188,800	192,500	187,400	177,000	164,000	155,400	171,700
Mining	3,400	3,700	3,800	3,700	3,600	3,900	4,300	4,300	4,300	4,200	4,200	4,200	4,000
Construction	19,900	22,800	26,800	29,800	33,000	35,400	38,700	39,400	37,200	33,200	26,400	20,000	30,200
Manufacturing	6,700	7,500	8,000	9,000	10,500	12,000	14,100	14,800	13,100	11,700	9,800	9,100	10,500
Durable Goods	1,600	1,800	2,100	2,700	3,200	3,300	3,300	3,600	3,500	3,300	2,800	2,300	2,800
Lumber & Wood Prod.	1,000	1,100	1,400	1,900	2,300	2,400	2,400	2,700	2,700	2,600	2,200	1,700	2,000
Other Durable Goods	600	700	700	800	900	900	900	900	800	700	600	600	800
Non-Durable Goods	5,100	5,700	5,900	6,300	7,300	8,700	10,800	11,200	9,600	8,400	7,000	6,800	7,700
Food Processing	2,900	3,400	3,600	4,000	5,000	6,300	8,200	8,600	7,000	5,900	4,500	4,300	5,300
Other Non-Durable Goods	2,200	2,300	2,300	2,300	2,300	2,400	2,600	2,600	2,600	2,500	2,500	2,500	2,400
Transp.-Comm. & P.U.	15,200	15,200	15,200	15,400	16,100	16,700	16,500	16,900	17,100	16,300	15,100	15,300	15,900
Trucking & Warehousing	3,200	3,100	3,000	3,000	3,200	3,300	3,300	3,700	3,700	3,600	3,300	3,200	3,300
Water Transportation	1,200	1,100	1,100	1,200	1,300	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,400
Air Transportation	4,400	4,400	4,500	4,600	4,800	5,100	5,000	5,000	5,000	4,700	4,000	4,200	4,600
Other Transportation	6,400	6,600	6,600	6,600	6,800	6,800	6,700	6,700	6,900	6,500	6,300	6,300	6,600
Trade	26,100	25,800	26,100	27,300	28,600	29,500	29,100	29,400	29,100	28,600	28,500	28,600	28,000
Wholesale Trade	6,000	6,000	6,100	6,200	6,200	6,400	6,300	6,300	6,200	5,700	5,500	5,500	6,000
Retail Trade	20,100	19,800	20,000	21,100	22,400	23,100	22,800	23,100	22,900	22,900	23,000	23,100	22,000
Gen. Merch. & Apparel	4,200	4,000	3,900	4,100	4,200	4,300	4,300	4,400	4,500	4,500	4,600	4,700	4,300
Food Stores	2,800	2,700	2,800	3,000	3,100	3,100	3,100	3,200	3,200	3,100	3,200	3,200	3,000
Eating & Drinking Pl.	5,800	5,900	6,000	6,300	7,000	7,300	7,100	7,200	7,000	7,000	7,100	7,000	6,700
Other Retail Trade	7,300	7,200	7,300	7,700	8,100	8,400	8,300	8,300	8,200	8,300	8,100	8,200	8,000
Finance, Ins. & R.E.	6,400	6,500	6,600	6,700	6,900	7,300	7,600	7,900	7,700	7,600	7,500	7,500	7,200
Service & Miscellaneous	26,500	27,600	28,500	28,900	29,700	30,400	30,600	31,300	30,700	28,700	26,600	25,100	28,700
Government	45,500	46,200	47,100	47,500	48,100	48,000	47,900	48,500	48,200	46,700	45,900	45,600	47,100
Federal	17,700	17,700	17,700	17,600	18,000	18,200	18,300	18,300	18,500	18,100	17,600	17,500	17,900
State	14,400	14,900	15,600	15,500	16,300	16,100	15,100	15,500	15,100	14,400	14,200	14,000	15,100
Local	13,400	13,600	13,800	14,000	13,800	13,700	14,500	14,700	14,600	14,200	14,100	14,100	14,000

to be the result of warmer than normal weather. Employment in the food processing industry declined slightly during the month of March. A moderate tanner crab season in the Kodiak area is seen as a major factor in the decline of employment in this sector.

Transportation, Communication & Utilities: Employment in the transportation industries is estimated to have remained stable between the months of February and March. Preliminary estimates for the month of February indicated no substantial drop in employment in this industry during the month of February, however, revised estimates indicate that employment dropped 6 percent during the month of February when compared to January. The lack of employment growth in this industry is indicative of the lack of any major construction or mining activity within the state.

Trade: Preliminary estimates for employment during the month of March indicate a decline of approximately 2 percent in the number of people working in the trade industry. When compared to one year ago employment in the trade industry is somewhat mixed. Due to the winding down of operations along the trans-Alaska pipeline, employment in the wholesale trade sector is down compared to that experienced one year ago. Brought about by the tremendous need for equipment and materials along the trans-Alaska pipeline construction project, employment in wholesale trade expanded significantly. This situation is no longer the case and many employers are now reducing the size of their staff. On the other hand, employment in the retail trade sector has remained relatively stable and in some cases has continued to increase. The current employment trend in the retail trade sector may be the result of industry's attempt to catch up with consumer demand which has exceeded supply for many years.

Finance, Insurance, and Real Estate: Employment in the finance industry dropped slightly from February to March. Employment in the finance and insurance sectors remained relatively constant with reduced employment in the real estate sector contributing to most of the decline.

Services & Miscellaneous: Employment in the services and miscellaneous industry rose approximately 2.4 percent during the month of March. Employment gains were generally

widespread, however, significant gains in employment were experienced in the health service field as well as specialized consulting firms in the fields of engineering, architecture and surveying.

Government: Employment in government increased approximately one percent during the month of March. Increased employment on the state level was primarily responsible for this growth of employment.

Private IUR: Insured unemployment continued to expand rapidly during the month of March. Alaska's insured unemployment rate rose to 14.1 percent in March compared to February's rate of 12.4. When looking at insured unemployment rates for various areas throughout the state it is apparent that many unemployed workers are now traveling to Anchorage to file their claim and then search for new employment. The insured unemployment rate in Anchorage during the month of March was 15.3 percent compared to 12.0 percent the month before. Many of these workers are from the construction industry and presumably are ex-pipeline workers.

Manpower Resources: The increase in the number of jobless workers has temporarily reached a plateau. The number of unemployed only increased slightly whereas employment opportunities brought about by normal seasonal expansion is now having a positive effect on the labor force. Though the number of unemployed is temporarily not increasing at a rapid rate, there continues to be a large number of unemployed persons, particularly from the construction and service industries. Many of these people were either directly or indirectly related to the construction of the trans-Alaska oil pipeline.

Available Job Opportunities: With the onset of spring, job opportunities in such industries as construction, food processing and services were beginning to become available during the month of March. Though more jobs were opening up, the competition for those jobs was and will continue to be high. Unemployed workers until recently have attempted to avoid what they considered to be less than desirable employment, but in March this trend may have changed as the number of jobs which remained unfilled for more than 30 days declined by 12 percent.

Employment and Training Activities: As of March 1, 742 persons have been served by various CETA programs. The average hourly wage for those persons finding employment improved from \$3.61 before they received training to \$5.82 after training.

Employment and Unemployment Outlook: It is estimated that the total unemployment for April will be approximately 14.2 percent.

ANCHORAGE LABOR MARKET AREA

Highlights: Anchorage Helicopter Service, Inc., which cut back operations recently, has sold its Merrill Field hangar, its operating certificate and eleven helicopters to Offshore Logistics. This, coupled with the fact that Flying Tiger Line is likely to receive authority to carry cargo between Anchorage and the Far East, should provide a boost to the air transportation industry. In other transportation news the contract for the building of phase three of the Anchorage Port expansion has been awarded to SKW Contractors. The \$2 million job won't be all that big in terms of jobs, but it will impact the economy by providing a larger port facility by the end of this November.

School enrollment in Anchorage is about 400 below last year's March level, whereas it was even at the start of the school year. Most other indicators including employment show a more stable or even a positive trend. Since the enrollment drop is concentrated in the secondary grades it may not indicate a population change or if it does it would indicate an out migration of older people with high school age children.

Employment and Unemployment: Total employment declined this month by 750 indicating a slow start of the seasonal buildup. The main decline was in construction, retail trade and state government. This should be the low point in the year for employment with the seasonal buildup yet to come. The coming completion of the pipeline is providing an excess of unemployed, and even though job opportunities are expanding it is anticipated that many unemployed workers may not be able to find jobs.

Mining: Employment took a drop of 150 this month yet remained well above year ago levels. This is just a drop from the abnormally high February figure. Employment still remains above the January level and above any time last year.

Construction: Employment dropped 600 this month and resulted in an over-the-year decline of 150. This is the first time in 1977 that the industry has shown fewer employees than the previous year. Pipeline contractors are mainly responsible for the decline in Anchorage, as local construction continues in good

shape. There are numerous large projects either starting up or continuing and residential building permits have been issued for 67 percent more housing units than by the end of March of last year. The increase in authorizations for single family units is the most surprising, since multi-family housing can be dominated by one or two large housing projects starting early in the year when volume is normally low.

Manufacturing: An increase in employment of 50 is typical for this time of the year and the

CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ANCHORAGE

State Unemployment Insurance			
	Insured Unemployed Based on Key Week		
	3-77	2-77	3-76
Total Weeks Claimed.....	6,134	5,305	4,702

Characteristic	Percent Distribution		
Total.....	100	100	100

Sex and Age			
Men			
Under 45.....	62	63	60
45 and over.....	18	17	18
Women			
Under 45.....	16	16	17
45 and over.....	4	4	5

Industry			
Mining.....	1	2	2
Contract Construction.....	55	56	49
Manufacturing.....	5	4	6
Transp.-Comm. & Utilities...	8	9	9
Trade.....	12	12	14
Finance-Insurance & R. E....	3	2	3
Service & Miscellaneous.....	15	14	14
All Other.....	1	1	3

Occupation			
Professional & Managerial...	6	7	9
Clerical & Sales.....	13	14	12
Service.....	8	8	9
Farming-Fishing & Forestry..	1	1	1
Processing.....	1	1	1
Machine Trades.....	3	3	3
Bench Work.....	1	-	-
Structural Work.....	46	42	44
Miscellaneous.....	19	23	18
Unknown.....	2	1	3

Length of Current Spell of Insured Unemployment			
1-4 Weeks.....	32	37	37
5-14 Weeks.....	48	48	45
15 Weeks and over.....	20	15	18

**ANCHORAGE CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE**

	Changes From:					
	<u>p/</u> 3-77	<u>r/</u> 2-77	3-76	2-77	3-76	3-77 *
CIVILIAN LABOR FORCE.....	72,000	72,650	67,600	-650	4,400	88,800
INVOLVED IN WORK STOPPAGES.....	0	0	0	-	-	0
TOTAL UNEMPLOYMENT.....	7,600	7,500	5,700	100	1,900	10,600
Percent of Labor Force.....	10.5	10.3	8.5	-	-	11.9
TOTAL EMPLOYMENT <u>2/</u>	64,400	65,150	61,900	-750	2,500	78,200

**NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK**

	Changes From:				
	<u>p/</u> 3-77	<u>r/</u> 2-77	3-76	2-77	3-76
Nonagricultural Wage & Salary.....	71,600	72,550	69,800	-950	1,800
Mining.....	2,050	2,200	1,400	-150	650
Construction.....	5,450	6,050	5,600	-600	-150
Manufacturing.....	1,500	1,450	1,400	50	00
Food Processing.....	500	500	250	0	200
Other Manufacturing.....	1,000	950	1,150	50	-150
Transp.-Comm. & Utilities.....	7,100	7,150	7,200	-50	-100
Trucking & Warehousing.....	1,250	1,300	1,250	-50	0
Water Transportation.....	350	350	350	0	0
Air Transportation.....	2,450	2,450	2,550	0	-100
Other Transp.-Comm. & Utilities..	3,050	3,050	3,050	0	0
Trade.....	15,550	15,700	15,300	-150	250
Wholesale Trade.....	4,000	4,000	4,200	0	-200
Retail Trade.....	11,550	11,700	11,100	-150	450
General Merchandise & Apparel..	2,100	2,200	2,250	-100	-150
Food Stores.....	1,400	1,350	1,150	50	250
Eating & Drinking Places.....	3,600	3,600	3,600	0	0
Other Retail Trade.....	4,450	4,550	4,100	-100	350
Finance-Insurance & Real Estate....	4,400	4,500	3,950	-100	450
Services & Miscellaneous.....	16,100	15,950	15,750	150	350
Government <u>3/</u>	19,450	19,550	19,200	-100	250
Federal.....	10,050	10,000	9,800	50	250
State.....	3,900	4,050	3,900	-150	0
Local.....	5,500	5,500	5,500	0	0

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the interconnecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting, multiple job-holding and unpaid absences.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

AVAILABLE JOB OPPORTUNITIES 1/
ANCHORAGE

UNFILLED JOB OPENINGS

<u>Occupation</u>	<u>March 1977</u>	<u>Feb. 1977</u>
Professional & Managerial.....	133	107
Clerical.....	436	374
General Office.....	184	143
Book Keeping.....	153	153
Other.....	99	78
Sales.....	109	102
Domestic Service.....	30	29
Public Oriented Service.....	306	275
Food & Beverage Preparation.....	219	184
Lodging.....	36	38
Other.....	51	53
Farming, Fishing, Forestry.....	7	8
Processing.....	7	9
Machine Trades.....	64	62
Bench Work.....	21	22
Structural Work.....	145	128
Motor Freight & Transportation.....	81	69
Packaging and Materials Handling.....	48	52
Logging, Mining, Utilities.....	8	8

JOB OPENINGS UNFILLED AFTER 30 OR MORE DAYS

	<u>March 1977</u>	<u>Feb. 1977</u>
Professional & Managerial.....	85	80
Clerical.....	301	308
General Office.....	121	117
Book Keeping.....	129	132
Other.....	51	59
Sales.....	79	82
Domestic Service.....	18	22
Public Oriented Service.....	225	236
Food & Beverage Preparation.....	154	157
Lodging.....	29	32
Other.....	42	47
Farming, Fishing, Forestry.....	7	8
Processing.....	7	8
Machine Trades.....	53	55
Bench Work.....	13	20
Structural Work.....	109	106
Motor Freight & Transportation.....	61	63
Packaging and Materials Handling.....	46	50
Logging, Mining, Utilities.....	7	7

ACTIVE APPLICANTS ON FILE

	<u>March 1977</u>	<u>Feb. 1977</u>
Professional & Managerial.....	961	921
Clerical.....	1,165	1,173
General Office.....	362	340
Book Keeping.....	466	484
Other.....	337	349
Sales.....	257	263
Domestic Service.....	27	22
Public Oriented Service.....	870	764
Food & Beverage Preparation.....	532	458
Lodging.....	61	61
Other.....	285	245
Farming, Fishing, Forestry.....	20	20
Processing.....	56	50
Machine Trades.....	223	203
Bench Work.....	44	43
Structural Work.....	824	700
Motor Freight & Transportation.....	318	331
Packaging and Materials Handling.....	269	245
Logging, Mining, Utilities.....	74	70

1/ Data taken from the Employment Security Automated Reporting System (ESARS Table #96).

REVISED ANCHORAGE 1976 EMPLOYMENT

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Annual Average
Nonagr. Wage & Salary	67,300	68,700	69,800	70,900	73,100	75,800	76,550	77,950	77,000	77,100	74,850	74,500	73,650
Mining	1,300	1,350	1,400	1,350	1,200	1,400	1,550	1,600	1,550	1,500	1,650	1,700	1,450
Construction	5,150	5,350	5,600	6,250	7,350	8,500	9,500	10,000	9,700	10,050	7,950	7,650	7,750
Manufacturing	1,300	1,350	1,400	1,600	1,650	1,650	1,850	2,000	1,950	1,800	1,700	1,650	1,750
Food Processing	250	250	250	300	300	300	400	500	500	500	500	500	400
Logging-Lumber & Pulp	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Manufacturing	1,050	1,100	1,150	1,300	1,350	1,350	1,450	1,500	1,450	1,300	1,200	1,150	1,350
Transp.-Comm. & Util.	7,150	7,200	7,200	7,100	7,350	7,700	7,750	7,850	7,900	7,850	7,650	7,500	7,500
Trucking & Warehousing	1,350	1,300	1,250	1,250	1,300	1,450	1,400	1,500	1,500	1,500	1,500	1,400	1,400
Water Transportation	350	350	350	400	400	400	450	450	450	400	400	400	400
Air Transportation	2,450	2,500	2,550	2,650	2,750	2,900	2,900	2,900	2,850	2,600	2,550	2,550	2,650
Other	3,000	3,050	3,050	2,800	2,900	2,950	3,000	3,000	3,100	3,350	3,200	3,150	3,050
Trade	15,300	15,150	15,300	15,750	16,350	16,750	16,600	16,800	16,600	16,600	16,600	16,800	16,200
Wholesale Trade	4,150	4,200	4,200	4,250	4,250	4,350	4,350	4,400	4,300	4,100	4,050	4,000	4,200
Retail Trade	11,150	10,950	11,100	11,500	12,100	12,400	12,250	12,400	12,300	12,500	12,550	12,800	12,000
General Merch. & App.	2,500	2,250	2,250	2,300	2,350	2,400	2,400	2,350	2,400	2,450	2,500	2,600	2,400
Food Stores	1,150	1,150	1,150	1,200	1,250	1,300	1,300	1,400	1,400	1,400	1,450	1,450	1,300
Eating & Drinking Pl.	3,450	3,550	3,600	3,550	3,900	4,000	3,900	4,000	3,950	3,900	3,900	3,950	3,800
Other Retail Trade	4,050	4,000	4,100	4,450	4,600	4,700	4,650	4,650	4,550	4,750	4,700	4,800	4,500
Finance-Ins. & Real Estate	3,800	3,850	3,950	4,050	4,150	4,350	4,500	4,550	4,550	4,450	4,400	4,450	4,250
Service & Miscellaneous	14,750	15,350	15,750	15,450	15,800	15,900	15,450	15,750	15,750	15,450	15,200	15,050	15,450
Government	18,550	19,100	19,200	19,350	19,250	19,550	19,350	19,400	19,000	19,400	19,700	19,700	19,300
Federal	9,800	9,850	9,800	9,750	9,900	10,000	9,900	9,850	9,900	9,950	9,900	9,900	9,900
State	3,600	3,800	3,900	3,850	3,900	3,950	4,050	4,000	4,250	4,250	4,250	4,200	4,000
Local	5,150	5,450	5,500	5,750	5,450	5,600	5,400	5,550	4,850	5,200	5,550	5,600	5,400

over-the-year increase of 100 is not surprising considering the mildness of the winter. The seasonal peak in employment this coming summer should be similar to the 1976 levels.

Transportation, Communications and Utilities: Employment in this industry continues to decline this month and is finally below last year's winter level. The air transportation sector is mainly responsible for the over-the-year decline and may continue to do so, since it has benefited the most from pipeline construction.

Trade: Employment declined 150 this month, however the employment level is still above March of last year. It is unusual for employment to be declining at this time of the year, however employment in the industry has been somewhat unusual for the past year.

Finance, Insurance and Real Estate: The over-the-year growth rate in March is over 11 percent. F.I.R.E. declined by a hundred this month, but the February figure was abnormally high and the March figure of 4,400 still remains within the upward trend.

Service and Miscellaneous: Employment in the service industry turned up this month having completed a respectable seasonal cycle. The annual growth rate in March was 2 percent. The rate of employment growth in this industry has been gradually declining, and in the near future employment may actually begin to drop. The over-the-year change should stabilize this summer with new service establishments beginning in addition to normal seasonal growth.

Government: Government employment dropped by one percent during the month of March. The state sector was mainly responsible for the decline as the local and federal sectors have had essentially stable employment with only some minor fluctuations.

Private IUR: The number of initial claims filed in the Anchorage area began to level off during March. The massive number of initial claims filed during the first of the year was caused by pipeline layoffs, and another influx of unemployed pipeline workers is not expected until early summer. Due to the tendency of ex-pipeline workers to come to Anchorage, the city now has an insured unemployment rate of 15.3 percent. This is currently one of the highest insured unemployment rates in the state.

Manpower Resources: It is easy to see the effect of the pipeline on the characteristics of Anchorage's insured unemployed. Eighty percent of the claimants are males most of whom are under 45 years old. Fifty-five percent of the claimants are from the contract construction industry and 45 percent are from structural occupations. An additional 19 percent are from miscellaneous occupations, which include truck drivers, equipment operators and materials handlers resulting in a total of 65 percent of the claimants who are from pipeline related occupations. These totals would normally dominate the statistics in the winter since they are derived from seasonal occupations, but not to the extent of this year or for that matter even last year. This should be the area impacted later on when the claimant's work is in season and there is no pipeline work to return to. Then we should see an over-the-year change greater than we see now. A slight increase in the number of claimants drawing compensation for more than 15 weeks is beginning to appear. It is up to 20 percent of the total compared to 18 percent last year in March.

Available Job Opportunities: The number of job openings received at Anchorage Job Service increased in March indicating the start of the seasonal buildup. The level of activity is slightly below 1976, but there are still adequate openings. At the start of the seasonal buildup there is also an adequate supply of applicants with many openings being filled as soon as they are available. There are, nevertheless, some openings that remain unfilled and a large percentage of these become hard to fill openings remaining open for more than thirty days. Openings remain unfilled for a variety of reasons, but the major cause in Anchorage is insufficient wages. Unfilled openings also result from jobs that are very specific and have high qualifications such as accountant. The demand for secretaries is falling off from what was a relatively high level, but other clerical positions continue to have strong demand. Cooks and waiter/waitress positions also show good demand, but as with the most clerical positions there is an adequate supply of workers for the good paying openings.

Employment and Unemployment Outlook: It is estimated that the total unemployment rate for April will be approximately 10.3 percent.

FAIRBANKS LABOR MARKET AREA

Unemployment in the Fairbanks area stabilized as

FAIRBANKS CIVILIAN LABOR FORCE SUMMARY 1/ 4/
BY PLACE OF RESIDENCE

	Changes From:					
	<u>3-77</u> ^{p/}	<u>2-77</u> ^{r/}	<u>3-76</u>	<u>2-77</u>	<u>3-76</u>	<u>3-77</u> [*]
CIVILIAN LABOR FORCE.....	20,050	19,400	21,450	650	-1,400	25,000
INVOLVED IN WORK STOPPAGES.....	0	0	100	-	-	0
TOTAL UNEMPLOYMENT.....	3,250	3,250	1,850	0	1,400	4,600
Percent of Labor Force.....	16.2	16.8	8.6	-	-	18.3
TOTAL EMPLOYMENT <u>2/</u>	16,800	16,150	19,600	650	-2,800	20,400

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/
BY PLACE OF WORK

	Changes From:				
	<u>3-77</u> ^{p/}	<u>2-77</u> ^{r/}	<u>3-76</u>	<u>2-77</u>	<u>3-76</u>
Nonagricultural Wage & Salary.....	22,500	21,350	26,350	1,150	-3,850
Mining.....	100	100	150	0	- 50
Construction.....	2,300	2,000	4,650	300	-2,350
Manufacturing.....	350	350	300	0	50
Food Processing.....	50	50	50	0	0
Other Manufacturing.....	300	300	250	0	50
Transp.-Comm. & Utilities.....	3,350	3,200	3,250	150	100
Trucking & Warehousing.....	1,200	1,050	1,100	150	100
Water Transportation.....	50	50	50	0	0
Air Transportation.....	700	700	850	0	-150
Other Transp.-Comm. & Utilities..	1,400	1,400	1,250	0	150
Trade.....	4,300	4,250	4,500	50	-200
Wholesale Trade.....	750	750	1,000	0	-250
Retail Trade.....	3,550	3,500	3,500	50	50
General Merchandise & Apparel..	500	500	500	0	0
Food Stores.....	600	550	500	50	100
Eating & Drinking Places.....	1,100	1,100	1,050	0	50
Other Retail Trade.....	1,350	1,350	1,450	0	-100
Finance-Insurance & Real Estate....	1,000	950	1,000	50	0
Services & Miscellaneous.....	4,000	3,550	5,300	450	-1,300
Government <u>3/</u>	7,100	6,950	7,200	150	-100
Federal.....	2,500	2,500	2,500	0	0
State.....	2,750	2,600	2,850	150	-100
Local.....	1,850	1,850	1,850	0	0

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes: domestics, nonagricultural self-employed and unpaid family workers, agricultural workers and adjustment for commuting.

3/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

4/ Adjusted to add to the national totals produced by the Current Population Survey method.

* Not adjusted by the Current Population Survey method.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

REVISED FAIRBANKS 1976 EMPLOYMENT

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sept.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>	<u>Annual Average</u>
Nonagr. Wage & Salary	25,200	25,750	26,350	27,050	28,300	29,350	29,500	30,050	29,650	27,550	24,500	23,100	27,200
Mining	100	100	150	100	150	150	200	200	200	100	50	50	150
Construction	4,350	4,400	4,650	4,650	5,500	6,200	6,950	7,250	6,800	5,400	3,150	2,500	5,150
Manufacturing	300	300	300	350	400	400	400	400	400	350	350	350	350
Food Processing	50	50	50	50	50	50	50	50	50	50	50	50	50
Logging-Lumber & Pulp	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Manufacturing	250	250	250	300	350	350	350	350	350	300	300	300	300
Transp.-Comm. & Util.	3,250	3,300	3,250	3,500	3,550	3,550	3,650	3,900	3,800	3,750	3,550	3,800	3,600
Trucking & Warehousing	1,150	1,150	1,100	1,200	1,250	1,200	1,200	1,450	1,400	1,400	1,200	1,450	1,250
Water Transportation	50	50	50	50	50	50	50	50	50	50	50	50	50
Air Transportation	850	850	850	800	800	800	800	800	800	800	850	850	850
Other	1,200	1,250	1,250	1,450	1,450	1,500	1,600	1,600	1,550	1,500	1,450	1,450	1,450
Trade	4,600	4,500	4,500	4,700	4,850	5,000	4,750	4,750	4,700	4,700	4,500	4,500	4,650
Wholesale Trade	1,000	1,000	1,000	950	950	950	950	950	950	1,000	900	900	950
Retail Trade	3,600	3,500	3,500	3,750	3,900	4,050	3,800	3,800	3,750	3,700	3,600	3,600	3,700
General Merch. & App.	550	550	500	550	550	550	550	550	550	550	550	550	550
Food Stores	500	500	500	600	650	650	550	600	600	600	600	550	600
Eating & Drinking Pl.	1,050	1,000	1,050	1,150	1,200	1,250	1,100	1,100	1,100	1,050	1,000	1,000	1,050
Other Retail Trade	1,500	1,450	1,450	1,450	1,500	1,600	1,600	1,550	1,500	1,500	1,450	1,500	1,500
Finance-Ins. & Real Estate	1,000	1,000	1,000	950	1,050	1,050	1,000	1,050	1,000	1,000	1,000	1,000	1,000
Service & Miscellaneous	4,800	5,050	5,300	5,350	5,450	5,750	5,600	5,700	5,600	5,200	4,750	3,900	5,200
Government	6,800	7,100	7,200	7,450	7,350	7,250	6,950	6,800	7,150	7,050	7,150	7,000	7,100
Federal	2,550	2,550	2,500	2,400	2,500	2,600	2,550	2,550	2,600	2,550	2,650	2,600	2,550
State	2,450	2,750	2,850	3,200	3,100	2,800	2,600	2,650	2,850	2,700	2,700	2,650	2,750
Local	1,800	1,800	1,850	1,850	1,750	1,850	1,800	1,600	1,700	1,800	1,800	1,750	1,800

seasonal opportunities began to open up during the month of March. Local, non-union wage rates have declined slightly and employers continued to report more and more well qualified persons seeking employment. As an illustration, one employer recently offered \$700/month for a teletype operator on a 4 am to noon shift, and reported 24 well qualified applicants applied for the job. During 1976 the employer had great difficulty in filling the same position, as suitable applicants were only interested in pipeline work where \$700 could be earned in 3-4 days.

CHARACTERISTICS OF THE INSURED UNEMPLOYED
IN FAIRBANKS

State Unemployment Insurance

Insured Unemployed
Based on Key Week

	3-77	2-77	3-76
Total Weeks Claimed.....	3,322	3,365	2,038

Characteristic	Percent Distribution		
Total.....	100	100	100

Sex and Age

	3-77	2-77	3-76
Men			
Under 45.....	59	60	56
45 and over.....	17	19	24
Women			
Under 45.....	19	17	16
45 and over.....	5	4	4

Industry

Mining.....	1	1	1
Contract Construction.....	58	61	53
Manufacturing.....	1	2	3
Transp.-Comm. & Utilities...	15	14	18
Trade.....	9	8	10
Finance-Insurance & R. E....	1	1	1
Service & Miscellaneous.....	14	13	12
All Other.....	1	-	2

Occupation

Professional & Managerial...	5	5	8
Clerical & Sales.....	9	7	10
Service.....	10	11	8
Farming-Fishing & Forestry..	-	-	-
Processing.....	-	-	-
Machine Trades.....	6	7	5
Beach Work.....	1	1	-
Structural Work.....	42	43	41
Miscellaneous.....	22	23	21
Unknown.....	4	3	7

Length of Current Spell
of Insured Unemployment

1-4 Weeks.....	34	36	45
5-14 Weeks.....	51	52	42
15 Weeks and over.....	15	12	13

CETA Activity Report

Cumulative - March, 1977

	<u>All Programs</u>	<u>Title I</u>	<u>Title II</u>	<u>Title VI</u>
Total Expenditures.	3,065,633.	1,285,944	1,366,276	413,413
Persons Served.	1,742	769	705	268
Persons Entering Employment . . .	221	93	127	1
Persons Continuing Training Through Other Programs	285	22	261	2
Persons Unable to Find Work After Training	397	142	241	14
Average Hourly Wage Before Training	\$3.61	\$4.61	\$4.22	\$2.00
Average Hourly Wage After Training	\$5.82	\$5.77	\$5.70	\$6.00

January 1977

<u>INDUSTRY</u>	<u>Statewide</u>
Nonagr. Wage & Salary.....	148,200
Mining.....	4,600
Construction.....	16,800
Manufacturing.....	7,900
Durable Goods.....	1,700
Lumber, Wood Products.....	1,200
Other Durable Goods.....	500
Non-Durable Goods.....	6,200
Food Processing.....	3,700
Other Non-Durable Goods...	2,500
Trans.-Comm. & Util.....	14,600
Trucking & Warehousing.....	3,100
Water Transportation.....	1,500
Air Transportation.....	4,000
Other.....	6,000
Trade.....	27,300
Wholesale Trade.....	5,400
Retail Trade.....	21,900
General Merch. & Appar....	4,300
Food Stores.....	3,100
Eating & Drinking Pl.....	7,000
Other Retail Trade.....	7,500
Finance-Ins. & Real Estate....	7,300
Service & Miscellaneous.....	24,100
Government.....	45,600
Federal.....	17,500
State.....	14,000
Local.....	14,100

<u>INDUSTRY</u>	<u>Anchorage</u>	<u>Fairbanks</u>
Nonagr. Wage & Salary.....	73,850	21,700
Mining.....	1,900	50
Construction.....	6,900	2,200
Manufacturing.....	1,500	350
Food Processing.....	500	50
Other Manufacturing.....	1,000	300
Trans.-Comm. & Util.....	7,150	3,350
Trucking & Warehousing.....	1,200	1,200
Water Transportation.....	350	50
Air Transportation.....	2,550	700
Other.....	3,050	1,400
Trade.....	16,150	4,300
Wholesale Trade.....	4,000	800
Retail Trade.....	12,150	3,500
General Merch. & App.....	2,400	500
Food Stores.....	1,450	550
Eating & Drinking Pl.....	3,900	1,050
Other Retail Trade.....	4,400	1,400
Finance-Ins. & Real Estate....	4,500	1,000
Service & Miscellaneous.....	16,250	3,700
Government.....	19,500	6,750
Federal.....	9,950	2,500
State.....	4,000	2,450
Local.....	5,550	1,800

PRIVATE INDUSTRY INSURED UNEMPLOYMENT RATE (IUR)

AREA	IUR	IUR	IUR	INDUSTRY	IUR	IUR	IUR
	3-77	2-77	3-76		3-77	2-77	3-76
Statewide	14.1	12.4	11.2	Total	14.1	12.4	11.2
Anchorage	15.3	12.0	13.1	Oil & Gas	8.2	7.0	7.1
Fairbanks	12.0	12.3	7.1	Other Mining	31.3	16.2	18.8
Juneau	11.9	12.7	10.9	Construction	34.7	27.3	22.7
Ketchikan	12.0	12.3	11.1	Food Processing	24.2	14.0	14.7
Nome	NA	NA	NA	Log, Lumber & Pulp	22.2	17.5	19.5
Kenai-Kodiak	17.2	15.2	14.5	Other Mfg.	14.2	10.7	9.2
Sitka	15.1	15.2	12.6	Trans. & Utilities	11.7	9.7	8.6
				Wholesale Trade	4.1	3.4	5.6
				Retail Trade	7.8	6.8	6.2
				Finance	8.1	5.8	4.8
				Service & Other	2.5	8.5	8.2

Insured Unemployment Rate: The IUR is derived by dividing the number of man weeks of unemployment claimed by the number of weeks for the month and then dividing this answer by the State U. I. covered employment from final employment figures relating to a quarter ending six months earlier. This IUR is not seasonally adjusted.

HOURS AND EARNINGS - SELECTED INDUSTRIES ^{1/}

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	2-77	1-77	2-76	2-77	1-77	2-76	2-77	1-77	2-76
MINING.....	\$828.36	\$768.08	\$695.19	54.0	54.4	53.6	\$15.34	\$14.45	\$12.97
CONTRACT CONSTRUCTION.....	1158.72	1019.60	885.71	59.3	52.1	55.6	19.54	19.57	15.93
MANUFACTURING.....	341.88	333.20	296.84	44.4	42.5	41.0	7.70	7.84	7.24
Food Processing.....	402.11	440.92	377.50	41.2	44.9	42.8	9.76	9.82	8.82
Logging-Lumber & Pulp.....	261.79	219.47	203.52	48.3	41.1	40.3	5.42	5.34	5.05
WHOLESALE TRADE.....	343.00	355.04	341.99	40.4	40.3	39.4	8.49	8.81	8.68
RETAIL TRADE ^{2/}	204.20	210.20	237.50	30.8	31.8	35.5	6.63	6.61	6.69
FINANCE-INSURANCE & REAL ESTATE..	225.41	229.81	198.08	-	-	-	-	-	-

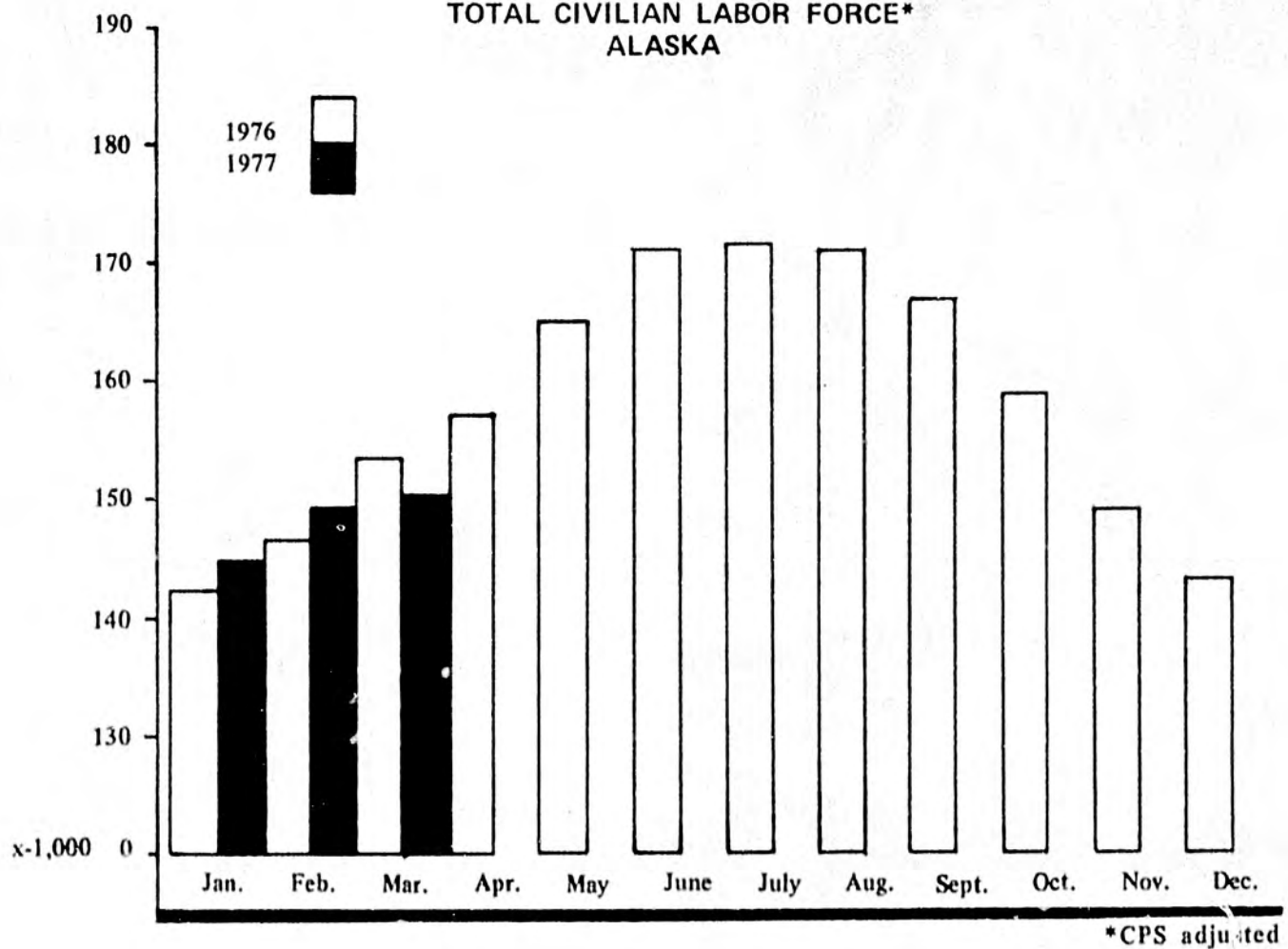
EXPLANATION NOTES:

AVERAGE HOURS & EARNINGS SERIES: Averages are based on data for full- and part-time production and non-supervisory workers and are for gross earnings and hours worked, or paid for, including overtime pay and hours. Administrative, supervisory, technical, and office personnel are excluded.

^{1/} Prepared in cooperation with Bureau of Labor Statistics, U. S. Department of Labor.

^{2/} Excluded eating and drinking places.

TOTAL CIVILIAN LABOR FORCE*
ALASKA



ALASKA
DEPARTMENT OF LABOR
EMPLOYMENT SECURITY DIVISION
OFFICIAL BUSINESS

Box 1149 Juneau, Ak 99502

Alaska State Legislature
Permanent Fund
538 W 5th Avenue
Anchorage, Ak 99501

EMPLOYMENT SECURITY MAIL
POSTAGE AND FEES PAID
LAB 449