

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

11207 SENATE LABOR & COMMERCE



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William J. Carter

Signature of Camera Operator

8/11/2005

Date

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OVERVIEW:

DEPT. OF

LABOR

State of Alaska

Department of Labor and Workforce Development

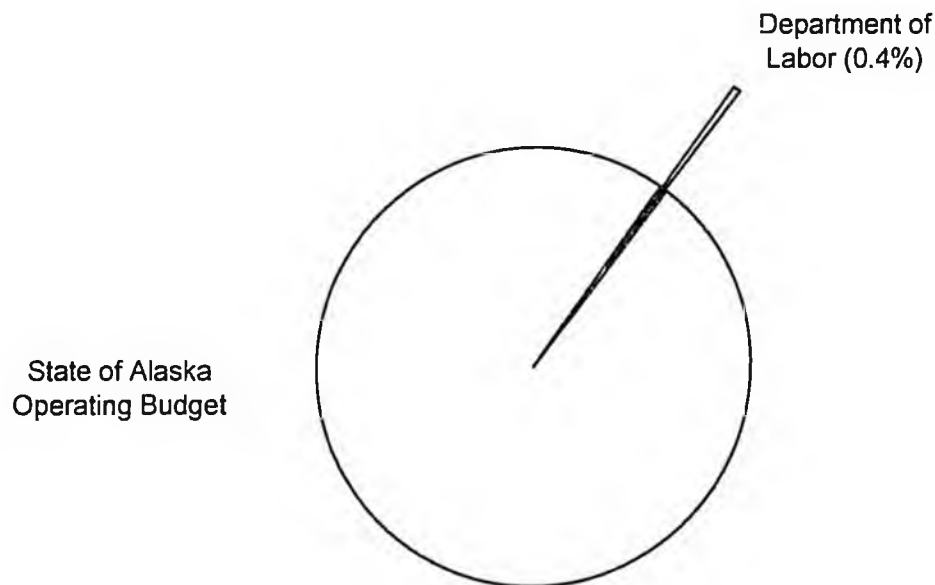
Mission

The Department of Labor is responsible to “foster and promote the welfare of the wage earners of the state, improve their working conditions and advance their opportunities for profitable employment.”

ALASKA DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

FY 2003 Management Plan Budget Overview

FY 03 General Fund Enacted Operating Budget Comparison



The Department of Labor and Workforce Development's mission is to promote safe and fair working conditions and to advance opportunities for employment.

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT

AGENCY CONTACTS

Greg O'Claray, Commissioner	465-2700
Ed Fisher, Deputy Commissioner	465-2700
Mark Torgerson, Hearing Examiner Alaska Labor Relations Agency	269-4895 (Anchorage)
Jim Sanders, Executive Director Alaska Workforce Investment Board	269-7490 (Anchorage)
JoEllen Hanrahan, Director Administrative Services Division	465-2720
Ted Burke, Acting Director Employment Security Division	465-2712
Hali Denton, Acting Director Labor Standards & Safety Division	465-4855
Paul Grossi, Director Worker's Compensation Division	465-2790
Dave Quisenberry, Acting Director Vocational Rehabilitation Division	465-2814

State of Alaska
 FY 03 Enacted Operating Budget Comparison

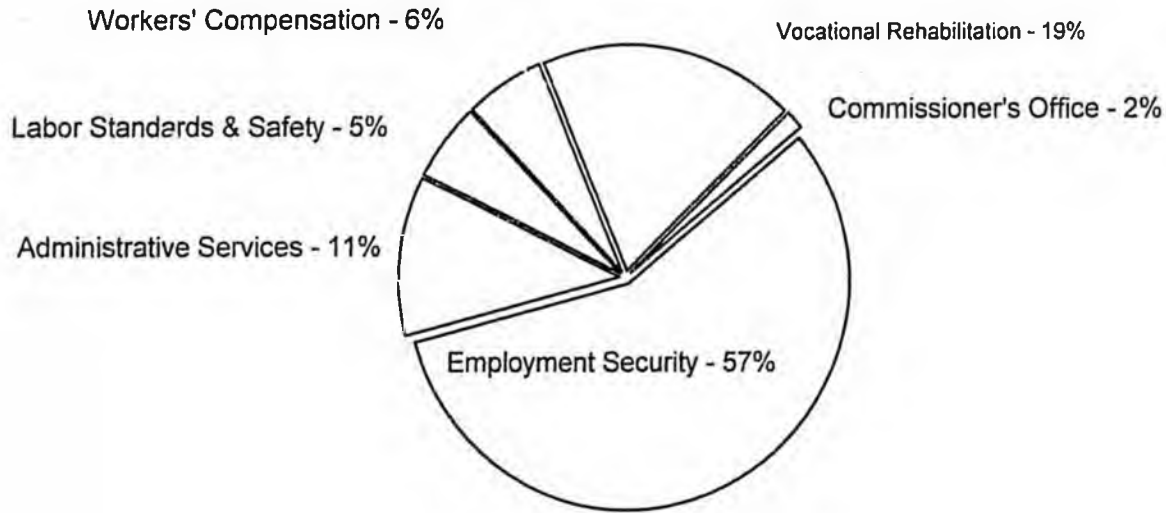
1/17/2003

Source: Legislative Finance Summary dated 8/15/02

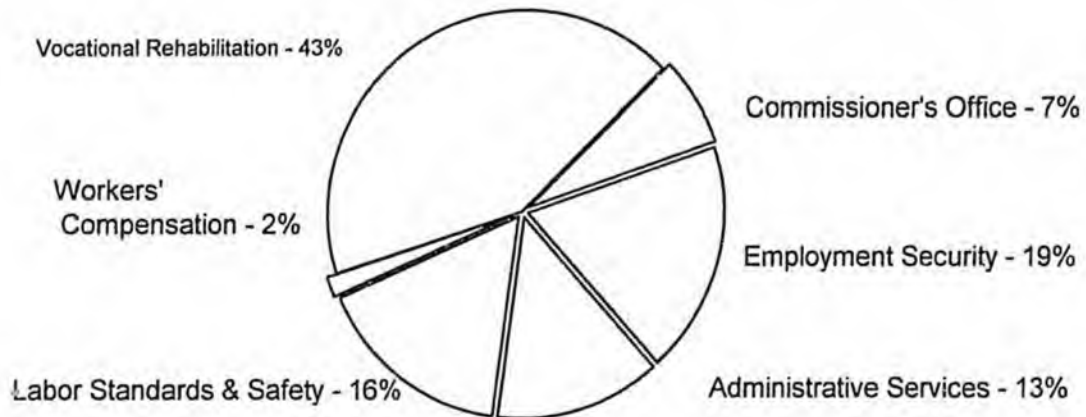
	General Funds	Total Funds	Positions				
			PFT	PPT	Non-Perm		
1. Education & Early Dvlp	754,782.9	1. Health & Social Services	1,479,442.6	1. University of Alaska	3,554	232	0
2. Health & Social Services	487,670.1	2. Education & Early Dvlp	998,971.0	2. Transportation	2,980	600	12
3. University of Alaska	205,815.0	3. University of Alaska	611,774.3	3. Health & Social Services	2,429	59	30
4. Corrections	154,796.7	4. Transportation	351,042.4	4. Corrections	1,472	3	0
5. Administration	150,865.3	5. Administration	301,636.0	5. Administration	1,393	111	112
6. Transportation	94,150.1	6. Corrections	180,762.2	6. Fish & Game	882	888	141
7. Public Safety	77,649.3	7. Revenue	162,102.0	7. Labor & Workforce Dvlp	844	59	9
8. Alaska Court System	53,377.0	8. Community & Economic Dvlp	151,862.9	8. Revenue	819	25	45
9. Community & Economic Dvlp	40,551.4	9. Fish & Game	134,873.5	9. Public Safety	758	20	1
10. Legislature	37,066.8	10. Labor & Workforce Dvlp	121,587.8	10. Alaska Court System	678	52	26
11. Natural Resources	34,096.2	11. Public Safety	107,287.7	11. Natural Resources	608	237	99
12. Fish & Game	30,102.6	12. Natural Resources	79,286.3	12. Community & Economic Dvlp	501	6	0
13. Law	25,390.4	13. Alaska Court System	54,256.1	13. Environmental Conservation	488	10	6
14. Governor	17,776.9	14. Environmental Conservation	52,402.2	14. Law	474	18	0
15. Environmental Conservation	12,013.0	15. Law	47,072.9	15. Education & Early Dvlp	412	115	3
16. Labor & Workforce Dvlp	9,756.6	16. Legislature	37,891.1	16. Military & Vet Affairs	258	3	1
17. Revenue	9,157.6	17. Military & Vet Affairs	33,191.5	17. Legislature	240	277	0
18. Military & Vet Affairs	7,203.2	18. Governor	21,149.3	18. Governor	177	4	55
Total	2,202,221.1	Total	4,926,591.8	Total	18,967	2,719	540

Department of Labor and Workforce Development

FY 03 Management Plan Budget by Division - Budget \$121,587.8



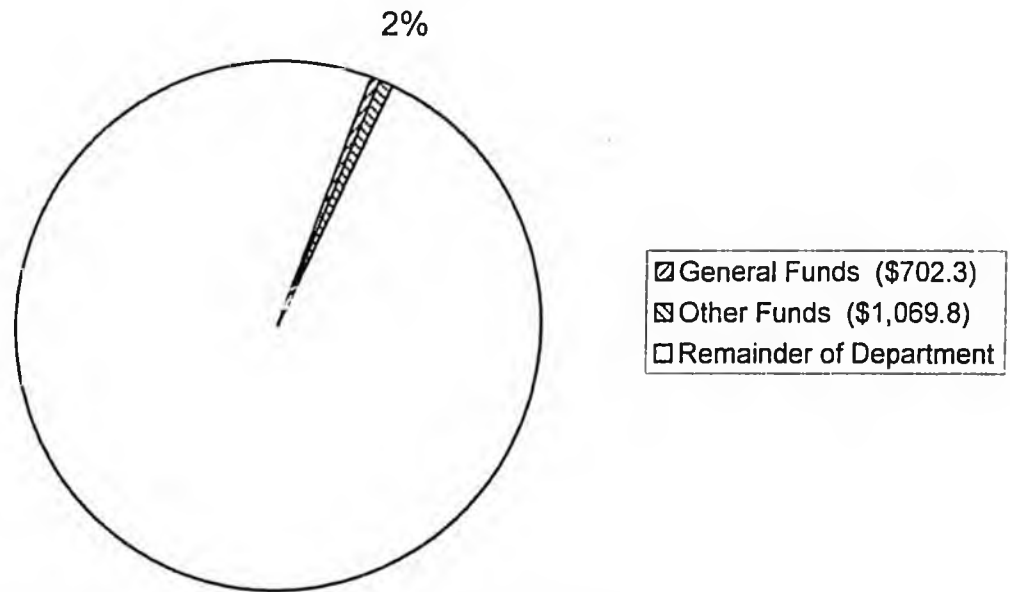
FY 03 GENERAL FUND Management Plan Budget by Division



The Department is comprised of the Commissioner's Office, which includes the Alaska Labor Relations Agency and the Alaska Workforce Investment Board, and five divisions:

- Administrative Services
- Workers' Compensation
- Labor Standards & Safety
- Employment Security
- Vocational Rehabilitation

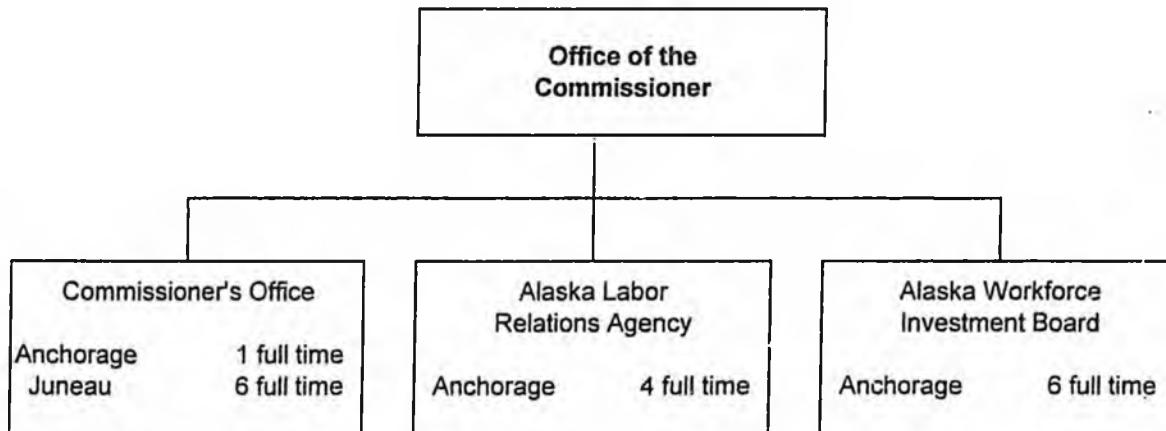
OFFICE OF THE COMMISSIONER - Budget \$1,772.1



Department of Labor's FY 03 Management Plan Budget

The Office is comprised of three components:

- Office of the Commissioner - (\$360.3 GF)
- Alaska Workforce Investment Board
- Alaska Labor Relations Agency - (\$342.0 GF)



OFFICE OF THE COMMISSIONER

The mission of the Office of the Commissioner is to provide support and policy direction to divisions within the department.

Commissioner's Office

The Commissioner's Office component provides direction to the department's divisions in the administration of the department's programs to fulfill the mission of providing for the workplace safety and economic welfare of Alaska's workers.

Alaska Labor Relations Agency

The Alaska Labor Relations Agency component facilitates the resolution of disputes between organized labor and public employers in the state. The Agency promotes cooperative relations between government and its employees and protects the public's interest in the provision of uninterrupted government services.

Alaska Workforce Investment Board

The Alaska Workforce Investment Board provides oversight for program coordination among Alaska's human resource investment programs, performs evaluations of program performance, and provides recommendations for human resource investment program improvement to the Governor and the Legislature.

Issues

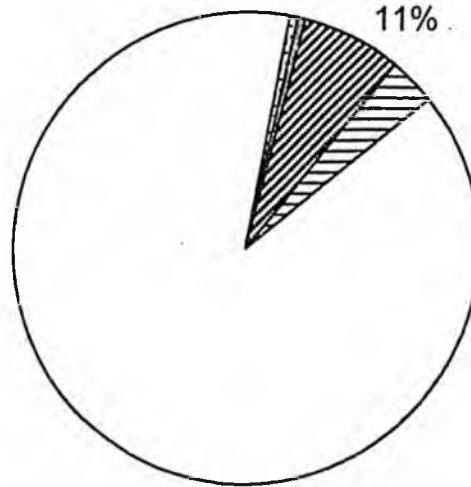
Prepare and plan for the maximum use of Alaska's resident workforce for the construction and operation of any potential Alaska gas line, ANWR development and/or missile defense installation.

Coordinate the employment and job training function for multi-departmental efforts to assist communities experiencing economic distress.

Implement the user fee passed by the Legislature to address the statewide inspection backlogs.

Assist in providing uninterrupted government services to the public by conducting all certification and decertification elections within statutory requirements.

ADMINISTRATIVE SERVICES DIVISION - Budget \$13,812.1

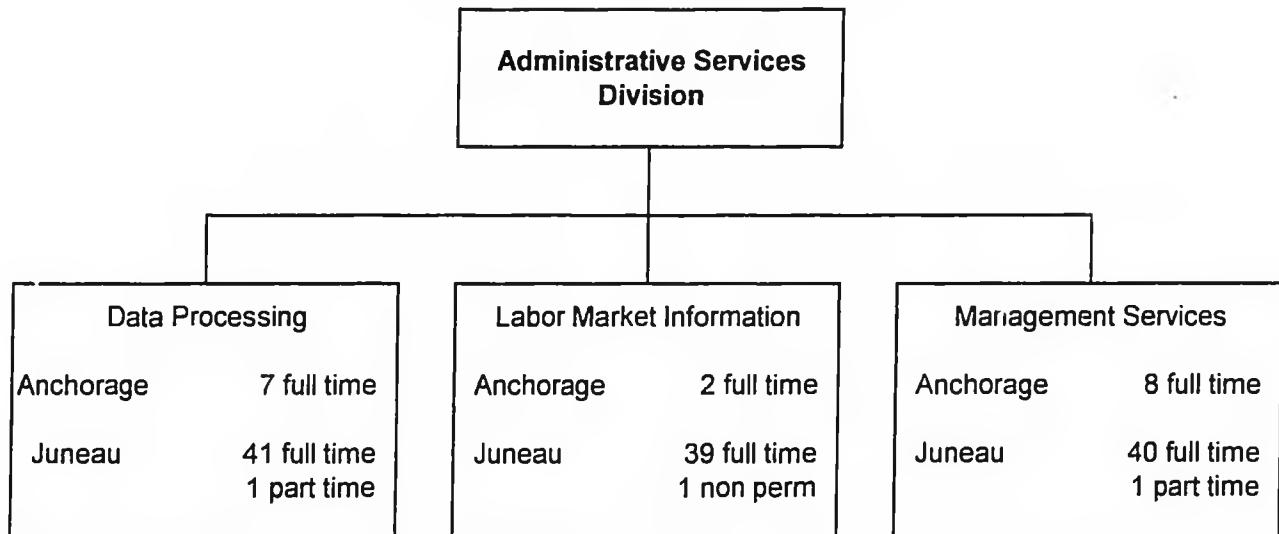


▣	General Funds (\$817.0)
▣	General Fund Match (\$491.2)
▣	Federal Funds (\$8,429.0)
▣	Other Funds (\$4,075.9)
□	Remainder of Department

Department of Labor's FY 03 Management Plan Budget

The Division is comprised of four components:

- Management Services - (\$417.1 GFM)
- DOL State Facilities Rent - (\$246.5 GF)
- Data Processing - (\$114.7 GF)
- Labor Market Information - (\$455.8 GF, \$74.1 GFM)



ADMINISTRATIVE SERVICES DIVISION

The mission of the Division of Administrative Services is to provide support services to departmental programs.

Management Services

The Management Services component provides budget planning, monitoring and reporting; federal, state and unemployment insurance trust fund accounting; publication functions; human resource management; and procurement, mail and office space management to departmental programs.

Labor Market Information

The Labor Market Information component collects, analyzes and publishes information on employment, unemployment, wage rates, occupational injuries, population estimates and forecasts, and other economic and demographic information.

Data Processing

The Data Processing component provides long-range planning, project management, mainframe and distributed systems applications analysis and programming, database and security administration and network services installations and support.

State Facilities Rent

The State Facilities Rent component will fund necessary maintenance and help prevent future deferred maintenance problems in the Fairbanks Regional Office Building.

Issues

Data processing issues increase as computers become a primary tool to accomplish business internally and externally. Issues include:

- Recruitment and retention of data processing staff continues as a critical problem due to a limited availability of highly trained individuals and the limited salary potential.
- Transitioning to newer technology is an increasing concern as the state reassesses the role of the mainframe and as electronic filing and payment options become mainstream.
- Impacts from meeting new federal mandates, such as the Temporary Extended Unemployment Compensation program. These mandates can require immediate changes to systems resulting in a shift of resources and/or deferment of system development and maintenance. On the horizon is the UI Reforms legislation, and the Health Insurance Portability & Accountability Act of 1996 (HIPPA).
- Security requirements increase as more public access and wireless systems are developed. In many cases, the necessary infrastructure for implementing adequate system security does not yet exist.

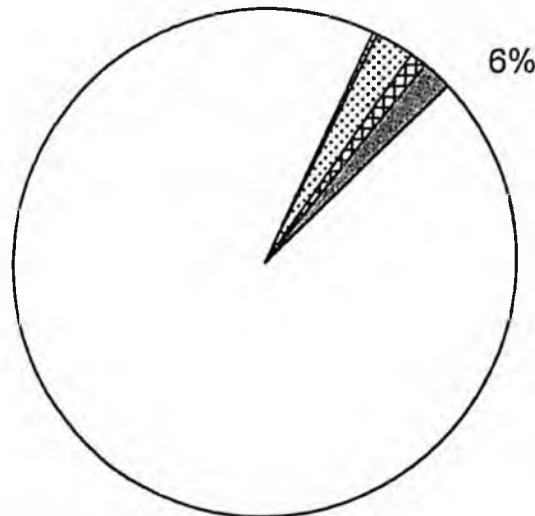
The funding for Labor Market Information is not keeping pace with the growing need for economic information.

- Bureau of Labor Statistics federal funding has remained flat even though more sophisticated modeling and sampling procedure are now required, and the steady growth in employers has increased the workload.
- The viability of obtaining demographic and census data is more vulnerable as the state funding mix changes. The public and other state agencies use the demographic and census data regularly. For example, it is used in the allocation of state revenue sharing. When direct general funds decrease, funds must be obtained from other sources such as state agencies.

Compliance with reduced timeframe for submitting federal Unemployment Trust Fund (UTF) reports.

A rate increase for the state Fairbanks Regional Office Building results in a need for additional funds.

WORKERS' COMPENSATION DIVISION - Budget \$7,105.8

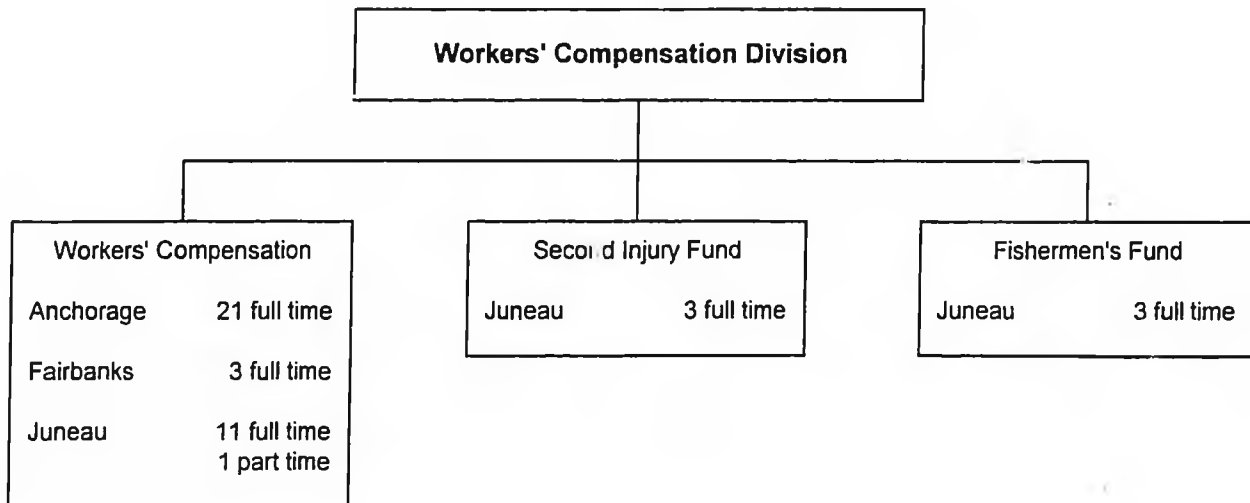


▨	General Funds (\$139.9)
▩	Program Receipts (\$29.9)
▧	Second Injury Fund (\$3,177.6)
▦	Fishermen's Fund (\$1,312.2)
▤	Workers Safety Fund (\$2,393.4)
▥	Other Funds (\$52.8)
□	Remainder of Department

Department of Labor's FY 03 Management Plan Budget

The Division is comprised of three components:

- Workers' Compensation - (\$139.9 GF, \$29.9 PR)
- Second Injury Fund
- Fishermen's Fund



WORKERS' COMPENSATION DIVISION

The mission of the Division of Workers' Compensation is to ensure that injured Alaska workers receive fair benefits.

Workers' Compensation

Serves as administrative arm to the Alaska Workers' Compensation Board to implement the state's workers' compensation law to ensure that eligible Alaska workers are provided medical care and prompt payment of benefits.

Adjudicate disputes regarding workers' compensation coverage between employees and employers, or their insurers, through mediation or administrative hearings.

Identify and investigate uninsured employers.

Maintain a database of all aspects of worker's compensation activity.

Administer the voluntary reemployment benefits program that offers training to those injured workers who cannot return to their jobs because of their workplace injuries.

Administer the state's self-insurance program.

Second Injury Fund

Reimburses employers for compensation paid to employees involved in a second injury, if eligible.

Fishermen's Fund

Provide assistance with the medical costs of injuries or illnesses due to commercial fishing activities on shore or in Alaska waters.

Issues

Continue to monitor the Second Injury Fund closely to assure that there are sufficient funds to cover liabilities because of the liberalization of qualifications from the Supreme Court Case of Arctic Bowl v. Second Injury Fund.

Decrease the Workers' Compensation hearing time lag in order to reduce the burden and expense to employers and employees remains a key issue.

Complete and expand the pilot project for electronic data interchange (electronic filing) to increase efficiencies that will allow for more effective use of human resources. A capital project to fund this was approved in the FY 2003 budget.

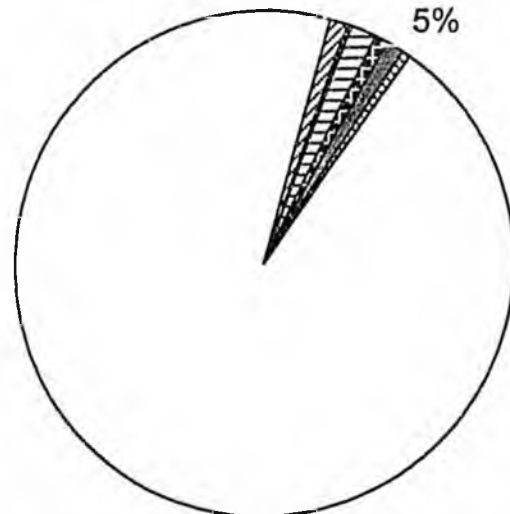
Replace the obsolete Fishermen's Fund computerized database and claims handling system.

Continue efforts to increase Alaska commercial fishermen's awareness of the Fishermen's Fund program through meetings, speaking engagements and availability of literature related to the program.

Continue investigations of potentially uninsured employers in an attempt to eliminate the number of uninsured Alaskan workers that are injured each year.

Investigate potential legislative and administrative possibilities so that uninsured injured workers' can be compensated for their injuries.

LABOR STANDARDS & SAFETY DIVISION - Budget \$6,628.6

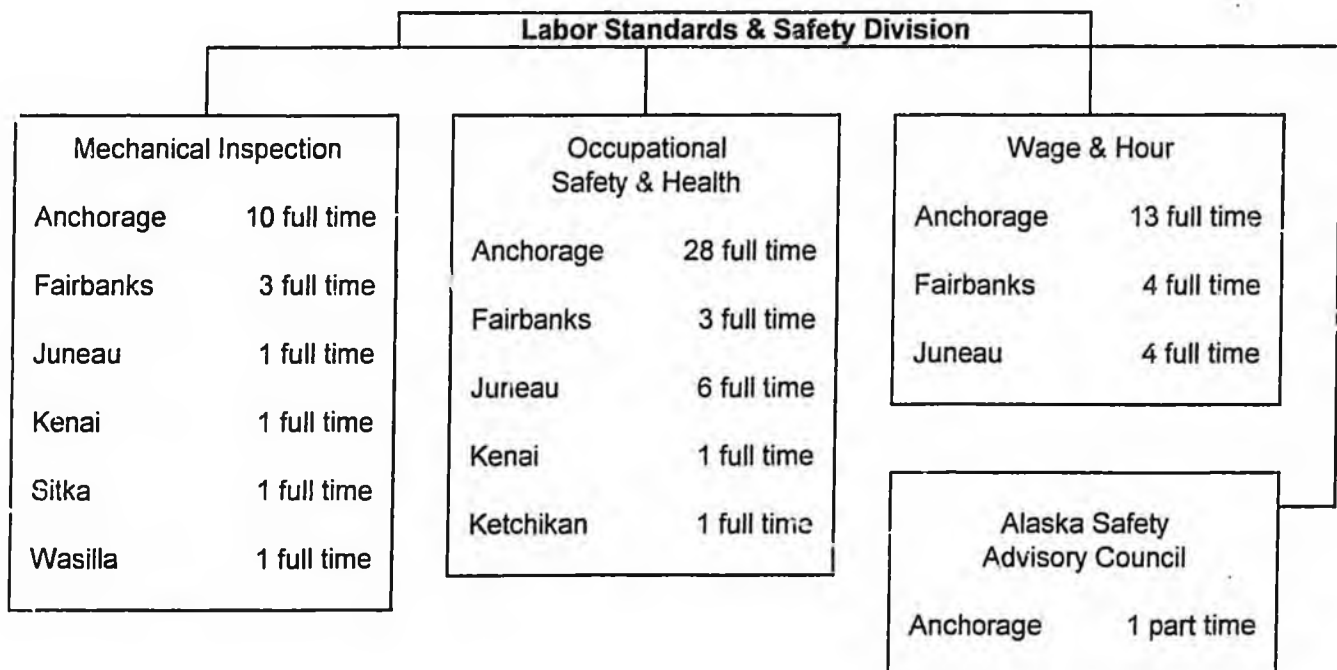


▣	General Funds (\$1,515.0)
▤	Program Receipts (\$89.6)
▥	Federal Funds (\$1,942.3)
▦	Workers Safety Fund (\$1,228.1)
▧	Building Safety Fund (\$1,275.8)
▨	Other Funds (\$577.8)
□	Remainder of Department

Department of Labor's FY 03 Management Plan Budget

The Division is comprised of four components:

- Wage & Hour - (\$1,377.3 GF)
- Mechanical Inspection - (\$137.7 GF)
- Occupational Safety & Health - (\$89.6 PR)
- Alaska Safety Advisory Council



LABOR STANDARDS & SAFETY DIVISION

The mission of the Division of Labor Standards and Safety is to provide for the monitoring of safe and legal working conditions.

Wage & Hour

Establish and enforce protective standards to safeguard minors from abuse and exploitation in the workplace.

Ensure that in accordance with law, Alaska workers receive minimum wages, overtime wages, and return transportation.

Enforce prevailing wage rates and employment preference on public works projects.

Educate employers and employees about Alaska labor laws.

Mechanical Inspection

License electricians, power linemen, plumbers, boiler operators, painters, asbestos abatement workers, and explosive handlers.

Inspect

- Boilers & pressure vessels for safety
- Elevators, wheel chair lifts, escalators, tramways, ski lifts and amusement rides for safety, proper maintenance and operation.
- New construction, and alterations to existing construction, for compliance with applicable state plumbing and electrical codes.

Work in conjunction with the Department of Community & Economic Development to ensure that electricians, plumbers, construction contractors and electrical and mechanical administrators have proper certificates and/or licenses.

Work in conjunction with Department of Natural Resources, Joint Pipeline Office, in ensuring compliance of safety and electrical TAPS activities.

Occupational Safety and Health

Enforce the state's occupational safety and health laws

- Inspect workplaces, scheduled and unscheduled, to assess workplace safety and health.
- Ensure prompt elimination or restraint of imminent danger situations in the workplace.
- Investigate employee complaints, work related fatalities and catastrophes.
- Protect employees against wrongful discharge or discrimination for exercising their rights under this program.
- Focus on Alaska's high-hazard industries, e.g. construction, logging and seafood processing for compliance with health and safety laws.

Provide consultation and training services to Alaska workers and businesses to encourage safe working conditions and practices

Provide incentive to employers through the Voluntary Protection Program and Safety and Health Achievement Recognition Program.

Alaska Safety Advisory Council

Work with organizations, individuals and groups in the promotion of safety to reduce accidental death and injury.

Organize and sponsor the Annual Governor's Safety and Health Conference.

- Provide certification and continuing education.
- Demonstrations and presentations on safety related products.

Promote the Occupational Safety and Health Voluntary Protection Program and Safety and Health Achievement Recognition Program.

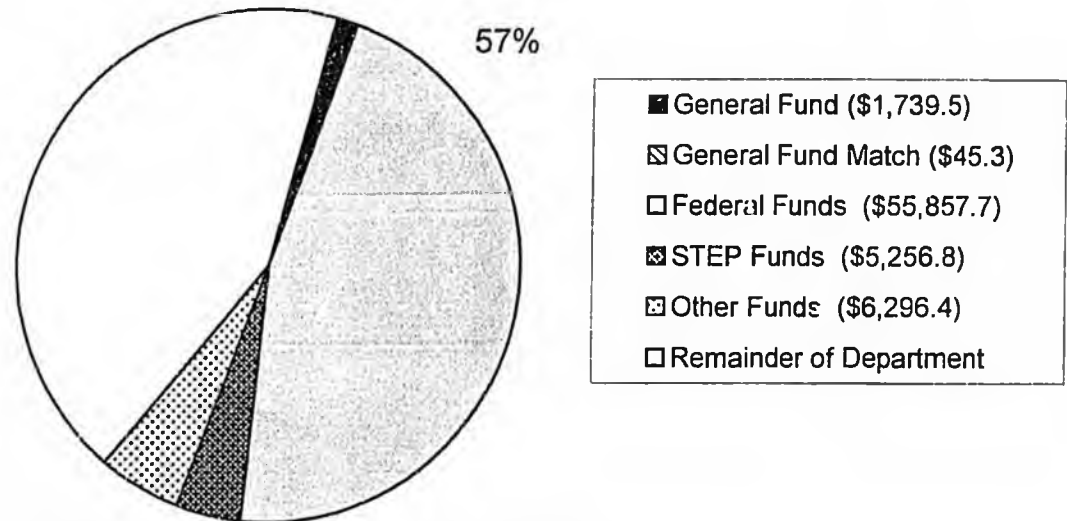
Issues

The Occupational Safety and Health program will be in the first year of the division's new five-year strategic plan. Meeting the objectives set out in the Federal Fiscal Year 2004 Annual Performance Plan and the five-year Strategic Plan as approved by the Federal Occupational Safety and Health Administration will be a major effort on the part of the program staff.

Efforts to decrease the boiler and pressure vessel inspection backlog continue. It is estimated that the backlog can be eliminated by FY 2006.

Child labor continues to be a major focus of the Wage and Hour Section. Investigative staff travels throughout the state to conduct "on-site" inspections to ensure that minors are being paid properly and are not being required to perform hazardous duties on the job. Child work permits and the associated caseload have increased incrementally over the past decade, with no associated increase in Wage and Hour positions.

EMPLOYMENT SECURITY DIVISION - Budget \$69,195.7



Department of Labor's FY 03 Management Plan Budget

The Division is comprised of four components:

- Employment Services – (\$45.3 GFM)
- Unemployment Insurance
- Job Training Programs – (\$43.7 PR)
- Adult Basic Education – (\$1,739.5 GF)

Employment Security Division									
Location	Employment Services			Unemployment Insurance			Job Training Programs		Adult Basic Ed PFT
	PFT	PPT	NP	PFT	PPT	NP	PFT	NP	
Anchorage	55	6		76	6		15		
Bethel	4	2	1				3		
Delta Junction								1	
Dillingham		1					1		
Eagle River	3	1							
Fairbanks	23	2		18	3		9		
Glennallen	1								
Homer	3								
Juneau	52			113	13	1	16	2	3
Kenai	15	2		1			3	1	
Ketchikan	8						2		
Kodiak	4								
Kotzebue							1		
Nome	7	1		1			3		
Petersburg		1							
Seward	2								
Sitka	2								
Tok	1								
Valdez	2		1						
Wasilla	12	1							

EMPLOYMENT SECURITY DIVISION

The mission of the Division of Employment Security is to promote employment and economic stability by responding to the needs of employers and job seekers.

Employment Services (ES)

The Employment Services (ES) program promotes economic development by operating a public labor exchange to meet the workforce needs of businesses in Alaska.

Work Services provides a specialized labor exchange and case management service for recipients of both the Alaska Temporary Assistance Program (ATAP) and food stamps to place them in unsubsidized employment. Among the services provided in this program are employability assessment, training, counseling, and placement.

Job Training (JT)

The Balance of State field services delivers direct, or "front line", job training and supportive services through our Job Center staff and grantees.

The Alaska Workforce Investment Office (AWIO) is responsible for planning, administration and grant management specific to the federal Workforce Investment Act of 1998 (WIA), the State Training Employment Program (STEP) and the Welfare-to-Work (WtW) grants provided to states under the Balanced Budget Act of 1997.

The Denali Commission provides funds for employment training related to Denali Commission infrastructure projects.

State Training Employment Program (STEP) provides Alaskan UI claimants access to state and employer sponsored training.

Unemployment Services (UI)

The Unemployment Insurance (UI) program assesses and collects employer contributions for deposit into the UI Trust Fund and pays UI benefits to workers who are temporarily unemployed and looking for work.

Adult Basic Education (ABE)

The Adult Basic Education program provides, through grantees, instruction in basic skills of reading, writing, and math with emphasis on integrating workplace readiness skills into instruction as well as practical life skills. The program also directly assists and prepares Alaskans to take the GED tests.

Issues

The Unemployment Insurance (UI) federal grant for FFY03 was reduced by \$1.4 million from \$20.5 million to \$19.1 million. This raises the question of whether we will have sufficient resources to meet our UI operating expenses. The grant reduction is the result of the new federal Resource Justification Model that was implemented in February 2002 and is now being used to allocate federal funds to support the administrative costs to the state for the UI program.

The UI/ES Reform effort is still active at the national level. The current proposal seeks to reduce FUTA taxes by 75%, with the responsibility of funding the administration of ES and UI being turned over to the state.

Congress will consider a reauthorization of the federal Workforce Investment Act in 2004. Critical issues for Alaska will be potential changes to performance measures; youth program design, One Stop partners, and other program integration and alignments.

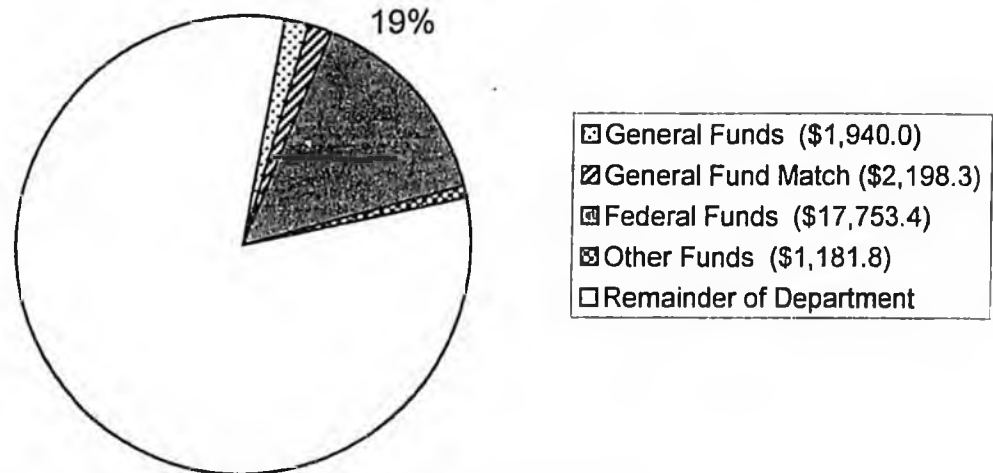
It is expected that enrollment in Adult Basic Education programs will initially increase by up to 25 percent as high school seniors prepare to take the GED or seek instruction in order to pass the Alaska State High School Exit Exam. Current funding levels and local capacity may not be adequate to address this additional demand.

ESD must continue providing employment services to an increasing number of Alaskan employers and job seekers while the Wagner-Peyser grant is in the ninth year of flat funding.

ESD will address the lack of employment opportunities in rural areas by focusing additional WIA resources in local offices and coordinating with other agencies' economic development programs.

Office space continues to be tight and customers have made complaints. ESD will explore the feasibility of redesigning One Stop Job Centers in Fairbanks, Anchorage, and Juneau to allow for more efficiency in workflow and improved customer access to services.

VOCATIONAL REHABILITATION DIVISION - Budget \$23,073.5



Department of Labor's FY 03 Management Plan Budget

The Division is comprised of eight components:

- Vocational Rehabilitation Administration - (\$171.0 GFM)
- Client Services - (\$1,235.1 GF, \$1,963.9 GFM, \$4.9 PR)
- Federal Training Grant - (\$5.6 GFM)
- Independent Living Rehabilitation - (\$619.1 GF, \$57.8 GFM)
- Disability Determination
- Special Projects - (\$85.8 GF)
- Assistive Technology
- Americans with Disabilities Act

Location	Client Services			Voc Rehab Admin		Independent Living Rehab	Disability Determination		Special Projects		Assistive Technology	Americans with Disabilities Act	
	PFT	PPT	NP	PFT	NP	PFT	PFT	NP	PFT	NP	PFT	PFT	NP
Anchorage	44		1	4		1	29	2	2		1		1
Bethel	1												
Fairbanks	11		1										
Juneau	10			11	1								
Kenai	4		1						1				
Ketchikan	2		1										
Kodiak	1	1											
Sitka	2												
Wasilla	6								1				

Division of Vocational Rehabilitation

The mission of the Division of Vocational Rehabilitation is to assist individuals with disabilities to overcome barriers to employment and to maintain suitable employment.

Client Services

The Client Services component provides direct services to Alaskans with disabilities. Services are planned and delivered for the purpose of assisting individuals with disabilities who need vocational rehabilitation to prepare for and acquire employment in the competitive labor market. Services are determined on an individualized basis and can include such things as training, physical and mental restoration, assistance with developing and funding self-employment plans, transportation services, and other services needed by the individual and identified as part of the Individual Plan for Employment.

Federal Training Grant

This component provides federal funds for the training and continued education of professional and paraprofessional employees as provided under Section 101(a)(7)(A) of the Rehabilitation Act Amendments of 1998.

Vocational Rehabilitation Administration

The component provides administrative support and oversight for all programs within the division. Services include: grants to individuals and to non-profits, accounting, budgeting, program monitoring and evaluation, planning and policy direction, securing new funding sources, fiscal and statistical reports for the management and for field staff, and liaison with other public and private agencies.

Independent Living Rehabilitation

Independent living services for Alaskans with significant disabilities are funded through grants to Centers for Independent Living and Specialized Service Providers. These individuals are often unable to work and some are forced to live in institutions such as nursing homes and other long-term care facilities. Services may include assistance with locating barrier free housing, accessible transportation, training of personal care attendants, self-advocacy, skills training, and the provision of adaptive equipment and aids. Services enable the individuals to live independently and in some cases to obtain employment.

Disability Determination

Disability Determination Services is 100% federally funded by the Social Security Administration. The component adjudicates claims for individuals alleging disability under Social Security and Supplemental Security Income programs. Medical determinations are made by reviewing past medical records or by purchasing current medical exams for the individuals that will enable the adjudicator to appropriately evaluate the individuals' disabilities. Social Security benefits will be available to individuals who experience a medical disability that meet the requirements of the federal law.

Special Projects

This component includes funding for new and innovative projects, which enhance and support the general mission of the division to provide services to individuals with disabilities. Projects are identified in the division's planning process and include: supported employment services for individuals with the most severe disabilities, interpreter referral services for individuals who are deaf, transition services for students with disabilities moving from school to adult life, and an economic development alliance with private business to assist them with hiring individuals with disabilities.

Assistive Technology

This federally funded component provides services that assist individuals with disabilities of all ages to live more independently through the use of assistive technology services and devices. A comprehensive service delivery system is provided through grants to non-profit organizations so individuals residing in all parts of Alaska will have access. Assistive technology enables these individuals to live more independently and in some cases to become productive members of the workforce. Assistive technology can include many things such as sophisticated talking computers for blind individuals to very simple grab bars for individuals with mobility impairments.

Americans with Disabilities Act (ADA)

This component provides services to executive branch agencies of state government to assure compliance with Title I and II of the Americans with Disability Act. Services include training for state employees, facility audits for physical barriers, identification of program barriers, technical assistance to all departments, and handling ADA complaints.

Issues

Provide support and staff training to enable the One-Stop delivery system to effectively serve people with disabilities.

Continue the advancement of Informed Choice in all facets of Vocational Rehabilitation services.

Continue to support counselors in meeting the federal requirements of a Masters Degree.

Increase efficiency and effectiveness under the Unified State Plan prompted by the Workforce Investment Act.

Implement the Ticket to Work program that allows people with disabilities to retain benefits during initial employment.

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Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

Mary Pagenkopf

Senate Labor & Commerce, 1/28/03 1:35 p.m

1/30/03

CONFIRM:

DEPT. OF

LABOR

REPORT ON
CONFIRMATION OF APPOINTMENTS

Thursday, January 30, 2003

The Honorable Gene Therriault
President of the Senate
State Capitol
Juneau, Alaska 99801-1182

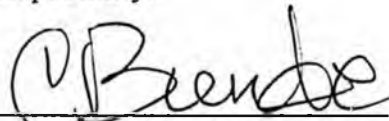
Dear President Therriault:

In accordance with AS 39.05.080, the Senate Labor and Commerce Committee reviewed the following and recommends the appointment be forwarded to a joint session for consideration:


Mr. Greg O'Claray
Commissioner, Department of Labor

There were no stated objections to the confirmation of the named individual by committee members. This does not reflect an intent by any of the members to vote for or against him during any further sessions.


Respectfully,



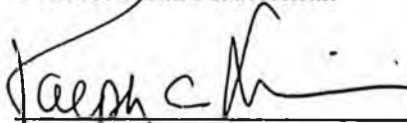
Senator Con Bunde, Chair



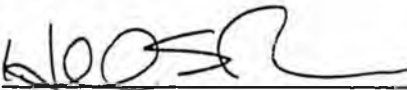
Senator Alan Austerman



Senator Bettye Davis



Senator Ralph Seekins



Senator Hollis French



SENATE LABOR AND COMMERCE COMMITTEE

COMMITTEE MEMBERS

Senator Con Bunde,
Chairman
Room 506
465-4843

Senator
Alan Austerman
Room 417
465-2487

Senator
Bettye Davis
Room 7
465-3822

Senator
Hollis French
Room 504
465-3892

Senator
Ralph Seekins
Room 125
465-2327

MEMORANDUM

Date: January 23, 2002

To: Senate Labor and Commerce Committee Members

From: Senator Con Bunde, Chairman *CBunde*
Senate Labor and Commerce Committee

Re: Confirmation of Governor's Appointments

Enclosed is the resume for Greg O'Claray, who has been appointed by the Governor as Commissioner of the Department of Labor.

Please review Mr. O'Claray's resume before his hearing on January 30. He will be testifying in person before the Labor and Commerce Committee at that time and you will have an opportunity to ask him any questions that you may have.

If you have any questions, please feel free to contact my committee aide, Jane Alberts, at 465-3844.

THE
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RESUME'**Greg S. O'Claray****229 4th Street****Juneau, Alaska 99801****goclaray@dimeba.org****907 586-6040 cell: 723 2082****OBJECTIVE:**

Placement on Governor Murkōwki's team of professionals to insure the Alaskan resident workforce is prepared to participate in obtaining maximum benefit from the Administration's plan for renewed economic growth.

EXPERIENCE:

Director, Legislative & Governmental Affairs 1982 - Present
District No. 1 Marine Engineers Beneficial Association

President, Inlandboatmen's Union, Seafarers International
Union of North America 1980-1982

Executive Vice President, Inlandboatmen's Union of
The Pacific SIUNA AFL-CIO 1976-1980

Vice President, Alaska Region IBU of the Pacific, SIUNA 1968-1976

Professional Mariner Various ratings on board government
and commercial vessels and Alaska Ferries 1960-1968

COMMUNITY SERVICE & RELATED EXPERIENCE

Juneau City and Borough Juneau Economic Development Council, Chair 1984-1988
Commissioned by Mayor Ernie Polley to create and foster business-friendly services to
Juneau and Northern Southeast Communities.

Citizens for Management of Alaska Lands, S.E. Chair 1980-1982 Pro-development group formed by private sector to promote multiple use of Alaska Lands and Resource Development during the Congressional debates on Section D2 of the ANILCA.

Alaska Committee Campaign Staff 1982 – under direction of campaign committee, responsible for coordinating Southeast Alaska and Juneau Voter turnout.

Juneau Port Development Council, Vice Chair 1976-1980

Juneau Chamber of Commerce, Member 1978-present

Alaskan's For Juneau, Board Member 1992-1994 Pro-development group formed to support re-opening the Alaska Juneau Mine (Echo Bay Alaska)

Alaska State AFL-CIO, Vice President 1968-1998

Juneau Central Labor Council, President, Sec/Treas, 1968-present

Northwest Marine Retirement Trust, Trustee 1970-1980

Northwest Marine Health & Welfare Trust, Trustee 1970-1980

These Taft/Hartley (Joint Employee/Employer) Benefit Trusts provided benefits to 6000 maritime workers in California, Oregon, Washington and Alaska.

Sole Proprietor GSO Associates 1974-present – client advocate (registered lobbyist) with Alaska State Legislature and State Administrations. Client list includes: Alaska AFL-CIO, Seafarer's International Union, Marine Engineer's Beneficial Association, Confidential Employee's Association, Watcom County Chamber of Commerce (Port of Bellingham), General Communications Inc. (GCI), Avondale Shipyards Corporation, Schnabel Lumber Company, Green's Creek Mining Company, Fairbanks Gold Mining Company, Boeing Company, (Marine Division), Trial Lawyers of Florida on Tort Reform

OTHER SKILLS AND QUALIFICATIONS

Skilled in public speaking before large groups and conducting public meetings, Excellent communication skills, experienced in conducting political campaigns, experienced negotiator. Loyal

REFERENCES

George Baggen, President and CEO, Sampson Tug & Barge Company Sitka, Alaska 907-747-8559

Henry Pratt, President, Sinclair Associates Wasilla, Alaska 907-357-8312

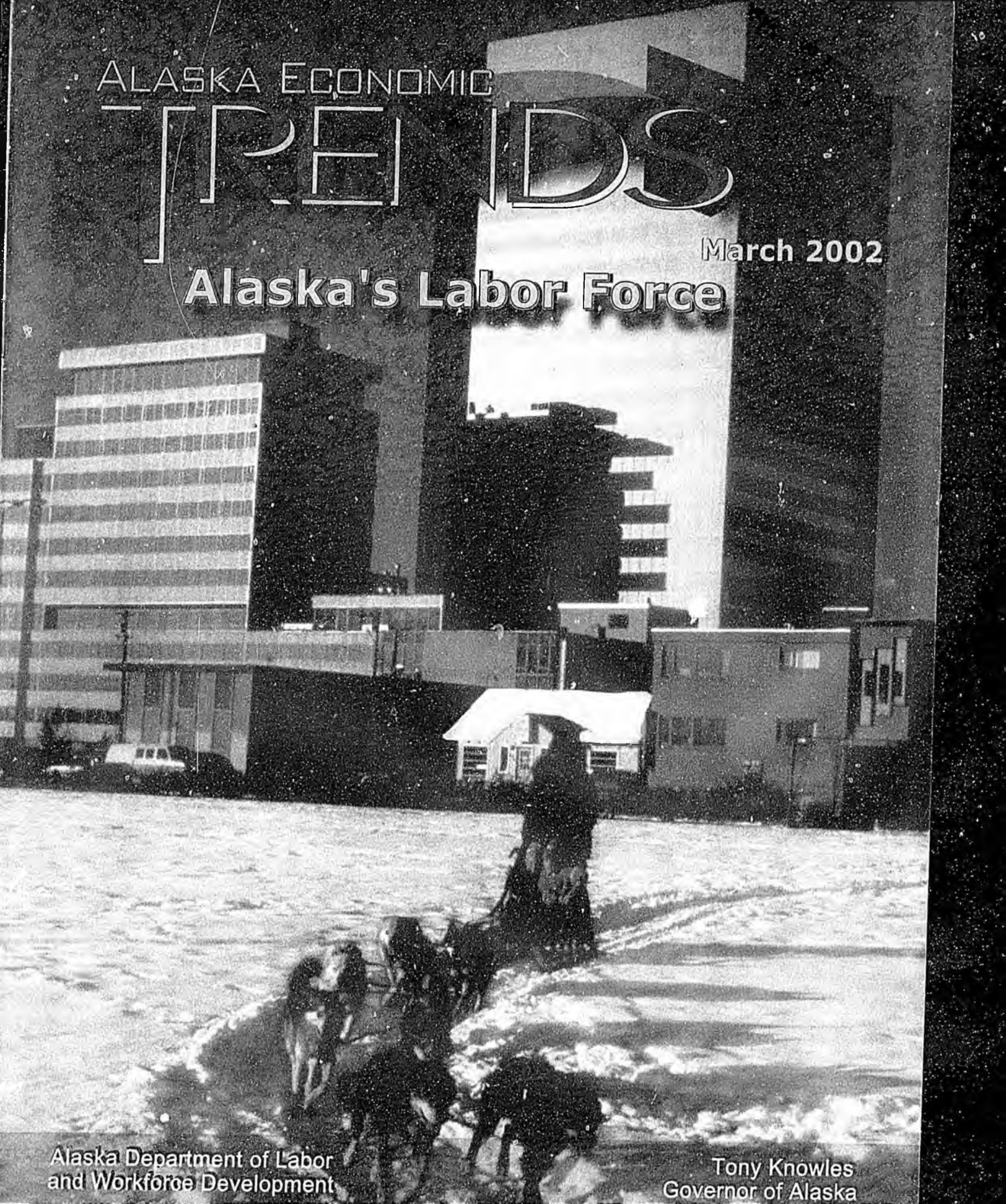
Dwayne Carlson, President Emeritis Alaska AFL-CIO Leesburg, Florida 352-343-7619

ALASKA ECONOMIC

TRENDS

March 2002

Alaska's Labor Force



Alaska Department of Labor
and Workforce Development

Tony Knowles
Governor of Alaska

ALASKA ECONOMIC TRENDS

**March
2002
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Cover photo, dog team in Anchorage park strip, courtesy of Alaska Department of Commerce and Economic Development

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**Tony Knowles, Governor of Alaska
Ed Flanagan, Commissioner of Labor
and Workforce Development**

Joanne Erskine, Editor

Email *Trends* authors at: trends@labor.state.ak.us

March *Trends* authors are staff with the Research and Analysis Section, Administrative Services Division, Department of Labor and Workforce Development.

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(907) 465-4500**

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Alaska's Labor Force

by
Chris Miller
Chief, Research and Analysis

Will the next generation's numbers be too small to fill the gap?

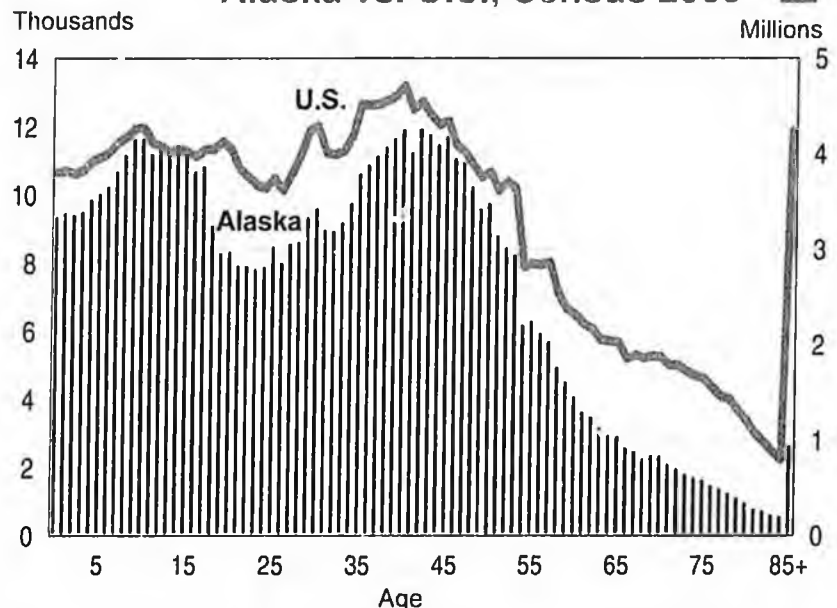
The aging of Alaska's labor force has been well documented in *Alaska Economic Trends* and other sources. Alaska's population and economic trends of the past thirty years will have an impact on the state's economy for years to come. This article will review how Alaska's labor force became what it is today, and take a look at what might happen in the future.

Much has been said about the effect of the baby boom, generation-X, and the echo boom generations on the national economy. Baby boomers were born between the mid-1940s and mid-1960s. Generation-X came along from the mid-1960s to mid-1970s. The echo boomers, (children of the baby boom), were born from the late 1970s to late 1980s. Because baby boomers (now peaked around ages 40-45) make up such a large proportion of the population in Alaska, the downslope to the following generation-X is steeper for Alaska than for the nation. (See Exhibit 1.) In contrast to the national pattern, the especially large size of the baby boom and echo boom generations in Alaska make the age group 20-35 seem particularly small between them.

What caused this unusual age structure in Alaska's population? The makings of the situation began in the early to mid-1970s. (See Exhibit 2.) An oil pipeline from Prudhoe Bay to Valdez was to be built. This project was huge, even on a national scale. Alaska simply did not have enough workers

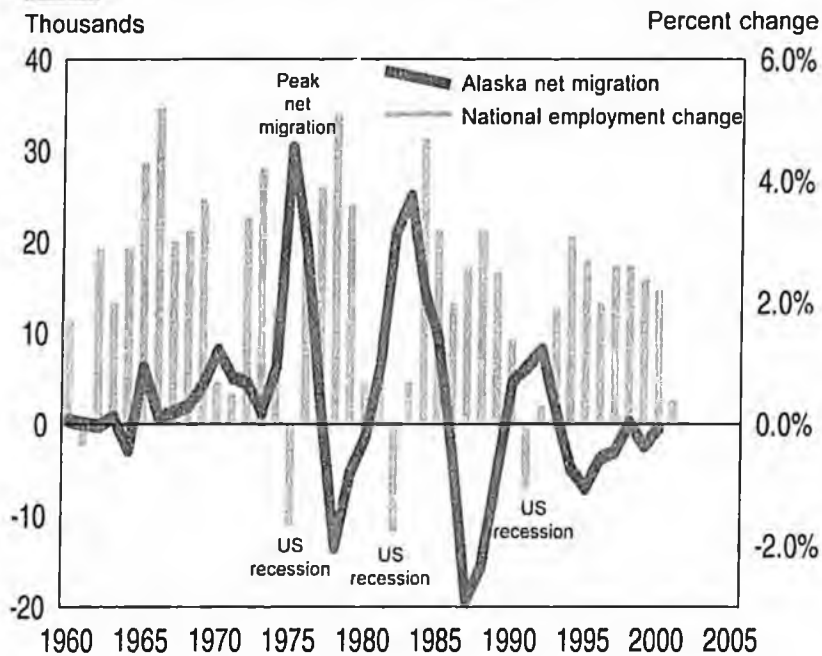
to do the job. Wages were high, and to make Alaska even more appealing to workers, the rest of the nation was in a serious economic slump. The baby boom generation came to Alaska in large numbers to build the pipeline. Net in-migration during construction averaged almost 12,000 persons a year with a peak of more than 30,000 in 1975. After construction many left, but a significant number stayed and made Alaska their home.

Age Distribution of Population Alaska vs. U.S., Census 2000



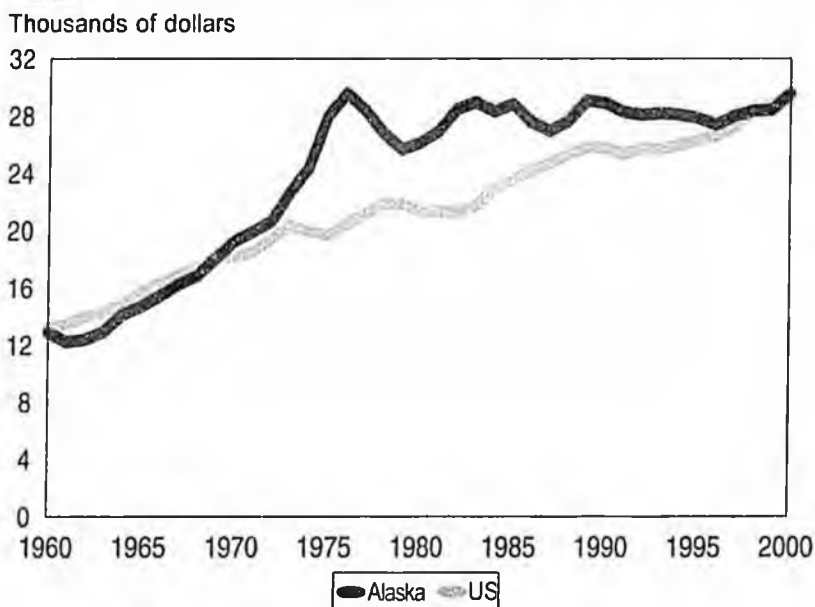
Source: U.S. Census Bureau; Alaska Department of Labor and Workforce Development, Research and Analysis Section

2 Alaska Net Migration Vs. national employment change



Source: U.S. Bureau of Labor Statistics; Alaska Department of Labor and Workforce Development, Research and Analysis Section

3 Per Capita Income Alaska and U.S., inflation adjusted



Source: U.S. Bureau of Economic Analysis; Alaska Department of Labor and Workforce Development, Research and Analysis Section

The next event to impact Alaska's demographic and economic structure was the oil revenue boom of the early 1980s. Again the national economy was in recession and many people were out of work. The mystique of the oil pipeline construction project was reaching almost folkloric proportions. The demand for workers in Alaska again outpaced the number available. For the most part, persons of generation-X were still too young to take advantage of this opportunity. The baby boom generation, still relatively young, still relatively mobile, again came to Alaska. Net in-migration peaked in 1983 at almost 25,000. This period of phenomenal growth came to an abrupt halt in 1986. At the same time, the nation was in its third year of solid economic growth. Thousands of workers left the state, but some stayed. The dominance of the baby boom generation in Alaska continued to increase.

1984 was the last year that net in-migration was greater than Alaska's natural population increase (births minus deaths). Since 1988 migration has had a steadily declining role in population change in Alaska.

The domestication of the baby boom generation also began in this period. Baby boomers across the nation and in Alaska settled down and started to raise families. At no time before or since has Alaska seen the number of births that occurred in the 1980s. The echo boom had arrived. This batch of children has impacted Alaska's educational infrastructure ever since. First, elementary schools, then middle schools were built to meet the demand. Now, new high schools are being built or considered.

In 1989, events occurred which brought generation-X into the Alaska labor force in significant numbers. Alaska's economy was showing signs of recovery, and the Exxon Valdez ran into Bligh Reef. Alaska's economy in general needed more workers, and the oil spill required an army of workers to clean it up. Oil spill work was seasonal and in isolated locations, job characteristics that were just right for generation-

X. As horrendous as the oil spill was for the environment, the cleanup work created an economic boomlet, strengthening Alaska's recovery from recession, already under way.

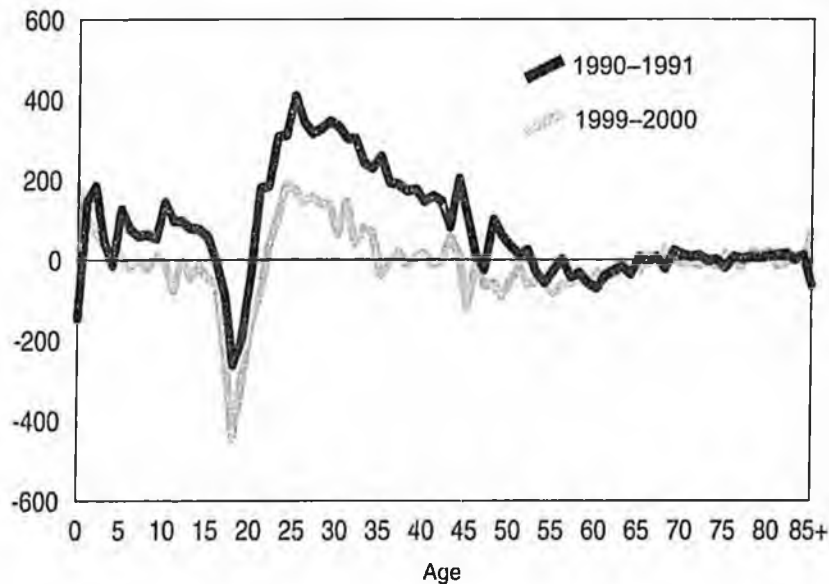
By 1990, net migration, after four years of negative numbers, turned positive. In 1991, the national economy went into another slump. Positive net migration peaked at over 8,000 in 1992. However, by 1992 the national economy had turned around and Alaska's traditional economic engines (logging, fishing, oil) were entering a period of decline.

In the mid-1990s, a series of military base closures and scale-backs led to the departure from Alaska of large numbers of military and their dependents, turning migration figures negative, and cutting into the generation-X population. Unlike the baby boom contingent, generation-X did not grow, and the disparity in the size of these two groups remains to this day.

By the mid-1990s another factor affecting Alaska's labor force changed. Incomes in Alaska were no longer significantly above the national average. (See Exhibit 3.) This major paradigm shift still prevails. The economic incentive for workers to come to Alaska no longer exists. This is another cause for the shorter count from generation-X in Alaska's population.

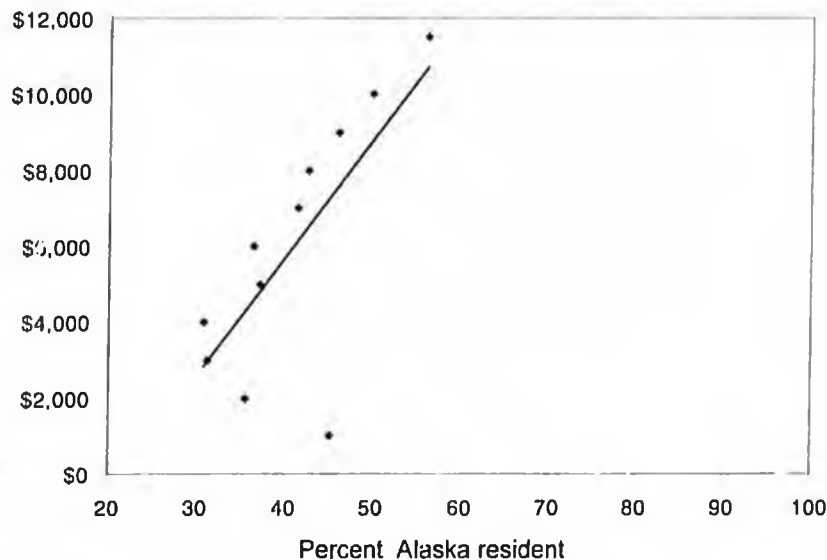
Have workers stopped coming to Alaska? Are Alaska workers leaving? The answers are a qualified yes and no. (See Exhibit 4.) Migration both in and out of Alaska has remained close to equal, with the exception of years of significant economic change. Looking at net migration by age reveals a similar pattern in both 1990 and 2000. High school graduates tend to leave the state at a faster rate than they arrive. Many are off to colleges located in other states. Some join the military. Others simply choose to experience a different part of the country. The opposite trend is true for workers roughly between the ages of 22 and 35. More persons in this age group are coming to Alaska each year than leaving. On the other hand, though the numbers are relatively small, more

Net Migration by Age Alaska 1990-1991 and 1999-2000 **4**



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Seafood Worker Quarterly earnings and percent resident **5**

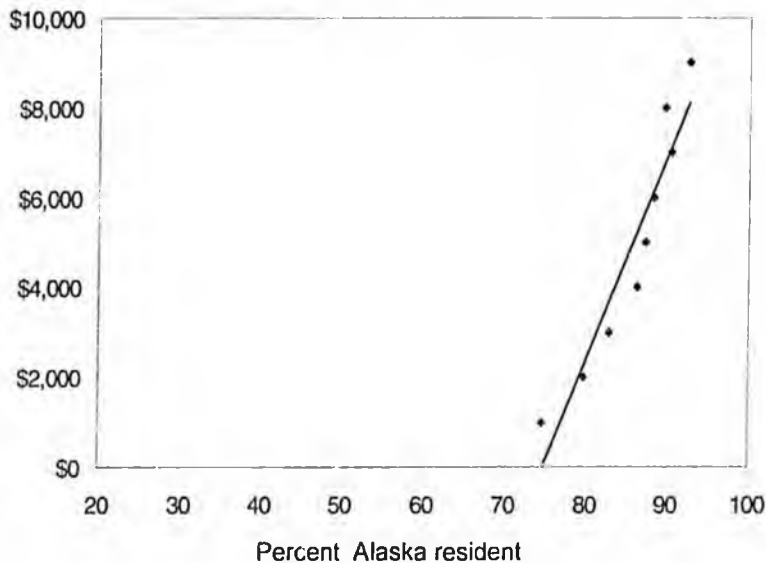


Note: Includes private sector, state and local government workers

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

6 Restaurant Waiter

Quarterly earnings and percent resident

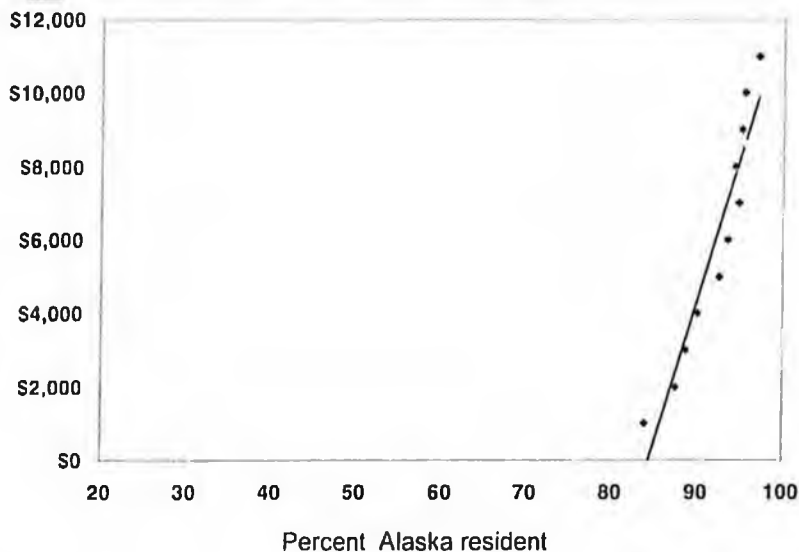


Note: Includes private sector, state and local government workers

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

7 Cashier

Quarterly earnings and percent resident



Note: Includes private sector, state and local government workers

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

older workers leave the state than come here.

What draws people to Alaska? What causes people to leave, or become nonresident immigrant workers? Is there a relationship between Alaska residency and earnings on the job? Economic theory would encourage us to believe that the relationship should be relatively strong.

To examine this question a graphics tool known as a scatter plot was prepared for several occupations. A select few are presented here. (See Exhibits 5 through 8.) A trend line was added to each plot to facilitate seeing the underlying pattern.

The rightward tilt of the trend line for each occupational category shows a correlation between the amount earned and the percentage of Alaskans in that occupation. Said another way, the higher a particular job pays, the more likely an Alaska resident will be in that job. For example, in the seafood processing industry, which hires large numbers of nonresidents, more than half the seafood processing workers earning more than \$10,000 per quarter are Alaskans. These workers also tend to be in plants that operate year-round.

This leads to another observation. The relatively low paying cashier and waiter occupations employ a high percentage of Alaskans. Also, the relationship between higher pay and Alaska residency is almost linear. Yet, the welding occupations, which tend to pay quite well, do not show quite so high a percentage of Alaskans. In fact, at the highest rates of pay the percentage of welders who are Alaskan declines. When looking at these occupations over a four-quarter period, a pattern emerges.

Seasonal stability appears to be another explanatory factor for Alaska residency. Most cashiers and waiters are working year-round. Welding jobs are affected by seasonal factors and are not quite so stable. Another possible explanation for the lower percentage of Alaskan welders at the high end of the pay scale may be that there are fewer Alaskans with the highest-level skill certification that would command the highest wage.

Though the earnings level is an important factor in determining whether a worker is or will become an Alaska resident, it is not the only factor. Year-round and year-to-year employment stability are crucial elements to becoming or remaining a resident of Alaska.

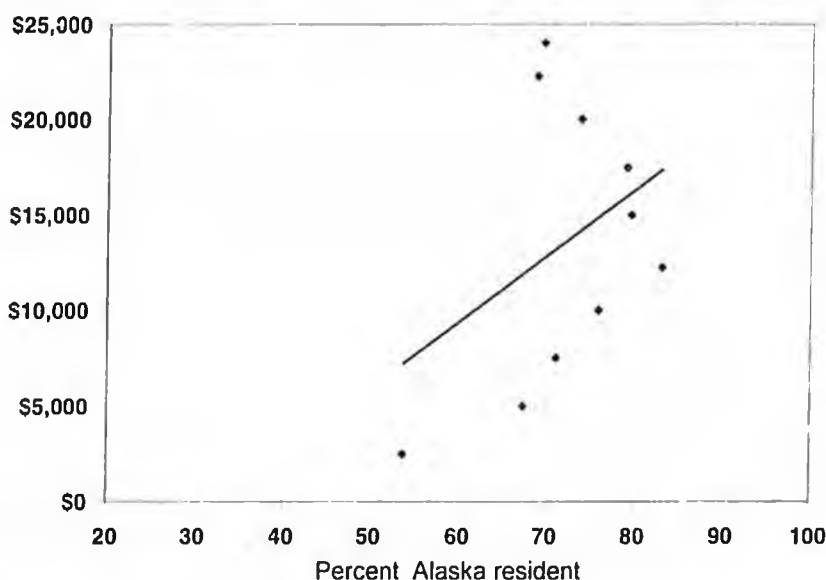
What will Alaska's labor force look like over the next 15 years? (See Exhibits 9 and 10.) As Alaska's population bulge (the baby boom generation) reaches retirement, and generation-X and the echo boom take their place, Alaska's prime working age population (age 18-54) is projected to remain flat. The number of older workers will grow, but the extent to which they will participate in the labor force is uncertain. By the year 2015 there will be more jobs in Alaska than Alaska workers. This outlook makes some assumptions: that net migration will remain essentially zero, that the current negative economic incentive to move to Alaska will remain unchanged, and, with the exception of a natural gas pipeline construction project, that no major economic events will disrupt this economic equilibrium. In reality, such assumptions are interesting only as an academic exercise, because the economy never maintains a steady state for long. Change and unanticipated events will occur.

What changes are likely? For starters, if the gas pipeline project becomes a reality later this decade, the economic push and pull of labor supply and demand will be interesting to watch. As mentioned earlier, Alaska is not attracting workers as it did in the past. With only a few exceptions, this has led to nearly full employment for workers here. If additional workers are needed, they must be attracted from elsewhere. Disposable real earnings in Alaska (wages less the cost of living) must increase to a point that they are greater here than in other parts of the country. Currently the national economy has slowed, but there are signs that activity may be picking up. If the national economy does take off, the Alaska wage premium necessary to attract a sufficient number of workers will need to be that much higher.

If pipeline construction begins as both the national

Welder 8

Quarterly earnings and percent resident

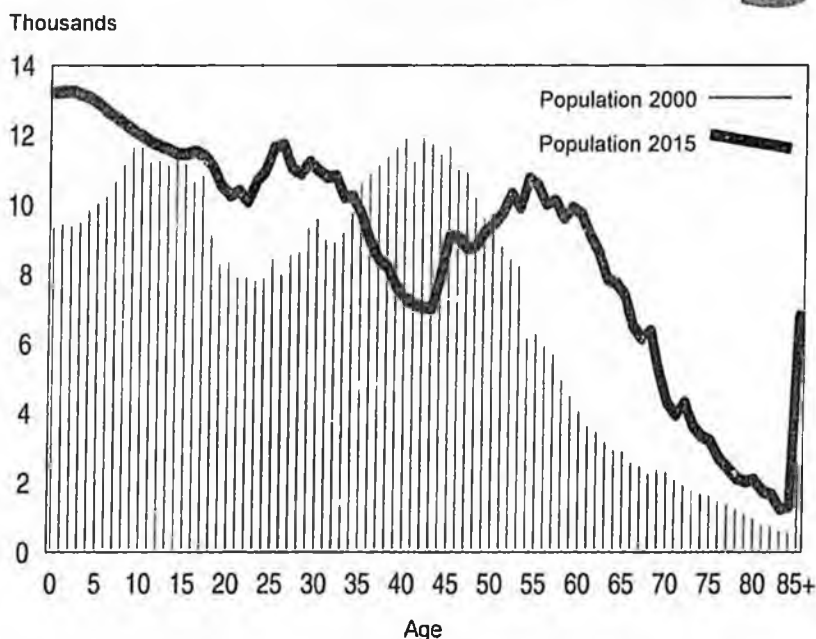


Note: Includes private sector, state and local government workers

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Age Distribution of Population 9

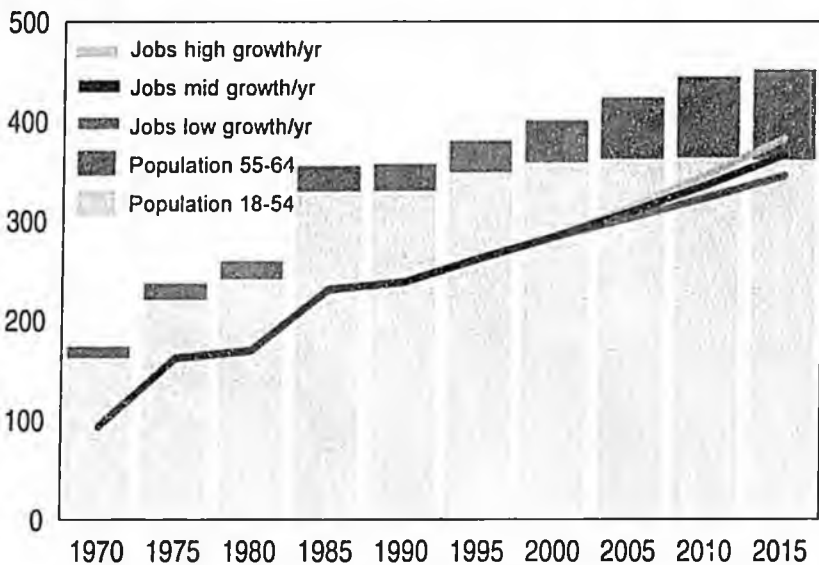
Alaska 2000 and 2015



Source: U.S. Census Bureau; Alaska Department of Labor and Workforce Development, Research and Analysis Section

10 Employment versus Working age population

Thousands

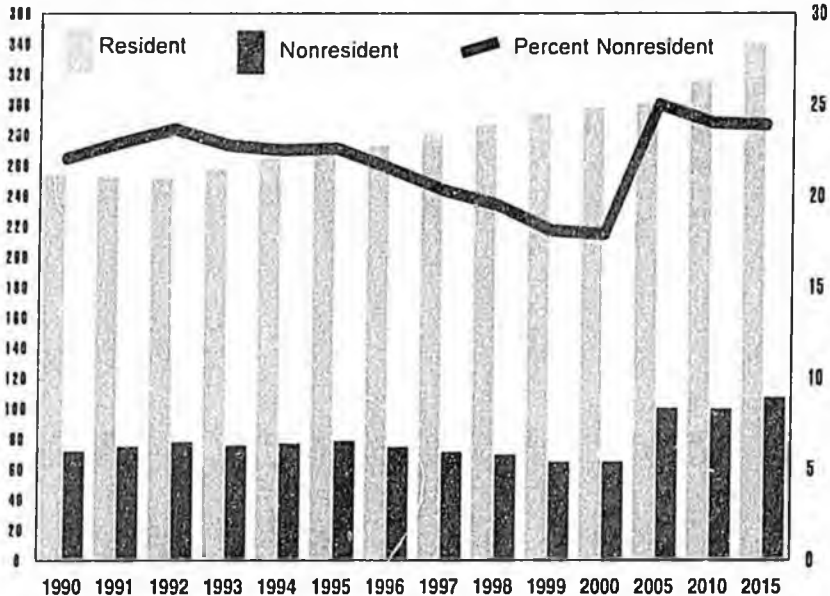


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

11 Workers by Residency Alaska 1990-2015

Thousands of workers

Percent Nonresident



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

and Alaska economies are doing reasonably well, the project will have to attract workers who, in the aggregate, are already working. Economic theory tells us that the price of a scarce commodity will increase until the demand for it has been satisfied. This is also true for the price of labor. Alaskan workers will naturally want to take advantage of their favorable bargaining position. Industry, on the other hand, will want to counter this wage push in an effort to maximize its return on investment. Industry will seek other sources of labor from outside the state. But, in a strong national economy, workers from the lower 48 will also seek higher wages to make coming north worthwhile. In this scenario, increases in the price of labor are almost a forgone conclusion.

If the national economy at the time of pipeline construction is not doing so well, many unemployed workers from the lower 48 are likely to seek employment on this large project. In this scenario wage inflation is less certain.

As this decade comes to a close will Alaska's labor shortage be over? If wages increase as a result of gas pipeline construction, an increase in the number of workers coming and staying in Alaska can be expected. The downside of high wages is likely to be the attraction of an oversupply of workers. Unemployment rates may increase.

Exhibit 11 forecasts how the the retirement of the baby boom generation could attract workers from outside Alaska. A trickle of retirements in 2005 will become a flood, causing a cascade of labor turnover as positions open and younger workers move up the career ladder. This turnover will create opportunities for the experienced workers of generation-X and the echo boom. Rapid promotional opportunities similar to the 1970s could be the norm. However, Alaska's generation-X and echo boom are not of a sufficient size to replace the large baby boom leaving the labor force. Given the likelihood of full employment in Alaska, a significant increase in nonresident workers can be expected.

New Hires

by
Ted Berry
Labor Economist

Knowing where they are helps job seekers and job counselors pinpoint their efforts

New hire data is an important indicator of overall demand for workers. This article focuses on how the new hire data series can be used to help job seekers and employment counselors identify employment opportunities, both seasonal and year-round, in Alaska.

The data series, based on the Department of Labor and Workforce Development's quarterly unemployment insurance (UI) wage files, is intended to give some idea of where job openings occur through either job creation or job turnover. Excluded from the new hires analysis are federal workers, the self-employed, workers of employers reporting to other states (such as most offshore seafood processors), and other UI-exempt workers.

Hiring status is found by matching the employee's social security number with each employer that he or she worked with during the quarter in question. Each combination is classified as a new hire, rehire, or continuing employee. Definitions of these terms appear below. Each unique combination of social security number and employer is considered to be a single employer/worker relationship.

- **Continuing employees** are those who worked for the same employer in all four quarters prior to the reference quarter.
- **Rehires** are employees who worked for a particular employer in at least one, but not all, of the four quarters prior to the reference quarter. Prior to the third quarter of 1997 rehires were included in the continuing employee data series.

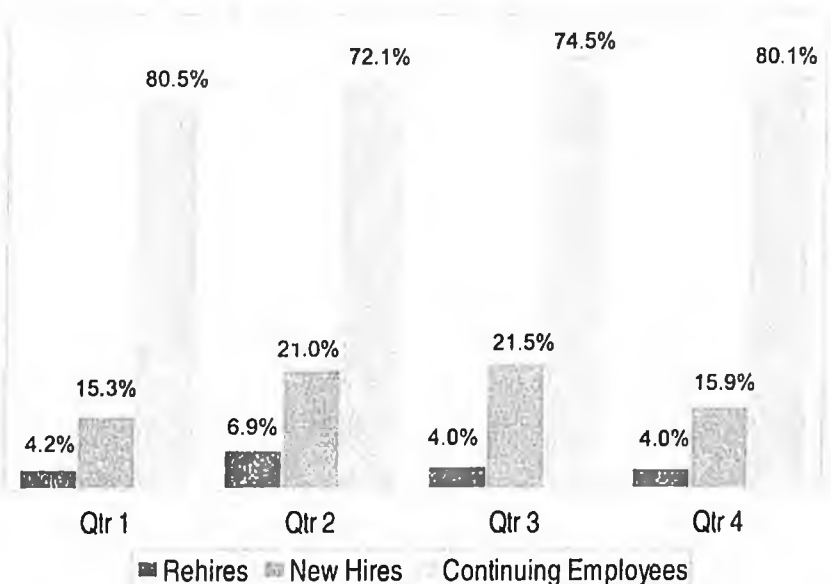
- **New Hires** are workers who did not work for the employer in any of the four quarters prior to the reference quarter. Workers are evaluated for each employer they worked for during a quarter, and therefore can be counted as a new hire for more than one employer during a quarter, but only once for the same employer.

Exhibit 1 shows how hiring status has fluctuated by quarter over the study period.

A person may have worked for more than one employer during the quarter and can be counted

Hiring Status of Employees

Average percent of employment 1992–2000



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

more than once. Therefore, this data series counts the number of job opportunities in the workforce and does not represent the number of individuals working. The study period, 1992 to 2000, was chosen because no comparable data exist prior to 1992 and post-2000 data are not yet available.

Alaska has fourteen broad industry categories, each of which is divided into several sub-industries. The tourism industry is a special case for which there is no one category. According to the McDowell Group's Alaska Visitor Arrivals figures for 1997 and 1998, arrivals were approximately 15 percent business, and 85 percent pleasure-related. Their impact is felt in a number of industries, including Hotels and Lodging, Tourism Related Transportation, Retail Trade, Wholesale Trade, and Transportation, Communications and Utilities.

Employment opportunities in seasonal industries

A primary characteristic of the Alaska new hire series is the pronounced seasonal variation caused by industries that increase hiring activity during the second and third quarters. These include Agriculture, Forestry and Fishing, Hotels and Lodging, Tourism Related Transportation, Retail Trade, Wholesale Trade, Seafood Processing, Construction, Transportation, Communications and Utilities, and Finance, Insurance and Real Estate. For the last four years Seafood Processing has started hiring in the first quarter to accommodate the Bering Sea pollock season.

Total quarterly new hires fluctuate by as much as 30,000 workers during the year. (See Exhibit 2.) When rehires are added, the difference increases to about 50,000 of the approximately 360,000 total wage earners, including part-time and casual workers.

2 New Hires and Rehires Total 1992 to 2000



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Industries with large seasonal fluctuations provide summer employment for local people and attract non-resident workers to Alaska. Chief among these is seafood processing, where non-residents accounted for 12,257 workers, or 73.6% of all workers in 1999. Their earnings amounted to \$87,163,426, a large proportion of which would have been spent outside Alaska. The subject of non-residents working in Alaska is covered by the Department of Labor and Workforce Development in a separate annual publication entitled *Nonresidents Working in Alaska*. The report is available in hard copy or via the Department's web site at <http://www.labor.state.ak.us/>.

Industries most affected by seasonality

An idea of the relative importance of seasonal workers to each industry can be gained by looking at the average quarterly new hires and rehires as a percentage of total industry workers over a period of time. (See Exhibit 3.) For example, for

Average New Hires plus Rehires **3** Percentage of total industry employment

Average Percent New Hires and Rehires

the Hotels and Lodging industry, an average of 23 percent of first quarter workers were new hires and rehires. In the second quarter the percentage increased to 55.9% of all workers in that industry, an increase of 140 percent. The largest average yearly new hires fluctuation is in Tourism Related Transportation, which fluctuated between an average of 12.7% in the fourth quarter and 52.8% in the second quarter. This is followed by the Seafood Processing industry which decreased from 53.9% in the first quarter to 16.5% in the fourth quarter.

Which industries provide the majority of seasonal employment opportunities?

A measure of the capacity of an industry to absorb workers can be gained by looking at the number of positions filled by new hires and rehires over time. In terms of numbers of employees, the largest average seasonal increase in rehires and new hires occurs in Retail Trade. (See Exhibit 4.) The increase between the first and second quarters of 10,324 employees, or 82 percent, reflects increased tourism-related activity during the spring. As would be expected, the latter also affects Hotels and Lodging, which increases by an average of 4,430 workers or about 310 percent. Services (excluding Hotels and Lodging) follows Retail Trade in terms of average numbers of new hires with an increase of 6,049 (40 percent) between the first and second quarter. This large improvement is wide-ranging and cannot be attributed to any specific sub-industries within the Services group. The category includes sub-industries that would be expected to increase hiring activity during the summer such as Automotive Repair, Amusement and Recreation Services, Museums, Art Galleries, and Botanical and Zoological Gardens.

Exhibit 4 also shows the Construction industry's average increase of 5,800 workers (124 percent) between the first and second quarter, reflecting the increase in outdoor activity during the spring.

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Agriculture/Forestry/Fish	22.0	54.3	31.7	19.9
Construction	29.4	50.7	38.7	19.7
Finance, Insurance, Real Estate	14.9	21.0	21.1	21.7
Hotels and Lodging	23.3	55.9	31.6	20.6
Manufacturing, exc Seafood Process.	16.4	29.3	21.1	21.8
Mining, except Oil and Gas	8.8	24.9	16.6	15.7
Oil and Gas Extraction	14.7	15.5	17.7	8.8
Public Administration	11.1	16.0	14.2	18.7
Retail Trade	22.2	38.1	29.1	21.3
Seafood Processing	53.9	44.3	50.4	16.5
Services, except Hotels and Lodg	21.5	30.2	25.3	19.5
Tourism Related Transportation	18.9	52.8	20.4	12.7
Transportation/Comm/Utilities	13.6	19.3	15.9	13.0
Wholesale Trade	15.3	24.0	24.8	14.3
Mean of Quarterly Totals	20.4	34.0	25.6	17.4

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Number New Hires and Rehires **4** By industry, 3rd Qtr 1997 to 4th Qtr 2000

Average New Hires plus Rehires

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Agriculture/Forestry/Fish	343	1,383	703	377
Construction	4,651	10,451	8,484	5,625
Finance, Insurance, Real Estate	1,900	2,866	2,702	2,168
Hotels and Lodging	1,432	5,862	3,079	1,529
Manufacturing, exc. Seafood Proc.	988	2,073	1,441	1,220
Mining, except Oil and Gas	125	485	359	180
Oil and Gas Extraction	1,507	1,654	1,599	1,153
Public Administration	6,801	9,322	8,494	9,528
Retail Trade	12,585	22,909	18,526	16,693
Seafood Processing	6,537	5,852	8,390	1,151
Services, except Hotels and Lodg	14,949	20,998	18,437	16,777
Tourism Related Transportation	761	3,673	1,273	687
Transportation/Communications/Util	3,322	4,898	3,830	3,478
Wholesale Trade	1,443	2,508	2,491	1,666
Total New Hires plus Rehires	60,551	93,400	88,771	62,634

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

that, in the first two industries, continuing employees have also grown considerably. Consequently, despite the highly seasonal employment pattern, Services except Hotels and Lodging and Retail Trade offer the best opportunities for employees wishing to remain on the payroll after the peak season is over.

It may be of interest to job seekers and career counselors that the two highest growth industries in terms of new hires and continuing employment, particularly Retail Trade, also have large seasonal fluctuations. The seasonal factor can be an advantage to job entrants. Likewise, training courses in Retail Trade that take advantage of the cyclical upswing may be able to place more graduates. On

the other hand, government work does not have such pronounced seasonal fluctuations and so the timing of training and entry into the industry is less important. The smaller seasonal fluctuations in Public Administration mean that fewer people are released during the downswing, making the transition from new hire to continuing employee easier there than in Retail Trade, or Services except Hotels and Lodging.

However, these three categories are very broad and contain numerous sub-industries, some of which have grown faster than average and some slower. Likewise, broad industries that show no growth at all over the study period may contain sub-industries that exhibit considerable growth as

New Hire Growth in Top 20 Sub-Industries

Second quarter comparison 1992 and 2000

6

BROAD INDUSTRY CATEGORY	SUB-INDUSTRY CATEGORY	New Hires 2000 2nd Qtr	New Hires 1992 2nd Qtr	Change in New Hires	% Growth in New Hires
Retail Trade	Eating Establishments	8,499	7,018	1,481	21.1
Hotels and Lodging	Hotels, Motels, and Tourist Courts	4,196	3,321	875	26.4
Seafood Processing	Fresh or Frozen Prepared Fish	2,949	6,053	-3,104	-51.3
Public Administration	Exec and Legislative Offices Combined	2,184	2,246	-62	-2.8
Services, except Hotels and Lodging	Civic and Social Associations *	2,002	1,000	1,002	100.2
Retail Trade	Department Stores	1,804	722	1,082	149.9
Services, except Hotels and Lodging	Colleges and Universities	1,581	631	950	150.6
Retail Trade	Grocery Stores	1,577	1,843	-266	-14.4
Services, except Hotels and Lodging	Elementary and Secondary Schools	1,521	1,422	99	7.0
Services, except Hotels and Lodging	Help Supply Services **	1,456	475	981	206.5
Oil and Gas Extraction	Oil and Gas Field Services, NEC ***	1,441	668	773	115.7
Services, except Hotels and Lodging	Amusement and Recreation, NEC ***	1,349	893	456	51.1
Construction	Single-Family Housing Construction	1,203	759	444	58.5
Construction	Nonresidential Construction, NEC ***	994	1,136	-142	-12.5
Seafood Processing	Canned and Cured Fish and Seafoods	936	1,119	-183	-16.4
Construction	Highway and Street Construction	880	850	30	3.5
Services, except Hotels and Lodging	Business Services, NEC ***	873	464	409	88.2
Retail Trade	Drinking Places	870	928	-58	-6.3
Tourism Related Transportation	Air Transportation, Nonscheduled	842	700	142	20.3
Retail Trade	Gift, Novelty, and Souvenir Shops	841	508	333	65.6
Totals		37,998	32,756	5,242	16.0

* Includes Insurance, homeowner, tenant and condominium associations, alumni associations, bars, clubs, service clubs, parent-teacher associations.

** Establishments which are primarily engaged in supplying temporary or continuing help on a contract or fee basis where the help supplied is on the payroll of the supplying establishment, but under the direct supervision of the business to which the help is provided. The main type businesses referred to are staffing agencies, including those supplying part-time and temporary staff.

*** NEC Not elsewhere classified

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

shown in new hires. Therefore, although the broad industry categories discussed above are helpful, employment counselors and people looking for steady career opportunities should look deeper. Before a person can become a permanent employee he or she must first find a job, so it is worth considering where the best new hire opportunities may be found.

Eating Establishments lead fast-growth sub-industries

The top twenty sub-industries for new hires are shown in Exhibit 6, and the top 20 employers in Exhibit 7. The second quarter has been used because it offers the most new hire activity.

Individual quarters are compared to the same quarter in other years because of the different hiring patterns attributable to each quarter, due mainly to the seasonal influence.

Eating Establishments topped the list with the most new hires during the second quarter, nearly double the number of the next category, Hotels, Motels, and Tourist Courts. Seafood Processing ranks third; its number of new hires has dropped 51 percent since 1992. Help Supply Services, such as temporary employment agencies, grew three-fold over the same period.

A change in the number of new hires does not necessarily indicate a change in total employment. The new hire rate is strongly influenced by turnover.

Some of the top twenty industries, such as Eating Establishments, Department Stores, and Fish and Seafoods, require mostly semi-skilled or unskilled labor. Others requiring high levels of skills include Electrical and Carpentry Work, Colleges and Universities, and Offices and Clinics of Medical Doctors, and some occupations in Oil and Gas Field Services NEC.

Summary

Job seekers and career counselors have many factors to consider in job hunting. The new hire data can be an important tool in locating job opportunities, directing training toward occupations where hiring is taking place, and in optimizing the timing of training to take advantage of seasonal hiring cycles.

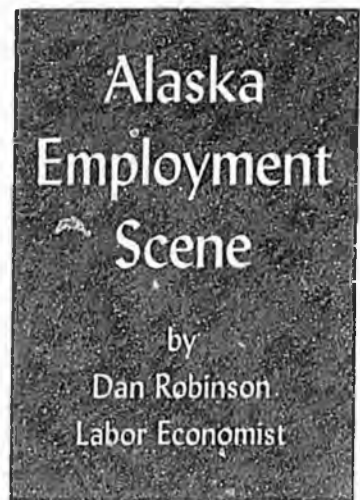
7 New Hires and Rehires Total Second quarter 1992 and 2000

Employer	New Hires 2000 2nd Qtr	New Hires 1992 2nd Qtr	Change in New Hires	% Growth in New Hires
University of Alaska	1,470	483	987	204.4
State of Alaska Dept. of Admin.	839	725	114	15.7
Safeway Inc	696	173	523	302.3
Aramark Svcs. Mgmt. of AK Inc	575	-	-	-
Fred Meyer Shopping Centers	502	266	236	88.7
Wal-Mart Associates Inc	467	55	412	749.1
Trident Seafoods Corporation	432	269	163	60.6
AK Petroleum Contractors Inc	405	103	302	293.2
AK Hotel Properties Inc	394	148	246	166.2
Westmark Hotels Inc	377	417	-40	-9.6
Veco Alaska Inc	360	-	-	-
Labor Ready Northwest Inc	354	-	-	-
Kmart Corp	319	-	-	-
Norquest Seafoods Inc	296	364	-68	-18.7
CIRI Alaska Tourism Corp	295	2	293	14,650.0
Restaurants Northwest Inc	290	209	81	38.8
Nana/Marriott Joint Venture	289	74	215	290.5
Fountainhead Development Inc	286	191	95	49.7
Westours Motorcoaches Inc	284	184	100	54.4
Denali Foods Inc	264	175	89	50.9
Totals	9,194	3,838	3,748	97.7

- No comparable data available

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

2001 Ends with Low Unemployment and Moderate Job Growth



Final Alaska labor market figures for 2001 show the second lowest annual average unemployment rate in more than 20 years. The rate of 6.3% ranks second only to 1998's average rate of 5.8%, and is well below the ten-year average. (See Exhibit 1.)

In a year in which a national recession began, Alaska was one of only five states that did not see an increase in their over-the-year unemployment rates. (See Exhibit 2.) Alaska's December 2000 to December 2001 decline of two-tenths of a percentage point was exceeded only by West Virginia and Delaware. In contrast, California saw an increase over the same period of 1.3 percentage points, Washington's rate increased by 2.1 percentage points, and Oregon's rate increased more than any other state, jumping 3.3 percentage points.

Alaska's urban areas continued to enjoy lower rates than the state's rural regions. For the second month in a row, Anchorage posted the state's lowest unemployment rate at 3.7%. (See Exhibit 6.) At 14.9%, the Wade Hampton Census Area had the highest unemployment rate.

Another year of modest growth

Alaska's job growth over the last decade has been modest but consistent. December completed the 13th consecutive year of employment growth, the second longest stretch in the state's history. In contrast to the nationwide expansion that recently ended after a record-setting nine years, Alaska's economy has been steady throughout the nineties without ever showing dramatic year-to-year growth.

Annual Average Unemployment Rate Alaska, 1992-2001



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

States' Unemployment Rate Changes Over-the-year, seasonally adjusted

Rank	State	Dec. 2000	Dec. 2001	Change
1	West Virginia	5.5	4.6	-0.9
2	Delaware	3.9	3.5	-0.4
3	Alaska	5.9	5.7	-0.2
4	D.C.	6.1	6.0	-0.1
5	Montana	4.5	4.5	0
28	California	4.7	6.0	1.3
38	Arizona	3.7	5.6	1.9
42	Washington	5.0	7.1	2.1
46	Nevada	4.4	6.6	2.2
51	Oregon	4.2	7.5	3.3

Source: U.S. Department of Labor, Bureau of Labor Statistics

3 Nonagricultural Wage and Salary Employment

By place of work

Alaska	preliminary	revised	Changes from:			Municipality of Anchorage	preliminary	revised	Changes from:		
	12/01	11/01	12/00	11/01	12/00		12/01	11/01	12/00	11/01	12/00
Total Nonag. Wage & Salary	279,000	282,900	273,700	-3,900	4,300	Total Nonag. Wage & Salary	137,400	138,000	134,500	-600	1,900
Goods-producing	30,500	33,800	31,300	-3,300	-700	Goods-producing	11,800	12,400	11,500	-600	700
Service-producing	248,500	249,100	242,400	-600	5,000	Service-producing	125,600	125,600	123,000	0	1,200
Mining	10,100	10,300	11,000	-200	-800	Mining	2,700	2,700	2,900	0	-200
Oil & Gas Extraction	8,700	8,800	9,500	-100	-800	Oil & Gas Extraction	2,600	2,600	2,800	0	-200
Construction	13,100	14,600	12,600	-1,500	900	Construction	6,900	7,500	6,500	-600	800
Manufacturing	7,300	8,900	7,700	-1,600	-800	Manufacturing	2,200	2,200	2,100	0	100
Durable Goods	1,800	2,000	2,200	-200	-700	Transportation/Comm/Utilities	14,600	14,800	14,300	-200	-400
Lumber & Wood Products	700	1,000	1,100	-300	-500	Air Transportation	5,900	5,900	6,000	0	-600
Nondurable Goods	5,500	6,900	5,500	-1,400	-100	Communications	3,700	3,700	3,600	0	-100
Seafood Processing	2,700	4,200	2,800	-1,500	-200	Trade	33,400	33,200	32,900	200	800
Transportation/Comm/Utilities	26,000	26,400	25,400	-400	-300	Wholesale Trade	6,300	6,300	6,300	0	200
Trucking & Warehousing	3,000	3,000	2,800	0	200	Retail Trade	27,100	26,900	26,600	200	600
Water Transportation	1,600	1,800	1,500	-200	0	Gen. Merchandise & Apparel	5,900	5,900	5,600	0	300
Air Transportation	9,100	9,200	9,300	-100	-800	Food Stores	2,400	2,500	2,500	-100	-100
Communications	5,500	5,500	5,300	0	0	Eating & Drinking Places	10,000	9,900	9,800	100	300
Electric, Gas & Sanitary Svcs.	2,700	2,700	2,600	0	0	Finance/Insurance/Real Estate	7,700	7,600	7,600	100	-100
Trade	59,100	59,000	57,700	100	2,200	Services & Misc.	40,600	40,700	39,100	-100	700
Wholesale Trade	8,400	8,400	8,500	0	300	Hotels & Lodging Places	3,100	2,900	3,000	200	100
Retail Trade	50,700	50,600	49,200	100	1,900	Business Services	7,100	7,400	6,800	-300	200
Gen. Merchandise & Apparel	11,100	11,000	10,800	100	700	Health Services	10,200	10,000	9,500	200	800
Food Stores	6,500	6,500	6,400	0	0	Legal Services	1,200	1,200	1,200	0	0
Eating & Drinking Places	17,100	17,100	16,700	0	600	Social Services	4,000	4,000	3,900	0	-100
Finance/Insurance/Real Estate	12,600	12,600	12,600	0	-100	Engineering & Mgmt. Svcs.	5,300	5,400	5,200	-100	-300
Services & Misc.	74,100	74,300	71,400	-200	2,000	Government	29,300	29,300	29,100	0	200
Hotels & Lodging Places	6,400	6,400	6,000	0	600	Federal	9,700	9,600	9,800	100	-200
Business Services	9,200	9,400	8,800	-200	-200	State	9,200	9,300	9,000	-100	200
Health Services	18,300	18,200	17,600	100	900	Local	10,400	10,400	10,300	0	200
Legal Services	1,500	1,500	1,600	0	-100						
Social Services	8,200	8,300	8,100	-100	-100						
Engineering & Mgmt. Svcs.	7,300	7,400	7,100	-100	-300						
Government	76,700	76,800	75,300	-100	1,200						
Federal	16,500	16,400	16,400	100	-200						
State	23,000	23,300	22,400	-300	500						
Local	37,200	37,100	36,500	100	900						

Notes to Exhibits 3, 4, & 5—Nonagricultural excludes self-employed workers, fishers, domestics, and unpaid family workers as well as agricultural workers. Government category includes employees of public school systems and the University of Alaska.

Exhibits 3 & 4—Prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Exhibit 5—Prepared in part with funding from the Employment Security Division.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

4 Hours and Earnings

For selected industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	preliminary 12/01	revised 11/01	revised 12/00	preliminary 12/01	revised 11/01	revised 12/00	preliminary 12/01	revised 11/01	revised 12/00
Mining	1403.77	1450.65	1263	45.8	47.5	43.9	30.65	30.54	28.77
Construction	1069.27	993.98	1028.83	39.5	37.2	39.8	27.07	26.72	25.85
Manufacturing	655.12	541.82	566.87	43.1	37.6	35.1	15.2	14.41	16.15
Seafood Processing	551.74	405.16	299.81	47.4	36.9	28.8	11.64	10.98	10.41
Transportation/Comm/Utilities	751.26	720.28	700.06	34.7	33.3	34.0	21.65	21.63	20.59
Trade	501.2	514.27	466.15	35	35.2	34.1	14.32	14.61	13.67
Wholesale Trade	693.77	749.18	613.43	42.2	40.3	37.2	16.44	18.59	16.49
Retail Trade	471.55	478.5	441.84	33.9	34.4	33.6	13.91	13.91	13.15
Finance/Insurance/Real Estate	649.34	626.56	604.71	36.5	35.6	34.3	17.79	17.6	17.63

Average hours and earnings estimates are based on data for full-time and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing). Averages are for gross earnings and hours paid, including overtime pay and hours.

Benchmark: March 2000

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

5 Nonagricultural Wage and Salary Employment

By place of work

	Fairbanks		North Star Borough		Interior Region		Anchorage/Mat-Su Region		Southwest Region		Gulf Coast Region		Northern Region				
	preliminary 12/01	revised 11/01	12/00	Changes 11/01	from: 12/00	preliminary 12/01	revised 11/01	12/00	Changes 11/01	from: 12/00	preliminary 12/01	revised 11/01	12/00	Changes 11/01	from: 12/00		
Total Nonag. Wage & Salary	33,950	34,400	33,450	-450	200	38,700	39,050	38,100	-350	400	14,300	15,300	14,550	-1,000	-150		
Goods-producing	3,000	3,200	3,100	-200	0	3,200	3,350	3,400	-150	0	1,150	2,000	1,550	-850	-200		
Service-producing	30,950	31,200	30,350	-250	200	35,500	35,700	34,700	-200	400	13,150	13,300	13,000	-150	50		
Mining	850	850	1,000	0	-50	950	950	1,200	0	-100	1,200	1,250	1,200	-50	-300		
Construction	1,600	1,750	1,650	-150	50	1,650	1,800	1,600	-150	50	1,200	1,300	1,150	-100	-50		
Manufacturing	550	600	600	-50	0	600	600	600	0	50	1,700	2,100	1,600	-400	-100		
Transportation/Comm/Utilities	3,000	3,000	2,900	0	100	3,650	3,650	3,500	0	150	2,300	2,350	2,200	-50	100		
Trucking & Warehousing	600	550	600	50	50	7,500	7,600	7,400	-100	-150	5,200	5,250	5,200	-50	250		
Air Transportation	1,000	1,000	1,000	0	-50	Finance/Insurance/Real Estate	1,250	1,250	1,200	0	50	Wholesale Trade	500	500	600	0	150
Communications	350	350	400	0	50	Services & Misc.	9,150	9,250	9,150	-100	0	Retail Trade	4,700	4,750	4,600	-50	100
Trade	6,800	6,900	6,700	-100	-200	Hotels & Lodging Places	900	900	800	0	150	Food Stores	1,400	1,500	1,450	-100	-50
Wholesale Trade	700	700	800	0	-50	Government	13,950	13,950	13,600	0	350	Finance/Insurance/Real Estate	1,350	1,350	1,300	0	100
Retail Trade	6,100	6,200	5,950	-100	-150	Federal	3,850	3,800	3,850	50	0	Services & Misc.	8,100	8,100	7,800	0	450
Gen. Merchandise & Apparel	1,300	1,400	1,200	-100	100	State	5,200	5,200	5,150	0	150	Health Services	1,800	1,850	1,700	-50	50
Food Stores	600	600	600	0	0	Local	4,900	4,950	4,800	-50	200	Government	12,600	12,900	12,100	-300	300
Eating & Drinking Places	2,250	2,200	2,200	50	-150						Federal	1,700	1,750	1,600	-50	50	
Finance/Insurance/Real Estate	1,150	1,200	1,250	-50	0						State	5,300	5,550	5,100	-250	100	
Services & Misc.	8,350	8,450	8,400	-100	-50						Local	5,600	5,600	5,500	0	150	
Hotels & Lodging Places	750	750	700	0	100												
Health Services	2,100	2,150	2,100	-50	0												
Government	11,650	11,650	11,200	0	350												
Federal	3,400	3,400	3,350	0	50												
State	5,000	4,950	4,850	50	150												
Local	3,250	3,300	3,200	-50	150												

6 Unemployment Rates By region and census area

Not Seasonally Adjusted	preliminary	revised	12/00
	12/01	11/01	
United States	5.4	5.3	3.7
Alaska Statewide	5.8	5.6	6.1
Anch/Mat-Su Region	4.3	4.2	4.6
Municipality of Anchorage	3.7	3.7	4.1
Mat-Su Borough	6.7	6.3	7.3
Gulf Coast Region	10.5	9.8	11.0
Kenai Peninsula Borough	10.0	9.1	10.4
Kodiak Island Borough	12.9	12.8	13.3
Valdez-Cordova	9.7	8.7	9.9
Interior Region	5.9	5.8	6.2
Denali Borough	9.4	9.8	10.4
Fairbanks North Star Borough	5.2	5.1	5.4
Southeast Fairbanks	10.8	10.1	11.3
Yukon-Koyukuk	12.5	12.4	13.9
Northern Region	8.3	8.7	8.6
Nome	8.6	8.7	9.6
North Slope Borough	6.0	6.6	6.3
Northwest Arctic Borough	11.5	11.8	10.7
Southeast Region	7.3	6.2	6.8
Haines Borough	12.3	10.6	11.5
Juneau Borough	4.7	4.3	4.6
Ketchikan Gateway Borough	8.0	7.4	7.1
Prince of Wales-Outer Ketchikan	12.2	8.0	11.8
Sitka Borough	5.6	4.8	4.7
Skagway-Hoonah-Angoon	12.1	10.8	11.9
Wrangell-Petersburg	10.2	7.9	9.9
Yakutat Borough	13.0	10.7	11.4
Southwest Region	9.6	9.2	10.3
Aleutians East Borough	3.8	4.0	8.2
Aleutians West	10.0	9.4	12.0
Bethel	8.5	8.8	8.7
Bristol Bay Borough	14.7	10.4	12.3
Dillingham	9.2	9.2	7.4
Lake & Peninsula Borough	11.9	8.7	10.5
Wade Hampton	14.9	13.9	16.3
Seasonally Adjusted			
United States	5.8	5.7	4.0
Alaska Statewide	5.7	5.7	5.9

2000 Benchmark

Comparisons between different time periods are not as meaningful as other time series produced by Research and Analysis. The official definition of unemployment currently in place excludes anyone who has not made an active attempt to find work in the four-week period up to and including the week that includes the 12th of the reference month. Due to the scarcity of employment opportunities in rural Alaska, many individuals do not meet the official definition of unemployed because they have not conducted an active job search. They are considered not in the labor force.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

The question that continues to hover on the horizon is how the national recession will affect Alaska's job market and overall economy. Recent concerns about labor shortages may be alleviated as layoffs and higher unemployment rates lead more Lower 48 job-seekers to consider Alaska. Making that less likely, however, is an aging U.S. population and the lack of any current attention-grabbing projects in the state. Baby boomers, who may have been willing to consider the adventure of moving to Alaska when they were in their twenties and thirties, are now more settled and less likely to pick up and relocate. What's more, although several major projects are under consideration, including a gas pipeline, a missile defense system, and oil exploration and possible development in the Arctic National Wildlife Refuge, nothing is currently happening in the state that would draw workers in the way oil pipeline construction did in the 1970s and 1980s.

More likely than an increase in migration into the state is a gradual slowing of migration out of the state. As job prospects in the Lower 48 become less certain and less lucrative, Alaska workers will have less reason to leave the state. The moderate yet consistent job growth that has characterized the last decade, combined with a low unemployment rate relative to other states, make in-state employment more attractive to Alaskans than it has been in years.

4300 new jobs added

Preliminary numbers indicate that since December 2000, Alaska has added 4,300 jobs, an increase of 1.6%. (See Exhibit 3.) Leading the way again was the services sector, which added 2,000 jobs. Other bright spots included the construction industry, which added 900 jobs, and retail trade, which added 1,900 jobs. The state saw a net job loss in the oil and gas industry and lost a significant number of timber-related jobs.

Tourism-related jobs are difficult to isolate, but the industries most likely to be affected by tourism growth saw healthy increases over the year. The state had 600 more restaurant jobs in December 2001 than in December 2000. Hotels and lodging places saw another 600 jobs added over this time period, largely the result of a handful of new hotels and the expansion of several others.

Concern about tourism next summer

In light of the terrorist attacks of September 11, the threat of further attacks, and the on-going military response, there is concern about a tourism decline in the summer of 2002. Expecting fewer U.S. customers on European cruises, several companies have committed more ships to Alaska, but they acknowledge concern over whether the ships can be filled. Security and national economy issues are probably the principal factors in lower than normal early cruiseship bookings. National issues will play an unusually large role in determining the number of visitors to the state in 2002 and the amount of money they spend.

Employer Resources

The Employment Security Tax Section is responsible for providing assistance and information to employers concerning the Unemployment Insurance (UI) tax program and for collecting UI taxes. Go to: www.jobs.state.ak.us and click on Employer Connections. Then click on Employment Security Tax.

www.jobs.state.ak.us

Welcome to the Alaska Job Center Network... where people and jobs connect.

FOR EMPLOYERS
[Online Job Order](#)
 Use an existing job order as a template for a new job order

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[America's Job Bank](#)
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select a region | select a job type
 Alaska's Job Bank Select a region, a job type, or both then click search

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Labor and Workforce Development | Public Assistance | State of Alaska

The Department of Labor and Workforce Development is an **equal opportunity** employer/program. Auxiliary aids and services are available to individuals with disabilities upon request.

Please send comments and suggestions to: [Employer Connection](#)

Job Order Options
[Online Job Order Form](#)
[Email Job Order Form](#)
[Job Order by Fax Form](#)
 Call the Anchorage Job Center
 Misdock 1-800-670-4473
[Contact an Alaska Job Center](#)

Seafood Industry Employers
[Seafood Jobs \(home page\)](#)
[Seafood Job Order Form](#)

Alaska Employer Handbook
[Business Services](#)
[SOL Links for Employers](#)
[Employee Handing](#)
[Employment Application \(pdf\)](#)

Employment Related Posters
[Employment Security Tax](#)
[Labor Standards and Safety](#)
[Tax Credits](#)
[Work Permit \(pdf\)](#)

Wells-to-Work
 To recruit Wells-to-Work clients or for information about on-the-job training, call 800-JOBS (5673) or visit [www.wells-to-work.com](#)

Job Training
 \$1000 to train employees

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Labor and Workforce Development | Public Assistance | State of Alaska

Please send comments and suggestions about this site to the [AJC Help Desk](#) at ajc_help@alaska.gov

www.labor.state.ak.us State of Alaska
 Alaska Department of Labor and Workforce Development
 [Box #1317, Anchorage]

Employer | Job Seeker | Worker

Employment Security Division

2002 Rates

Office Locations

Laws & Cases

Forms/Publications

Alaska Employer Newsletters

ES Tax Handbook

UI Tax Calculation Cookbook

Unclaimed Refunds

Frequently Asked Questions

Headline Speaker

Employment Security Tax

Patrick Shier, Chief

The Employment Security Tax Section is responsible for providing assistance and information to employers concerning the Unemployment Insurance (UI) tax program and for the collection of UI taxes.

To contact Employment Security Tax:

Phone (907) 465-2757

Toll-Free (888) 418-3527 or (888) 418-2037

Fax (907) 465-2374

Email esd_tax@alaska.gov

ALASKA ECONOMIC
TRENDS

Department of Labor and Workforce Development
Employment Security Division
P.O. Box 25509
Juneau, AK 99802-5509

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Reasons for the increase in the TUR from 6.2% to 7.6%

The weak national economy may be an indirect cause of higher unemployment in Alaska. During the booming economy of the late 90s, the prospect of plentiful jobs in the lower 48 attracted jobless Alaskans south. The good times in the lower 48 also made Alaska less attractive place to come looking for work. The current national economy has less to offer and more jobless Alaskans may be deciding to stay in the state to look for work. Also, unemployment in Washington and Oregon after peaking last winter has remained relatively high. Though small the number of persons coming to Alaska without a job has increased over the past year.

The woes of Alaska's fishing industry also may be playing a part. Self-employed commercial fishers may once have been able to earn enough money during the fishing season to remain out of the labor market for the rest of the year. Lower prices and smaller profits may be forcing many of them out of the industry or at least causing them to seek jobs during the off-season.

Here are a couple of caveats to keep in mind when analyzing the unemployment rate. Alaska's labor force is relatively small. It doesn't take much change in employment or unemployment to make a potentially significant change in the unemployment rate. A second caveat is the level of accuracy of the estimate. The methodology has a level of accuracy of plus or minus 0.6 percentage points for the annual average estimates. Because of the inherent variance in the estimates, caution should be used when evaluating significance of an estimate for a single month.

Seafood Industry

Is the seafood industry the largest employer in the state?

Seafood processing industry is not the largest employer in the state. The industry does have seasonal highs, and employs a large number of non-residents. DLWD does not have a comparable data series on seafood harvesting employment. DLWD is participating with the Department of Fish & Game and the North Pacific Fisheries Management Council to develop methodologies to estimate seafood harvesting employment.

See the attached graph showing annual average employment by major industry.

Is there a history of employment in the seafood industry?

See attached chart showing employment in the seafood processing

Do we differentiate between sport fishing and commercial fishing?

The department tracks only commercial fishing activity, not recreational sport fishing. Companies involved in charterboat fishing for hire that hire workers to carry out this activity would be counted in the Transportation industry (NAICS 487210: Scenic and Sightseeing Transportation, Water)

Regarding the \$8 million dollars for Fisheries for Disaster Impact - How much was spent?

The Alaska Department of Labor and Workforce Development has not received these funds because the federal appropriation has not yet passed Congress.

Resident Hire

What is the method(s) used to determine residency?

Resident workers are defined as those workers who did receive a Permanent Fund Dividend (PFD) in 2001 or applied for a PFD in 2002. For a more complete discussion on how workers are identified as resident versus non resident please see the appendix from this year's Resident Hire Report

What is the percentage of wages earned in Alaska by nonresidents?

Nonresidents earned about 10.9% of the total earnings, a slight increase from the 10.3% of total wages paid to nonresidents in 2000. Total wage and salary earnings in private sector, state and local government jobs totaled \$9.3 billion in 2001.

Demographics

Have we updated our population projections?

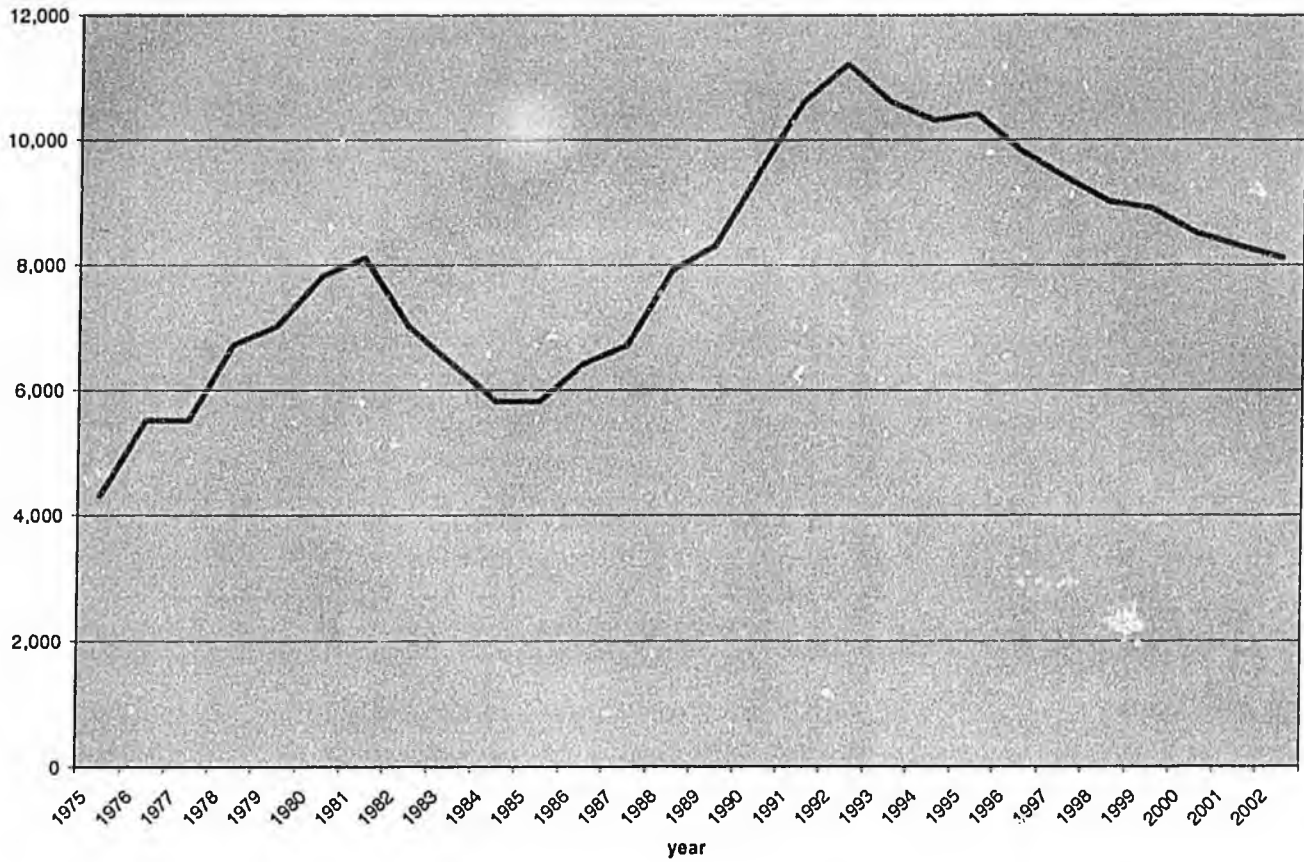
Our population projection published in 1998 has not been updated. We hope to have a new population projection available by late fall of this year.

Housing Affordability

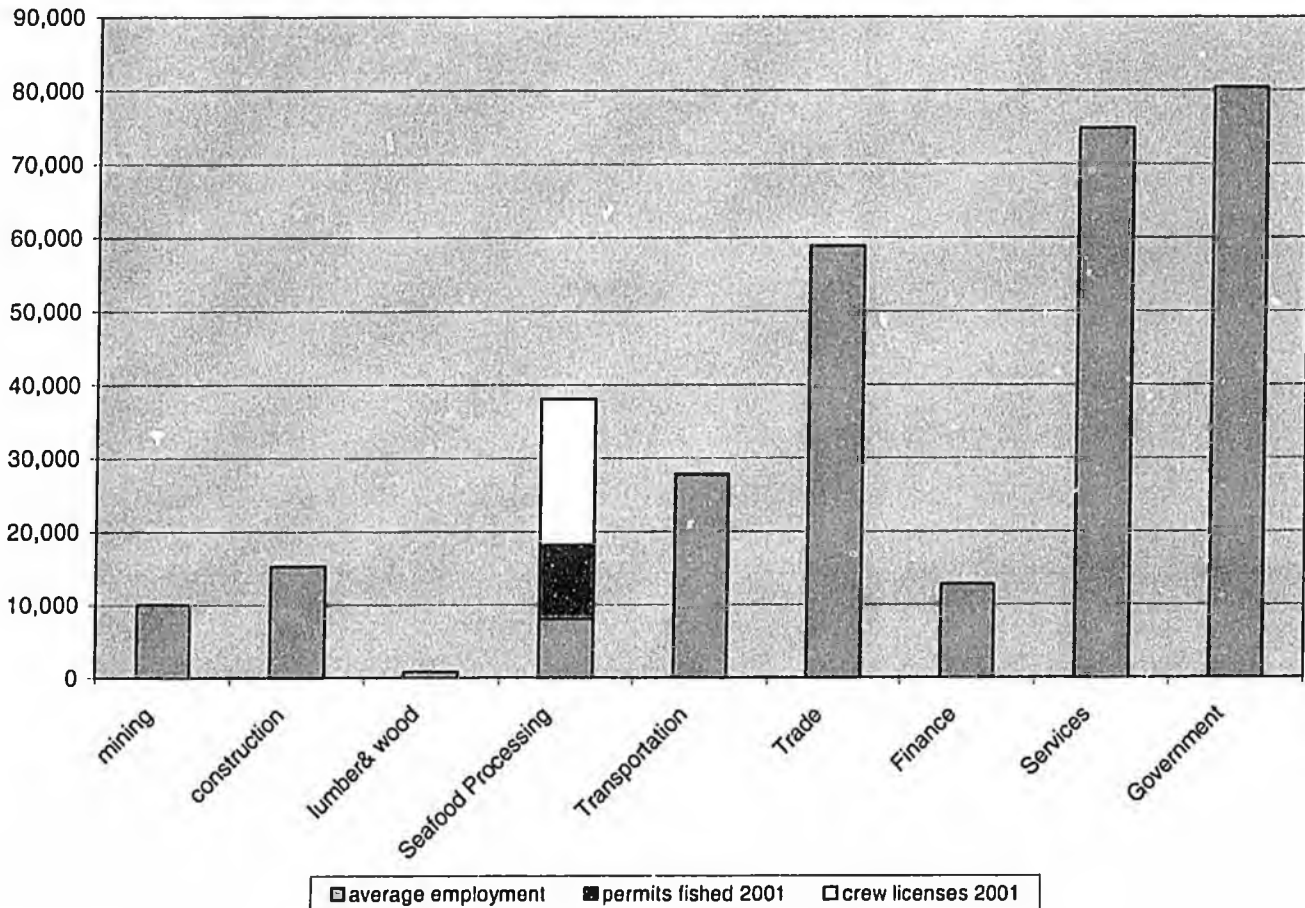
How is the 'affordability index' calculated?

The Alaska Affordability Index represents the number of wage-earners per residence receiving the average wage for the reference area that are necessary to qualify for a 30-year single-family home mortgage at the average interest rate and price for the reference area with a 15 percent down payment. An increase in the index means that a family is less able to afford a home.

Seafood Processing Employment



Alaska Industry Employment 2002 annual average



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**LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

*(907) 465-3808
FAX (907) 465-2029
Mail Stop 3101*

*130 Seward Street, Suite 400
Juneau, Alaska 99801-2105*

Copies of minutes listed below were originally included in this file. The minutes are available on the legislative computer database. In order to save space copies of minutes have not been left in the files.

Mary Pagenkopf

Senate Labor & Commerce 1/30/03 1:35 p.m.

2/26/03

**CONFIRM:
REGULATORY
COMMISSION
OF ALASKA**

REPORT ON
CONFIRMATION OF APPOINTMENTS

Wednesday, February 26, 2003

The Honorable Gene Therriault
President of the Senate
State Capitol
Juneau, Alaska 99801-1182

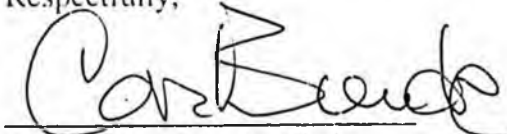
Dear President Therriault:

In accordance with AS 39.05.080, the Senate Labor and Commerce Committee in Joint Session with the House Labor and Commerce committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration:

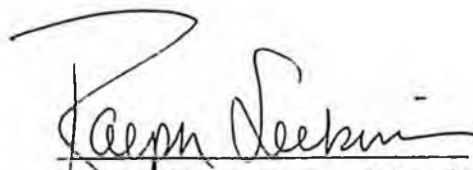
Mr. Dave Harbour, appointee to the Regulatory Commission of Alaska (RCA)
Mr. Mark Johnson, appointee to the Regulatory Commission of Alaska (RCA)

There were no stated objections to the confirmations of the named individuals by committee members. This does not reflect intent by any of the members to vote for or against him during any further sessions.

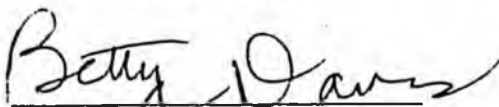
Respectfully,



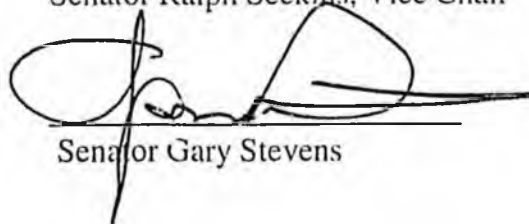
Senator Con Bunde, Chair



Senator Ralph Seekins, Vice Chair



Senator Bettye Davis



Senator Gary Stevens



Senator Hollis French

MARK K. JOHNSON

13631 Windward Circle
Anchorage, Alaska 99516
907-345-3850

EXPERIENCE

UNITED UTILITIES, INC., Anchorage, Alaska
Regulatory & Business Analyst/Counsel

8/96-Present

Counsel and professional staff to Utility and subsidiaries on a broad variety of transactions and legal issues. Work included matters relating to local exchange, interexchange and cellular operations and tariffs, real property acquisitions, leases, easements, rights of way, permits and loan and grant applications. Responsible for analysis of the Telecommunications Act of 1996 and related decisions of the Federal Communications Commission and Alaska Public Utility Commission implementing policies on local competition and universal service. Responsible for ensuring that various business and regulatory matters conformity with regulatory requirements. Analysis and preparation of petitions to regulatory agencies and responses to State and federal proposed rulemakings. Drafting, analysis and negotiation of interconnection agreements and tariffs. Represented the Alaska Telephone Association as member of the Alaska Telehealth Advisory Council.

ATTORNEY AT LAW, Anchorage, Alaska

5/95-10/96

Engaged in the private practice of law, with emphasis on administrative agency issues, legislative representation and bankruptcy law. Portion of work consisted of research and consulting with other attorneys with clients with problems within areas of expertise. Work areas included issues involving general commercial litigation, bankruptcy, tort claims, administrative law and criminal law. Representation of clients in Alaska district and superior courts and U.S. Bankruptcy Court.

MUNICIPALITY OF ANCHORAGE, Anchorage, Alaska

Executive Assistant to the Mayor

8/92-6/94

Principal assistant to the Mayor of a unified municipality with a population of 242,000 and annual general government operating budget of \$215 million. Member of Mayor's executive committee; supervised Mayor's office staff & budget; manager of boards & commissions. Performed extremely broad range of tasks on behalf of the Mayor, including public appearances, constituent inquiries, speech writing. Assigned to tasks involving controversial issues and matters involving diverse interests. Administered contract of Washington, D.C. lobbyist, contact for federal legislative issues. Advised Mayor and other municipal staff on policy, legislative, legal and administrative issues. Served as acting Executive Manager of Enterprise Activities. Served on board of directors of Cook Inlet Spill Prevention & Response, Inc., and Winter Cities Anchorage '94.

Executive Assistant-Office of Enterprise Activities

4/91-8/92

Primary deputy to Executive Manager of seven municipally-owned utilities (Combined physical plant of \$810 million, revenues of \$148 million and 600 employees). Ensure that utilities managed in accordance with Administration policies. Undertake and supervise special projects in budgetary, regulatory, legislative and policy areas. Extensive involvement in privatization effort for telephone utility. Administration representative in public proceedings, including advisory commission meetings & Assembly meetings. Served as acting Executive Manager of Enterprise Activities.

Assistant Municipal Attorney-Department of Law

10/89-4/91

Designated attorney for matters involving the Anchorage Assembly. Ordinance and regulation drafting and review. Representation of Department of Law at all Assembly meetings. Representation of Municipality in actions filed in state and federal courts; representation of agencies in administrative actions and on appeal. Research and write advisory opinions; pleadings & motions; respond to discovery requests.

Assistant Municipal Prosecutor-Department of Law

7/88-10/89

Prosecution of municipal ordinance violations. Conduct criminal jury and bench trials; prepare and argue pre-trial motions and appeals. Represent Municipality at arraignments and revocation hearings.

Legislative Liaison

1/88-6/88

Represented Municipality before State Legislature. Contact for municipal officials and legislators seeking information on legislation and government policies. Advised Mayor on legislative developments.

SENATOR TIM KELLY, Alaska Legislature, Juneau, Alaska
Counsel-Senate Labor & Commerce Committee

1/87-12/87

Primary staff to committee. Reviewed legislation and advised chairman on potential policy, fiscal, economic and legal effects. Prepared committee substitutes to legislation. Developed and presented Senator's personal legislation.

Committee Counsel-Senate Rules

1/85-12/86

Primary staff to committee; coordinated preparation of daily calendar for Alaska State Senate. Advisor to chairman on potential policy, fiscal, economic and legal effects of legislation. Legal advisor to chairman during special session on gubernatorial impeachment; supervised preparation of committee record and co-authored committee report.

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT, Juneau, AK
Management Analyst III-Division of Investments

1/84-12/84

Special projects under supervision of director. Prepared agency operating and loans budgets, correspondence, forms relating to loan programs. Drafted regulations for loan programs. Analyzed impact of proposed legislative changes on agency programs.

REPRESENTATIVE JOE FLOOD, Alaska Legislature, Juneau, Alaska
Professional Assistant

1/83-5/83

Primary assistant to the member. Policy, fiscal, economic and legal analysis of legislation. Reviewed operating budget of Department of Transportation & Public Facilities.

REPRESENTATIVE JOE HAYES, Alaska Legislature, Juneau, Alaska
Administrative Assistant

9/82-1/83

Duties included analysis of legislation, drafting of bills and responses to constituent correspondence.

REPRESENTATIVE CHARLES ANDERSON, Alaska Legislature, Juneau, Alaska
Administrative Assistant

11/81-6/82

Duties included analysis of legislation and constituent mail. Acting counsel to House Judiciary Committee. Advisor on revision of insanity defense and comprehensive drug law.

DEPARTMENT OF HEALTH & SOCIAL SERVICES, Juneau, Alaska
Program Budget Analyst-Div. of Management & Budget

4/81-10/81

Coordinated preparation of policy, operating and capital budgets for departmental programs, primarily the Division of Adult Corrections.

CONGRESSMAN DON YOUNG, House of Representatives, Washington, D.C.
Legislative Assistant

7/75-5/77

Responsible for analysis of legislation, constituent mail, and developments in areas of energy and natural resources, transportation and commerce. Staff to Congressman for matters before House Interior Committee. In absence of senior staff, supervised office staff and student interns.

EDUCATION

University of the Pacific, McGeorge School of Law, Sacramento California

Juris Doctor degree, 1980

Lewis and Clark College, Portland, Oregon

B.S. degree, Economics, 1975

★ Student Body Treasurer

REGISTRATION

Admitted, trial & appellate courts, State of Alaska; U.S. District Court (Alaska); U.S. Court of Appeals (9th Circuit). Member, Alaska Bar Association.

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Alaska Telephone Association

201 E. 56th, Suite 114
Anchorage, AK 99518
(907) 563-4000
FAX (907) 562-3776
www.alaskatel.org

Steve Hamlen
President

James Rowe
Executive Director
jrowe@alaskatel.org

February 20, 2003

Senator Con Bunde
Chair
Senate Labor and Commerce Committee

Representative Tom Anderson
Chair
House Labor and Commerce Committee

RE: Support for Mark Johnson and Dave Harbour Confirmations

Dear Senator Bunde and Rep. Anderson:

On February 26th, your committees are scheduled to meet in joint session to consider the confirmation of Governor Murkowski's appointments to the Regulatory Commission of Alaska, Mark Johnson and Dave Harbour. Were I not previously committed to meetings in Washington, D.C., it would have been my pleasure to testify in person on behalf of the Alaska Telephone Association in support of the confirmation of both nominees. As you know, the association represents Alaska Telephone Company, Arctic Slope Telephone Cooperative, Bristol Bay Telephone Cooperative, Bush-Tell, Inc., Copper Valley Telephone Cooperative, Cordova Telephone Cooperative, KFU Telecommunications, Matamska Telephone Association, Nushagak Electric & Telephone Cooperative, OTZ Telephone Cooperative, Summit Telephone Company, TelAlaska, Inc., United Utilities, Inc., and Yukon Telephone Company.

The members of this association realize that our legislators are aware of the concerns we, and others, have expressed regarding some processes and directions taken the RCA in the recent past. We are confident that these new commissioners will bring an influence to that body that will both benefit the regulated members of industry and serve the interests of the public.

Please share the position of the ATA with the other members of your respective committees and make this letter a part of the record in the confirmation process.

Best Regards.



Jim Rowe

DAVE HARBOUR

2440 E. Tudor Rd., Suite 463
Anchorage, Ak. 99507
Telephone/Fax: (907) 333-9388

January 2000 to January 2003: President, The Harbour Company, distinguished management consulting, strategic planning facilitation, government affairs, public relations and marketing. Publisher: *Northern Gas Pipelines*, <http://www.arcticgaspipeline.com/>, a public service web page.

April 1, 1996 – January 1, 2000:

President & CEO, Action Security, Inc. Directed planning and operations for statewide, 50-employee company responsible for eight profit centers all related to the security/construction field serving major clients, including non-profits, small businesses, government & industry. Honorary Founding Board Member: Anchorage Downtown Partnership, a business improvement district (i.e. B.I.D.).

1989 - 1996:

Executive Director, Anchorage Parking Authority. Led a public corporation out of technical revenue bond default and into record performances following 1989. Employed large array of operations, human resources, marketing, financial, maintenance, political, law enforcement and legal processes. Honored by the Anchorage Assembly, the International Parking Institute, Anchorage Convention & Visitors Bureau and the Alaska State Legislature: "Saturday Market", "Eisenhower Alaska Statehood Monument" and "Tent City" public service projects.

1987 - 1989:

Chairman and Executive Producer, Inside Government, Inc. Produced video documentaries of government leaders in Alaska and Washington State. (Clients: The Boeing Co., AT&T, Chevron U.S.A., BP Exploration, Wedbush Securities, Burger King, Delta Airlines, Cominco Mines, Anchorage Times, Tesoro Alaska Petroleum, KTVA (CBS), Pacific Gas and Electric.) President, The Harbour Company: offering operations, marketing, public affairs, government affairs counsel to such clients as City Mortgage Corp., Alaska Sausage & Seafood, Inc., Alaska Business Monthly, Anchorage Organizing Committee for the 1994 Winter Olympics, Western Enterprises, Bradley Advertising. Vice President, City Mortgage Corporation (1988-89). Owner, Harbour Marine Construction; Owner, Harbour Commercial Fisheries;

1985 - 1987:

Vice President, University Relations, Alaska Pacific University.

1978 - 1985:

Regional Director, Alaska Government Relations, Atlantic Richfield Co. Director, Federal Government Relations, Atlantic Richfield Company, Washington, D.C.

1977 - 1978:

Manager, Public Affairs, Northern Natural Gas, Omaha, Neb.

1973 - 1977:

Director of Public Affairs, Alaskan Arctic Gas Pipeline Company, Anchorage and Washington, D.C.

1972 - 1973:

Director of Public Relations, Murray, Kraft and Rockey Advertising and Public Relations firm in Anchorage. Clients included State of Alaska Divisions of Tourism, Aviation, Marine Transportation; Alaska Railroad; British Airways (BOAC); Alaska International Air; Alyeska Pipeline Service Company; Atlantic Richfield Company; Exxon Company U.S.A.; Pacific Lighting Corp.; City of Anchorage; South Central Timber Company; Tryck, Nyman and Hayes Engineering; Bureau of Indian Affairs Native Enrollment Program (i.e. coordinated ANSCA worldwide communications for BIA Area Director, Morris Thompson); Alaska Native Arts and Crafts Coop; American Motors Corporation; Carr/Gottstein Properties. Developed 'Silver Hand' State-administered logo programs for Alaskan artisans and 'Alaska Host' program for Alaska Visitors Association.

1971 - 1972:

Director of Alaska Affairs, Alaska Methodist University. Fund raising, community relations, political affairs.

Summer, 1971: General Manager, Laurie River (Remote Location) Lodge (i.e. VIP hunting/fishing/sightseeing), Lynne Lake, Manitoba, Canada

1966 - 1970: U.S. Army

- Community Relations Officer for 15-state 1st Army area, Fort Meade, Maryland
- Coordinated General Westmoreland's Army Speakers Program for 1st Army (Captain).
- Chief Public Affairs Officer, multinational 120,000 person I Corps, Korea (1st Lt.).
- Commander, Boise Subsector Command; Boise, Ida. (2nd Lt.).
- Infantry Training: Fort Dix, N.J. (Pvt.); Officer Candidate School, Fort Benning, Ga.)

1965-66: High School English Teacher, Los Alamos, New Mexico

1961-65: Gray Line driver and tours (i.e. summers), Broadmoor Hotel, Colorado Springs

EDUCATION

1971: Master of Science Degree in Communications-Journalism:

Murray State University, Kentucky (4.0 G.P.A./Graduate Assistant).

1968: Graduate with Honors (i.e. 'Best Speakers Award'): Department of Defense Information School, Fort Benjamin Harrison, Ind. (Civilian Graduate: Air War College Seminar, 1990)

1965: Bachelor of Arts Degree in English: Colorado State University, Fort Collins, Colo.

1961: Graduate, Cheyenne Mountain High School, Colorado Springs, Colo.

COMMUNITY SERVICE

(Past Service) Chairman, Anchorage Chamber of Commerce; **Member**, Alaska Command Civilian Advisory Board; **Commissioner**: Heritage Land Bank Advisory Commission; **President**, Common Sense for Alaska; **Chairman, and Trustee**, Alaska Council on Economic Education; **President**, American Bald Eagle Foundation; **Organizational support**: Alaska Support Industry Alliance; **Founder**: Saturday Market, Eisenhower Alaska Statehood Monument Foundation, Howard Rock Journalism Fellowship; **Co-founder**, Arctic Power, Inc.; **Co-founder**, People Against State Income Tax (PASIT); **Advisory Board Member**: International Parking Institute; **Honorary Founding Board Member**: Anchorage Downtown Partnership; **President**, Alaska Press Club; **Board member**, Alaska Miners Association; **Board member**, Make It Alaskan, Inc.; **Chairman**, Anchorage Olympic Committee's Television Commission; **Board member**, Coalition of Alaska Veterans; **Board**

member, Resource Development Council for Alaska; **Board member**, Alaska State Chamber of Commerce; **Board Vice President**, Alaska Junior College; **Committee Chairman**, Alaska Visitors Association; **Commissioner**, Anchorage Bicentennial Commission; **Chairman**, Alaska Oil and Gas Association Government Affairs Committee; Anchorage Chamber of Commerce **Gold Pan Award Recipient** for Community Service; **Board Member**, Boy Scouts of America-Ak.; Who's Who in Public Relations; Who's Who in the West; Who's Who in Finance and Industry; **Accredited Lifetime Member**, Public Relations Society of America; **Bank and Marketing Instructor**, Anchorage Community College; **Speaker** to hundreds of national, regional and local organizations and conferences; **Facilitator**, corporate and non-profit strategic planning and board governance (i.e. Anchorage Concert Association, World Trade Center-Ak, Bethel Native Corporation, etc.)

CIVILIAN AWARDS:

Anchorage Convention and Visitors Bureau, annual service 'Seymour' award; Service Award, Alaska Visitors Association; Anchorage Chamber of Commerce 'Annual Gold Pan Service Award'; *Public Service Citations*: Alaska State Legislature, Anchorage Assembly; multi-year 'Howard Cutler Award for Distinguished Service to Teachers and Youth of Alaska', Alaska Council on Economic Education; Gold Pan Award, Alaska Society for Industrial Security, for Alaska's largest 1999 Y2K public service program.

PERSONAL:

Wife: Nancy Marie Sons: Todd, Benjamin, William

(Resume: 1-31-03)

Alaska Telephone Association

201 E. 56th, Suite 114
Anchorage, AK 99518
(907) 563-4000
FAX (907) 562-3776
www.alaskatel.org

Steve Hamlen
President

James Rowe
Executive Director
jrowe@alaskatel.org

February 20, 2003

Senator Con Bunde
Chair
Senate Labor and Commerce Committee

Representative Tom Anderson
Chair
House Labor and Commerce Committee

RE: Support for Mark Johnson and Dave Harbour Confirmations

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The members of this association realize that our legislators are aware of the concerns we, and others, have expressed regarding some processes and directions taken the RCA in the recent past. We are confident that these new commissioners will bring an influence to that body that will both benefit the regulated members of industry and serve the interests of the public.

Please share the position of the ATA with the other members of your respective committees and make this letter a part of the record in the confirmation process.

Best Regards.



Jim Rowe



SENATE LABOR AND COMMERCE COMMITTEE

MEMORANDUM

COMMITTEE MEMBERS

Senator Con Bunde,
Chairman
Room 506
465-4843

Senator
Gary Stevens
Room 417
465-4925

Senator
Bettye Davis
Room 7
465-3822

Senator
Hollis French
Room 504
465-3892

Senator
Ralph Seekins
Room 125
465-2327

Date: February 21, 2002

To: Senate Labor and Commerce Committee Members

From: Senator Con Bunde, Chairman
Senate Labor and Commerce Committee

Re: Confirmation of Governor's Appointments to RCA

A handwritten signature in cursive script, appearing to read "C. Bunde".

Enclosed are the resumes for Dave Harbour and Mark Johnson who have been appointed by the Governor to the Regulatory Commission of Alaska (RCA).

Please review these resumes before our Joint Labor and Commerce hearing on Wednesday, February 26. The meeting time for this hearing is 3:15pm in the Senate Finance Room to accommodate both committees. Both gentlemen will be coming from Anchorage to be available in person before the Joint Labor and Commerce Committees at that time and you will have an opportunity to ask them any questions that you may have.

If you have any questions, please feel free to contact my committee aide, Jane Alberts, at 465-3844.

DAVE HARBOUR

2440 E. Tudor Rd., Suite 463
Anchorage, Ak. 99507
Telephone/Fax: (907) 333-9388
E-mail: harbour@gci.net

January 1, 2000 to present: President, The Harbour Company, distinguished management consulting, strategic planning facilitation, government affairs, public relations and marketing. Publisher: Northern Gas Pipelines, <http://www.arcticgaspipeline.com/>, a public service web page. References: <http://www.arcticgaspipeline.com/Endorsements.htm#BUSINESS>

April 1, 1996 – January 1, 2000:

President & CEO, Action Security, Inc. Directed planning and operations for statewide, 50-employee company responsible for eight profit centers all related to the security/construction field serving major clients, including non-profits, small businesses, government & industry. Honorary Founding Board Member: Anchorage Downtown Partnership, a business improvement district (i.e. B.I.D.). Represented scores of manufacturers in Alaska, including: Sensormatic, Schlage, American Vault, Weiser, Medeco, Panasonic, Sony, Ademco, etc.

1989 - 1996:

Executive Director, Anchorage Parking Authority. Led a public corporation out of technical revenue bond default and into record performances following 1989. Employed large array of operations, human resources, marketing, financial, maintenance, political, law enforcement and legal processes. Honored by the Anchorage Assembly, the International Parking Institute, Anchorage Convention & Visitors Bureau and the Alaska State Legislature. Founded "Saturday Market", "Eisenhower Alaska Starehood Monument" and "Tent City" public service projects.

1987 - 1989:

Chairman and Executive Producer, Inside Government, Inc. Produced video documentaries of government leaders in Alaska and Washington State. (Clients: The Boeing Co., AT&T, Chevron U.S.A., BP Exploration, Wedbush Securities, Burger King, Delta Airlines, Cominco Mines, Anchorage Times, Tesoro Alaska Petroleum, KTVA (CBS), Pacific Gas and Electric.) President, The Harbour Company. Offering operations, marketing, public affairs, government affairs counsel to such clients as City Mortgage Corp., Alaska Sausage & Seafood, Inc., Alaska Business Monthly, Anchorage Organizing Committee for the 1994 Winter Olympics (i.e. Television Commissioner), Western Enterprises, Bradley Advertising. Vice President, City Mortgage Corporation (1988-89).

1985 - 1987:

Vice President, University Relations, Alaska Pacific University. Achieved new marketing and development records for the university.

1978 - 1985:

Regional Director, Alaska Government Relations, Atlantic Richfield Co. 'Best lobbyist in Alaska', (i.e. one of two) by Providence Hospital survey. Supported founding of Alaska Support Industry Alliance. Director, Federal Government Relations, Atlantic Richfield Company, Washington, D.C. Corporate policy development; regulatory and legislative lobbying/testimony.

1977 - 1978:

Manager, Public Affairs, Northern Natural Gas, Omaha, Neb. Retained to and did successfully reorganize regulatory and legislative policy departments.

1973 - 1977:

Director of Public Affairs, Alaskan Arctic Gas Pipeline Company, Anchorage and Washington, D.C. Registered Congressional/regulatory lobbyist. Coordinated Arctic Gas-related 'grass roots' activities of numerous governors, public utility commissions, regional and national organizations and public affairs departments of sponsoring regulated companies and of Canadian sister company, Canadian Arctic Gas Pipeline, Ltd. First oil and gas industry office to coordinate active 'local purchasing' program for North Slope villages.

1972 - 1973:

Director of Public Relations, Murray, Kraft and Rockey Advertising and Public Relations firm in Anchorage. Clients included State of Alaska Divisions of Tourism, Aviation, Marine Transportation; Alaska Railroad; British Airways (BOAC); Alaska International Air; Alyeska Pipeline Service Company; Atlantic Richfield Company; Exxon Company U.S.A.; Pacific Lighting Corp.; City of Anchorage; South Central Timber Company; Tryck, Nyman and Hayes Engineering; Bureau of Indian Affairs Native Enrollment Program (i.e. coordinated ANSCA worldwide communications for BIA Area Director, Morris Thompson); Alaska Native Arts and Crafts Coop; American Motors Corporation; Carr/Gottstein Properties. Developed 'Silver Hand' State-administered logo programs for Alaskan artisans and 'Alaska Host' program for Alaska Visitors Association.

1971 - 1972:

Director of Alaska Affairs, Alaska Methodist University. Fund raising, community relations, political affairs.

Summer, 1971: General Manager, Laurie River (Remote Location) Lodge (i.e. VIP hunting/fishing/sightseeing), Lynne Lake, Manitoba, Canada

1966 - 1970: U.S. Army

- Community Relations Officer for 15-state 1st Army area, Fort Meade, Maryland (Captain). Coordinated General Westmoreland's Army Speakers Program for 1st Army.
- Chief Public Affairs Officer, multinational 120,000 person I Corps, Korea (1st Lieutenant).
- Commander, Boise Subsector Command; Boise, Ida. (2nd Lieutenant).
- Infantry Training: Fort Dix, N.J.; Officer Candidate School, Fort Benning, Ga.

1965-66: High School English Teacher, Los Alamos, New Mexico

1961-65: Gray Line driver and tours (i.e. summers), Broadmoor Hotel, Colorado Springs

EDUCATION

1971: Master of Science Degree in Communications-Journalism:

Murray State University, Kentucky (4.0 G.P.A./Graduate Assistant).

1968: Graduate with Honor (i.e. 'Best Speakers Award'): Department of Defense Information School, Fort Benjamin Harrison, Ind. (Civilian Graduate: Air War College Seminar, 1990)

1965: Bachelor of Arts Degree in English: Colorado State University, Fort Collins, Colo.

1961: Graduate, Cheyenne Mountain High School, Colorado Springs, Colo.

COMMUNITY SERVICE

Chairman, Anchorage Chamber of Commerce (1989-90); Member, Alaska Command Civilian Advisory Board; President, Common Sense for Alaska; Chairman, and Trustee, Alaska Council on Economic Education; President, American Bald Eagle Foundation; Organizer: Alaska Support Industry Alliance; Founder: Saturday Market, Eisenhower Alaska Statehood Monument Foundation, Howard Rock Journalism Fellowship; Co-founder, Arctic Power, Inc.; Co-founder, People Against State Income Tax (PASIT); (Current) Commissioner, Heritage Land Bank Advisory Commission; Advisory Board Member: International Parking Institute; Honorary Founding Board Member: Anchorage Downtown Partnership; President, Alaska Press Club; Board member, Alaska Miners Association; Board member, Make It Alaskan, Inc.; Chairman, Anchorage Olympic Committee's Television Commission; Board member, Coalition of Alaska Veterans; Board member, Resource Development Council for Alaska; Board member, Alaska State Chamber of Commerce; Board Vice President, Alaska Junior College; Committee Chairman, Alaska Visitors Association; Commissioner, Anchorage Bicentennial Commission; Chairman, Alaska Oil and Gas Association Government Affairs Committee; Anchorage Chamber of Commerce Gold Pan Award Recipient for Community Service; Board Member, Boy Scouts of America; Who's Who in Public Relations; Who's Who in the West; Who's Who in Finance and Industry; accredited lifetime member, Public Relations Society of America; Bank and Marketing Instructor, Anchorage Community College; Owner, Harbour Marine Construction; Owner, Harbour Commercial Fisheries; Speaker to hundreds of national, regional and local organizations and conferences; Facilitator, corporate and non-profit strategic planning and board governance (i.e. Anchorage Concert Association, World Trade Center, Bethel Native Corporation, etc.).

CIVILIAN AWARDS:

Anchorage Convention and Visitors Bureau, annual service 'Seymour' award; Service Award, Alaska Visitors Association; Anchorage Chamber of Commerce 'Annual Gold Pan Service Award'; *Public Service Citations*: Alaska State Legislature, Anchorage Assembly; multi-year 'Howard Cutler Award for Distinguished Service to Teachers and Youth of Alaska', Alaska Council on Economic Education; an annual honoree, International Parking Institute, for 'Saturday Market' creation; Gold Pan Award, Alaska Society for Industrial Security, for Alaska's largest 1999 Y2K public service program.

PERSONAL

Height: 5'9"

Weight: 155

Physical Condition: Excellent

Wife: Nancy Marie

Sons: Todd, Benjamin, William Hobbies: martial arts, roller skating, alpine

skiing, Internet, stock market trading, free-lance writing, public speaking, travel, hunting, fishing, reading.

Languages : English/fluent, Spanish/familiar, French/reading familiarity.

¹ Author of articles appearing in numerous national/regional/local publications, including *Sports Afield*, *Sportfishing*, *Army Times*, *Alaska Oil & Gas Reporter*, *Far North Oil & Gas Review*, *Gun World*, *Anchorage Daily News*, *Alaska Construction Magazine*, *Anchorage Times*, *Access Control and Security Magazine*; etc.

Additional References:

Honorable Ken Lancaster, Former Legislator

John Norman, Esq., Anchorage Attorney

Honorable George Wuerch, Mayor of Anchorage



OFFICIAL BUSINESS

Alaska State Legislature

Senate

STATE CAPITOL, ROOM 212
JUNEAU, ALASKA 99801-1162
(907) 465-3701
FAX 465-2832

EMAIL: Senate_secretary@legis.state.ak.us

January 22, 2003

MEMORANDUM

TO: Senator Bunde, Chair
Labor & Commerce Committee

FROM: Kirsten Waid *KW*
Acting Secretary of the Senate

SUBJECT: Governor's Confirmations

Pursuant to AS 39.05.080, President Therriault has referred the following names for legislative confirmation to your committee for a hearing, recommendation and report:

Regulatory Commission of Alaska (RCA)

Dave Harbour - Anchorage

Appointed: 02/01/2003

Term Expires: 03/01/2008

Mark Johnson - Anchorage

Appointed: 07/01/2003

Term Expires: 07/01/2009

KW:lc

Resumes attached

MARK K. JOHNSON

13631 Windward Circle
Anchorage, Alaska 99516
907-345-3850

EXPERIENCE

UNITED UTILITIES, INC., Anchorage, Alaska

Regulatory & Business Analyst/Counsel

8/96-Present

Counsel and professional staff to Utility and subsidiaries on a broad variety of transactions and legal issues. Work included matters relating to local exchange, interexchange and cellular operations and tariffs, real property acquisitions, leases, easements, rights of way, permits and loan and grant applications. Responsible for analysis of the Telecommunications Act of 1996 and related decisions of the Federal Communications Commission and Alaska Public Utility Commission implementing policies on local competition and universal service. Responsible for ensuring that various business and regulatory matters conformity with regulatory requirements. Analysis and preparation of petitions to regulatory agencies and responses to State and federal proposed rulemakings. Drafting, analysis and negotiation of interconnection agreements and tariffs. Represented the Alaska Telephone Association as member of the Alaska Telehealth Advisory Council.

ATTORNEY AT LAW, Anchorage, Alaska

5/95-10/96

Engaged in the private practice of law, with emphasis on administrative agency issues, legislative representation and bankruptcy law. Portion of work consisted of research and consulting with other attorneys with clients with problems within areas of expertise. Work areas included issues involving general commercial litigation, bankruptcy, tort claims, administrative law and criminal law. Representation of clients in Alaska district and superior courts and U.S. Bankruptcy Court.

MUNICIPALITY OF ANCHORAGE, Anchorage, Alaska

Executive Assistant to the Mayor

8/92-6/94

Principal assistant to the Mayor of a unified municipality with a population of 242,000 and annual general government operating budget of \$215 million. Member of Mayor's executive committee; supervised Mayor's office staff & budget; manager of boards & commissions. Performed extremely broad range of tasks on behalf of the Mayor, including public appearances, constituent inquiries, speech writing. Assigned to tasks involving controversial issues and matters involving diverse interests. Administered contract of Washington, D.C. lobbyist, contact for federal legislative issues. Advised Mayor and other municipal staff on policy, legislative, legal and administrative issues. Served as acting Executive Manager of Enterprise Activities. Served on board of directors of Cook Inlet Spill Prevention & Response, Inc., and Winter Cities Anchorage '94.

Executive Assistant-Office of Enterprise Activities

4/91-8/92

Primary deputy to Executive Manager of seven municipally-owned utilities (Combined physical plant of \$810 million, revenues of \$148 million and 600 employees). Ensure that utilities managed in accordance with Administration policies. Undertake and supervise special projects in budgetary, regulatory, legislative and policy areas. Extensive involvement in privatization effort for telephone utility. Administration representative in public proceedings, including advisory commission meetings & Assembly meetings. Served as acting Executive Manager of Enterprise Activities.

Assistant Municipal Attorney-Department of Law

10/89-4/91

Designated attorney for matters involving the Anchorage Assembly Ordinance and regulation drafting and review. Representation of Department of Law at all Assembly meetings. Representation of Municipality in actions filed in state and federal courts; representation of agencies in administrative actions and on appeal. Research and write advisory opinions; pleadings & motions; respond to discovery requests.

Assistant Municipal Prosecutor-Department of Law

7/88-10/89

Prosecution of municipal ordinance violations. Conduct criminal jury and bench trials; prepare and argue pre-trial motions and appeals. Represent Municipality at arraignments and revocation hearings.

Legislative Liaison

1/88-6/88

Represented Municipality before State Legislature. Contact for municipal officials and legislators seeking information on legislation and government policies. Advised Mayor on legislative developments.