

Employment Scene

Food and drink manufacturing outside of seafood

Seafood processing makes up most of the state's food and drink manufacturing, and it's the most visible piece due to its size and dramatic seasonal patterns. But there's more to the story when it comes to food and drink manufacturing in Alaska. Alaskans create a range of edibles, some for their own consumption and some to send all over the world, from canned meat to fresh tortillas.

Decline after Hostess closure

In 2011, nearly 500 Alaska jobs were in food manufacturing, excluding seafood processing. These jobs made up just 0.2 percent of total state employment — even less than the 1 percent nationwide.

Food manufacturing employment in Alaska has stayed relatively stable over the years, hovering around 450 jobs over the last decade. However, industry employment will decline in 2013 with Hostess job cuts. Anchorage's Sunrise Bakery is owned by Hostess, and it was a casualty of the Hostess bankruptcy and subsequent shutdown. According to the Anchorage Daily News, nearly all of the 90 factory workers were laid off as of Nov. 14, 2012.

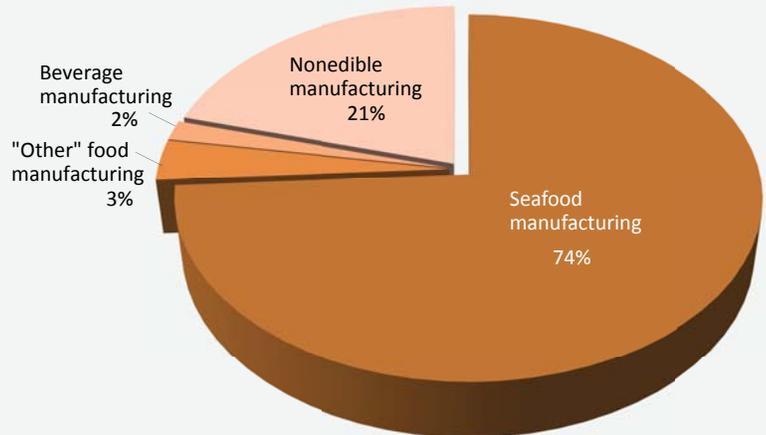
Some of those jobs may be recouped as other bakeries increase their hiring and production to fill the demand, but the closure's long-term effects aren't yet clear.

Businesses brew coffee, beer

Beverage manufacturing has increased its employment by approximately 118 percent since 2007, and now provides about 240 jobs in the state.

Alaskans make several local beverages, with several brands of bottled water as the simplest. Coffee roasting has also grown in recent years, and there are now roasters in Juneau, Soldotna,

1 Types of Manufacturing Employment Alaska, 2011



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

Anchorage, Ketchikan, and Palmer.

Alaska's other notable brews are a little stronger. Beer brewing companies such as Alaskan Brewing in Juneau have been in the state for decades, but the industry has expanded recently to other areas of the state such as Talkeetna, Nikiski, Kodiak, and Anchorage. Distilleries have also come into the spotlight in recent years.

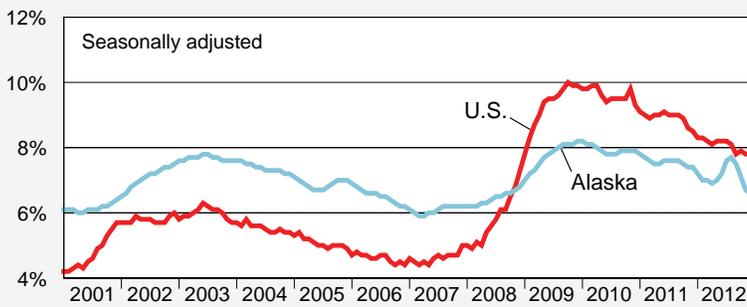
Higher wages in drink than food

Food manufacturing employees tend to earn less than the average Alaska worker, at about \$26,800 per year versus the \$48,900 statewide average. However, the difference may be due in part to a higher rate of part-time jobs or low experience and education requirements.

Drink manufacturers tend to make more money than those manufacturing food, at \$31,900 a year — closer to the statewide average wage.

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2 Unemployment Rates January 2001 to December 2012



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

3 Statewide Employment Nonfarm wage and salary

Alaska	Preliminary		Revised		Year-Over-Year Change	
	12/12	11/12	12/11	12/11	90% Confidence Interval	
Total Nonfarm Wage and Salary¹	314,900	317,800	313,200	1,700	-4,377	7,777
Goods-Producing ²	33,900	36,400	33,500	400	-2,566	3,366
Service-Providing ³	281,000	281,400	279,700	1,300	—	—
Mining and Logging	16,600	16,700	15,900	700	-535	1,935
Mining	16,300	16,400	15,800	500	—	—
Oil and Gas	13,100	13,200	13,100	0	—	—
Construction	12,100	12,800	12,400	-300	-1,813	1,213
Manufacturing	5,200	6,900	5,200	0	-2,359	2,359
Wholesale Trade	6,400	6,500	6,000	400	61	739
Retail Trade	35,100	34,900	35,100	0	-784	784
Food and Beverage Stores	6,200	6,200	6,300	-100	—	—
General Merchandise Stores	9,900	9,900	10,000	-100	—	—
Transportation, Warehousing, Utilities	20,700	20,600	20,500	200	-634	1,034
Air Transportation	5,700	5,600	5,600	100	—	—
Information	6,300	6,300	6,400	-100	-375	175
Telecommunications	3,900	4,000	4,100	-200	—	—
Financial Activities	15,000	14,600	14,800	200	-667	1,067
Professional and Business Services	26,500	27,100	26,600	-100	-1,456	1,256
Educational⁴ and Health Services	46,800	47,100	45,100	1,700	565	2,835
Health Care	32,700	32,800	31,800	900	—	—
Leisure and Hospitality	27,900	28,000	28,500	-600	-3,269	2,069
Other Services	10,900	11,000	10,800	100	-721	921
Government	85,400	85,300	85,900	-500	—	—
Federal Government ⁵	15,700	15,400	16,300	-600	—	—
State Government ⁶	26,200	26,500	26,200	0	—	—
State Government Education ⁷	8,600	8,600	8,500	100	—	—
Local Government	43,500	43,400	43,400	100	—	—
Local Government Education ⁸	26,200	26,200	25,600	600	—	—
Tribal Government	3,800	3,800	4,000	-200	—	—

A dash means confidence intervals aren't available at this level.

¹Excludes the self-employed, fishermen and other agricultural workers, and private household workers. For estimates of fish harvesting employment and other fisheries data, go to labor.alaska.gov/research/seafood/seafood.htm.

²Goods-producing sectors include natural resources and mining, construction, and manufacturing.

³Service-providing sectors include all others not listed as goods-producing sectors.

⁴Private education only

⁵Excludes uniformed military

⁶This number is not a count of state government positions, but the number of people who worked during any part of the pay period that included the 12th of the month (the same measure used for all employment numbers in this table). The numbers can vary significantly from month to month; when attempting to identify trends, annual averages are more useful.

⁷Includes the University of Alaska. Variations in academic calendars from year to year occasionally create temporarily large over-the-year changes.

⁸Includes public school systems. Variations in academic calendars from year to year occasionally create temporarily large over-the-year changes.

Sources for Exhibits 2, 3, and 4: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Department of Labor, Bureau of Labor Statistics

4 Unemployment Rates Boroughs and census areas

SEASONALLY ADJUSTED	Prelim.		Revised
	12/12	11/12	
United States	7.8	7.8	8.5
Alaska Statewide	6.6	6.7	7.4
NOT SEASONALLY ADJUSTED			
United States	7.6	7.4	8.3
Alaska Statewide	7.1	6.5	7.6
Anchorage/Mat-Su Region	5.8	5.4	6.3
Municipality of Anchorage	5.2	4.9	5.5
Matanuska-Susitna Borough	8.0	7.4	8.9
Gulf Coast Region	8.9	7.9	10.1
Kenai Peninsula Borough	8.4	7.8	9.4
Kodiak Island Borough	9.4	6.9	12.1
Valdez-Cordova Census Area	11.2	10.1	11.2
Interior Region	7.2	6.6	7.7
Denali Borough	20.5	19.0	20.6
Fairbanks North Star Borough	6.2	5.6	6.6
Southeast Fairbanks Census Area	11.5	10.7	11.1
Yukon-Koyukuk Census Area	15.4	13.6	15.9
Northern Region	8.7	8.4	8.9
Nome Census Area	10.5	10.1	10.8
North Slope Borough	4.6	4.8	4.9
Northwest Arctic Borough	13.9	12.9	13.2
Southeast Region	7.5	6.7	8.0
Haines Borough	10.7	9.3	11.8
Hoonah-Angoon Census Area	22.7	18.9	21.8
Juneau, City and Borough of	5.0	4.7	5.0
Ketchikan Gateway Borough	7.5	6.6	8.2
Petersburg Census Area ¹	13.4	10.8	14.5
Prince of Wales-Hyder Census Area	13.1	12.0	15.5
Sitka, City and Borough of	6.1	5.3	6.8
Skagway, Municipality of	23.5	22.0	26.3
Wrangell, City and Borough of	10.8	8.1	11.6
Yakutat, City and Borough of	9.5	9.2	13.4
Southwest Region	15.1	13.7	15.3
Aleutians East Borough	28.6	18.7	27.5
Aleutians West Census Area	19.7	13.9	19.7
Bethel Census Area	13.5	13.4	13.4
Bristol Bay Borough	8.6	6.3	8.8
Dillingham Census Area	10.8	10.0	10.9
Lake and Peninsula Borough	8.0	6.6	7.9
Wade Hampton Census Area	18.9	19.1	21.0

EMPLOYMENT SCENE

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Most production is urban

Food and drinks are manufactured around the state, but like most industries in Alaska, the majority of all “other” food and beverage manufacturing — 61 percent — occurs in Anchorage. Other areas with notable production include the Fairbanks North Star Borough, the City and Borough of Juneau, the Matanuska-Susitna Borough, and the Kenai Peninsula Borough.