

State Government

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The employment picture for Alaska's second largest employer

Alaska state government, including the University of Alaska and state-owned corporations such as the Alaska Railroad and the Alaska Housing Finance Corporation, is the second largest employer in the state. With nearly 22,000 employees, it takes the second spot after the federal government (including uniformed military) among Alaska's largest employers.

Throughout most of the past 10 years, total state government employment has remained relatively stable. Since 1989, agency and other state entity employment levels have fluctuated in response to fiscal restraints, demand for services, mission changes and the needs of the time. However, taken as a whole, changes in overall state government employment since 1989 have been relatively small. This article examines trends in state government employment in Alaska since state Fiscal Year (FY) 1985, with an emphasis on employment levels and wages by agency and area.

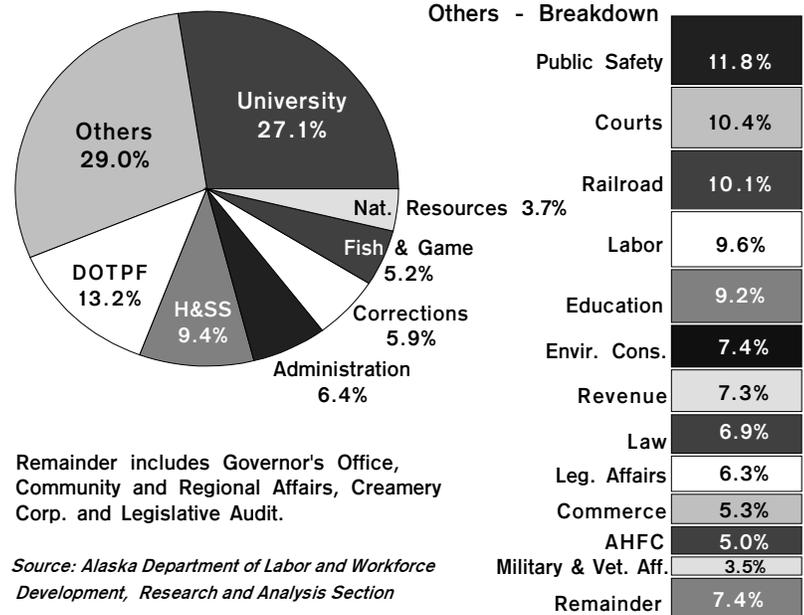
It should be remembered that the economic impacts of state government spending go far beyond the scope of employment and payroll of state employees. In FY 1999, total wages paid to state employees were near \$800 million. In comparison, the State of Alaska's total spending plan in FY 1999 exceeded \$6 billion. The economic impacts of state spending for goods and services, construction, local education and other municipal support, or the Permanent Fund, are excluded from this analysis.

State government share of total payroll is shrinking

In state FY 1999, (July 1998-June 1999) state government employment averaged about 21,700 with a total payroll of \$795 million. This represented 8.0% of total statewide wage and salary employment and 8.7% of total payroll. As a percentage of the overall employment picture, state government employment has been shrinking. In 1985 state employment accounted for 9.0% of total employment and 10.7% of total payroll.

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State Employment by Agency FY 99 1



2 State Government Employment by Branch and State Fiscal Years 1985–1999

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
State of Alaska	19,793	20,577	19,296	18,860	20,006	21,096	21,451	21,756
All University of Alaska	4,929	5,034	4,633	4,645	4,864	5,107	5,377	5,938
University of Alaska	4,768	4,892	4,497	4,524	4,733	4,928	5,217	5,762
Geophysical Institute	161	142	136	121	131	179	160	176
Total Executive Branch Agencies	14,378	14,561	13,803	13,385	14,228	14,986	15,080	14,831
Trans. & Public Facilities (incl. Marine Hwys.)	3,106	3,113	2,947	2,886	2,982	3,045	2,914	2,843
Health and Social Services	1,644	1,695	1,638	1,665	1,800	1,902	1,951	1,938
Administration	1,206	1,224	1,138	1,093	1,173	1,190	1,178	1,178
Corrections	917	974	998	1,031	1,219	1,276	1,269	1,288
Fish and Game	1,243	1,220	1,072	1,046	1,123	1,253	1,202	1,156
Natural Resources	1,054	1,100	1,049	811	827	949	1,045	934
Public Safety	927	924	855	827	868	860	860	871
Alaska Court System	642	655	626	638	646	619	621	638
Labor	673	699	693	647	626	627	613	618
Education	538	570	510	505	567	601	603	607
Environmental Conservation	231	246	235	234	292	475	494	503
Revenue	384	369	345	360	362	374	372	367
Law	332	379	367	336	355	356	378	386
Legislative Affairs	417	398	358	371	379	370	365	361
Commerce and Economic Development	432	356	393	371	397	430	448	444
Military and Veterans Affairs ¹	90	93	93	93	93	92	108	129
Governor's Office	246	240	215	216	240	234	209	185
Community and Regional Affairs	186	192	176	167	174	178	184	184
Legislative Audit	46	42	34	31	37	40	38	37
Terminated/Retired ²	-	-	-	-	-	48	155	82
Ombudsman ³	28	26	15	11	17	19	24	26
Legislative Finance ⁴	38	46	46	46	51	50	49	56
Total All Other State Owned	486	982	861	830	914	1,003	994	987
Alaska Railroad ⁵	296	757	611	555	572	595	599	623
Alaska Housing Finance Corp.	42	44	52	81	116	157	158	135
Creamery Corporation ⁶	-	20	43	45	49	50	44	40
Alaska State Housing Authority ⁷	148	161	155	149	177	201	193	189

Notes:

- Data is not available, not applicable, zero, or rounds to zero.

1. Payroll excludes National Guard reenlistment bonuses reported by Department of Administration

2. Special account to compensate employees terminating from state service. No comparable annual average wage calculation available.

3. Merged with Legislative Affairs in FY 1996

4. Merged with Governor's Office in FY 1996

5. First full FY of state ownership was FY 1986.

6. First full FY of state ownership was FY 1987.

7. Merged with AHFC in FY 1995

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

Department

FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99	FY 1999 Annual Payroll	FY 1999 Average Annual Wage	Percent of State Employment FY 1999	Percent of State Payroll FY 1999
21,613	21,489	21,502	21,304	21,354	21,149	21,629	\$795,018,099	\$36,758		
6,020	5,943	5,988	5,776	5,768	5,687	5,861	156,964,183	26,783	27.1%	19.7%
5,843	5,754	5,776	5,519	5,510	5,449	5,607	145,564,966	26,512	25.9%	18.3%
177	189	212	257	258	238	254	11,399,217	46,184	1.2%	1.4%
14,607	14,579	14,616	14,640	14,673	14,516	14,787	592,675,329	39,577	68.2%	74.3%
2,810	2,816	2,826	2,853	2,823	2,796	2,863	127,107,204	44,397	13.2%	15.9%
1,939	1,981	1,926	1,947	1,962	1,941	2,042	74,125,464	36,300	9.4%	9.3%
1,188	1,173	1,181	1,193	1,265	1,357	1,393	46,706,173	33,529	6.4%	5.9%
1,230	1,237	1,268	1,267	1,285	1,272	1,276	53,510,362	41,936	5.9%	6.7%
1,131	1,106	1,115	1,123	1,122	1,107	1,116	42,158,896	37,777	5.1%	5.3%
912	883	908	855	846	850	808	31,047,632	38,425	3.7%	3.9%
867	890	877	872	835	721	727	33,911,459	46,646	3.4%	4.3%
638	639	639	633	640	642	645	25,264,977	39,171	3.0%	3.2%
629	637	624	604	583	591	591	21,628,839	36,597	2.7%	2.7%
586	577	561	568	567	548	568	19,881,041	35,002	2.6%	2.5%
474	443	454	472	475	455	455	18,296,497	40,212	2.1%	2.3%
373	398	426	461	485	460	454	16,572,800	36,504	2.1%	2.1%
399	410	421	420	424	427	424	19,657,296	46,362	2.0%	2.5%
331	328	333	376	377	378	389	14,345,609	36,878	1.8%	1.8%
446	400	379	386	380	331	329	12,749,761	38,753	1.5%	1.6%
136	134	147	146	151	174	216	8,145,268	37,710	1.0%	1.0%
199	187	184	181	190	191	196	8,259,036	42,138	0.9%	1.0%
139	174	178	174	164	167	175	6,963,096	39,789	0.8%	0.9%
37	36	36	34	33	33	37	1,609,590	43,502	0.2%	0.2%
73	67	82	75	66	75	83	10,734,329	-	0.4%	1.3%
23	23	16	-	-	-	-	-	-	-	-
47	40	38	-	-	-	-	-	-	-	-
986	967	898	888	913	946	981	45,378,587	46,257	4.5%	5.7%
616	594	534	533	552	588	624	29,520,576	47,309	2.9%	3.7%
331	334	323	313	314	307	310	13,913,784	44,883	1.4%	1.7%
39	39	41	42	47	51	47	1,944,227	41,367	0.2%	0.2%
-	-	-	-	-	-	-	-	-	-	-

On a monthly basis, the Alaska Department of Labor and Workforce Development estimates employment for industries based on standards set by the U.S. Department of Labor, Bureau of Labor Statistics. BLS standards define employed as a person who worked or received pay for any part of the pay period that includes the 12th of the month. The above information includes part-time, casual state employees, firefighters and other emergency employees. It excludes anyone paid on contract or per diem only basis.

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

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The relatively large role that state government employment and wages play in Alaska's economy is not a new phenomenon. In 1960, state government accounted for almost seven percent of employment, and in 1970 state government accounted for 11.2% of employment and 10.8% of total wages paid.

State government has consistently played a larger role in Alaska's economy than it does in other states. However, since 1970, the national trend has run counter to Alaska's. Nationwide, state government employment accounts for about four percent of total employment, up from about three percent in 1970. Nationally, there has been a trend toward moving government services from federal to state control, and that is one reason for the growth in state government employment nationally.

While the trend to move federally managed services into state hands has affected Alaska, there has also been a tendency for Alaska's state government to relieve itself of responsibility for services where local government entities are able to step in. This has taken the form of transferring responsibility for services such as public safety and road maintenance to local governments. It can also be seen in reduced state government payments to local governments for municipal assistance, revenue sharing and local education spending.

There are a number of reasons for state government to play such a large role in Alaska's overall employment picture. One is that a portion of Alaska lacks organized local government. In those areas, state government takes responsibility for providing services such as education, public safety and basic public health. In other states, a local government authority such as a county would provide that service. Another reason for state government's larger presence is that it offers a number of programs that state governments typically don't provide. Paying longevity bonuses

and Permanent Fund dividends, providing subsidized student and housing loans, operating a dairy, and providing direct subsidies to electric power users are examples of services that are uniquely Alaskan. Finally, geography cannot be ignored as a reason for larger state government in Alaska. A widely dispersed population, harsh climate, and lack of infrastructure all contribute to a higher level of government costs. As one former governor pointed out, Alaska's state officials are responsible for monitoring more coastline than there is in the entire contiguous United States.

University of Alaska is the largest employee group

The University of Alaska is the single largest employer under the umbrella of state employment. The university has three main regional campuses, in Anchorage, Fairbanks and Juneau. The three regional campuses in turn oversee 12 satellite campuses located throughout the state. On an annual average basis, the University of Alaska accounted for nearly 5,900 jobs during FY 99. Taken as a percentage of the state as a whole, the university accounted for 27 percent of all state government employment and 20 percent of all payroll. It is important to remember that the definition of *employed* includes part-time and temporary employees. A significant portion of university employment, close to 50 percent, is made up of temporary faculty, student employees, graduate assistants and other temporary positions. This is also a major reason the university's average wage is significantly below other segments of state government.

The University of Alaska Fairbanks, including the Geophysical Institute, has the largest contingent of university employees. With more than 2,650 employed, UA Fairbanks is the single largest civilian employer in the Fairbanks North Star Borough. The Fairbanks campus is also home to

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State Employment–University and Agency–FY 1999

By area



Area	Total State Employment	Total State Wages	State Agency Employment	State Agency Wages	University of Alaska Employment	University of Alaska Wages
Total	21,629	795,018,099	15,768	638,053,916	5,861	156,964,183
Aleutians East Borough ¹	16	580,398	16	580,398	-	-
Aleutians West CA ¹	36	1,643,507	33	1,562,224	3	81,283
Aleutian Island CA (combined)	52	2,223,905	49	2,142,622	3	81,283
Municipality of Anchorage	8,504	311,536,896	6,445	259,208,280	2,059	52,328,616
Bethel CA	296	13,905,217	247	12,151,138	49	1,754,079
Bristol Bay Borough	28	1,189,826	24	1,151,443	4	38,383
Dillingham CA	80	3,351,009	57	2,550,124	23	800,885
Lake & Peninsula Borough ²	7	333,854	7	333,854	-	-
Dillingham, Lake & Pen (combined)	87	3,684,863	64	2,883,978	23	800,885
Fairbanks North Star Borough	4,306	143,192,927	1,618	66,344,378	2,688	76,848,549
Haines Borough	39	1,581,304	38	1,529,697	1	51,607
Juneau Borough	4,207	163,780,686	3,847	154,451,914	360	9,328,772
Kenai Peninsula Borough	1,039	37,807,317	859	33,538,092	180	4,269,225
Ketchikan Gateway Borough	594	21,973,338	543	20,817,991	51	1,155,347
Kodiak Island Borough	233	8,910,847	172	7,233,445	61	1,677,402
Mat-Su Borough	825	28,561,193	656	24,987,952	169	3,573,241
Nome CA	194	9,610,401	171	8,841,390	23	769,011
North Slope Borough	57	3,066,433	56	3,005,202	1	61,231
Northwest Arctic Borough	55	2,749,749	47	2,447,515	8	302,234
Prince of Wales–Outer Ketchikan CA	27	998,005	27	998,005	-	-
Sitka Borough	339	10,350,221	261	8,650,471	78	1,699,750
Skagway–Hoonah–Angoon CA	27	912,226	26	910,195	1	2,031
Yakutat Borough ³	15	499,142	14	455,658	1	43,484
Skagway–Yakutat–Angoon CA	42	1,411,368	40	1,365,853	2	45,515
Southeast Fairbanks CA	131	5,485,534	121	5,296,529	10	189,005
Valdez–Cordova CA	311	12,424,551	240	10,831,292	71	1,593,259
Wade Hampton CA	29	851,453	29	849,705	-	1,748
Wrangell–Petersburg CA	80	2,656,344	77	2,571,832	3	84,512
Yukon–Koyukuk CA	119	5,160,870	102	4,850,341	17	310,529
Denali Borough ⁴	16	942,518	16	942,518	-	-
Yukon–Koyukuk (incl. Denali)	135	6,103,388	118	5,792,859	17	310,529
Unknown area or out of state ⁵	19	962,333	19	962,333	-	-
Gulf Coast Region	1,583	59,142,715	1,271	51,602,829	312	7,539,886
Interior Region	4,572	154,781,849	1,857	77,433,766	2,715	77,348,083
Northern Region	306	15,426,583	274	14,294,107	32	1,132,476
Southeast Region	5,328	202,751,266	4,833	190,385,763	495	12,365,503
Southwest Region	492	21,855,264	413	19,178,886	79	2,676,378
Anchorage–Mat–Su Region	9,329	340,098,089	7,101	284,196,232	2,228	55,901,857
Unknown/out of state	19	962,333	19	962,333	-	-
Urban Alaska ⁶	18,881	684,879,019	13,425	538,530,616	5,456	146,348,403
Rural Alaska ⁷	2,748	110,139,080	2,343	99,523,300	405	10,615,780

Notes

- Data is not available, not applicable, zero, or rounds to zero.
 - 1. Combined as Aleutian Island Census Area until FY 1991
 - 2. Part of Dillingham Census Area until FY 1991
 - 3. Part of Skagway–Yakutat–Angoon Census Area until FY 1994
 - 4. Part of Yukon–Koyukuk Census Area until FY 1992
 - 5. AKDOL records for FY 1985 do not accurately portray the number of State of Alaska employees working out of state. Long term trends for these employees are more accurately reflected by looking at FY 1990 data forward.
 - 6. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs
 - 7. Balance of state outside of designated urban areas
- CA – Census Area

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

4 State Employment—University and Agency—FY 1995

By area

Area	Total State Employment	Total State Wages	State Agency Employment	State Agency Wages	University of Alaska Employment	University of Alaska Wages
Total	21,502	\$869,126,143	15,514	\$701,018,164	5,988	\$168,107,979
Aleutians East Borough ¹	16	608,264	16	608,264	-	-
Aleutians West CA ¹	38	1,387,971	27	1,226,577	11	161,394
Aleutian Island CA (combined)	54	1,996,235	43	1,834,841	11	161,394
Municipality of Anchorage	8,075	322,336,073	6,002	267,644,632	2,073	54,691,441
Bethel CA	314	15,877,185	238	13,293,816	76	2,583,369
Bristol Bay Borough	30	1,588,058	27	1,546,807	3	41,251
Dillingham CA	58	2,871,903	49	2,449,280	9	422,623
Lake & Peninsula Borough ²	8	512,819	8	512,819	-	-
Dillingham, Lake & Pen (combined)	66	3,384,722	57	2,962,099	9	422,623
Fairbanks North Star Borough	4,343	158,047,426	1,589	74,235,444	2,754	83,811,982
Haines Borough	36	1,533,248	33	1,509,044	3	24,204
Juneau Borough	4,255	183,135,629	3,900	173,587,175	355	9,548,454
Kenai Peninsula Borough	1,036	41,596,318	852	37,447,925	184	4,148,393
Ketchikan Gateway Borough	565	23,216,210	512	22,086,858	53	1,129,352
Kodiak Island Borough	246	10,436,869	176	8,616,244	70	1,820,625
Mat-Su Borough	834	32,833,524	654	28,462,417	180	4,371,107
Nome CA	207	11,458,160	179	10,497,952	28	960,208
North Slope Borough	57	3,320,574	55	3,262,019	2	58,555
Northwest Arctic Borough	67	3,576,624	54	3,041,358	13	535,266
Prince of Wales-Outer Ketchikan CA	27	1,140,066	27	1,140,066	-	-
Sitka Borough	318	10,722,681	248	9,289,574	70	1,433,107
Skagway-Hoonah-Angoon CA	28	925,017	27	923,301	1	1,716
Yakutat Borough ³	11	485,286	11	485,286	-	-
Skagway-Yakutat-Angoon CA	39	1,410,303	38	1,408,587	1	1,716
Southeast Fairbanks CA	169	7,688,281	158	7,423,492	11	264,789
Valdez-Cordova CA	450	19,373,536	379	17,699,938	71	1,673,598
Wade Hampton CA	28	1,267,786	26	1,225,757	2	42,029
Wrangell-Petersburg CA	78	3,086,732	74	2,995,516	4	91,216
Yukon-Koyukuk CA	140	7,058,822	125	6,766,587	15	292,235
Denali Borough ⁴	21	1,173,152	21	1,172,087	-	1,065
Yukon-Koyukuk (incl. Denali)	161	8,231,974	146	7,938,674	15	293,300
Unknown area or out of state ⁵	47	1,867,929	47	1,867,929	-	-
Gulf Coast Region	1,732	71,406,723	1,407	63,764,107	325	7,642,616
Interior Region	4,673	173,967,681	1,893	89,597,610	2,780	84,370,071
Northern Region	331	18,355,358	288	16,801,329	43	1,554,029
Southeast Region	5,318	224,244,869	4,832	212,016,820	486	12,228,049
Southwest Region	492	24,113,986	391	20,863,320	101	3,250,666
Anchorage-Mat-Su Region	8,909	355,169,597	6,656	296,107,049	2,253	59,062,548
Unknown/out of state ⁵	47	1,867,929	47	1,867,929	-	-
Urban Alaska ⁶	18,543	737,948,970	12,997	581,377,593	5,546	156,571,377
Rural Alaska ⁷	2,959	131,177,173	2,517	119,640,571	442	11,536,602

Notes

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5. AKDOL records for FY 85 do not accurately portray the number of State of Alaska employees working out of state. Long term trends for these employees are more accurately reflected by looking at FY 90 data forward.

6. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs

7. Balance of state outside of designated urban areas

CA – Census Area

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

State Employment—University and Agency—FY 1990

By area



Area	Total State Employment	Total State Wages	State Agency Employment	State Agency Wages	University of Alaska Employment	University of Alaska Wages
Total	21,097	\$738,231,719	15,990	\$ 601,656,665	5,107	\$136,575,054
Aleutians East Borough ¹	-	425	-	-	-	425
Aleutians West CA ¹	84	2,293,100	56	1,961,515	28	331,585
Aleutian Island CA (combined)	84	2,293,525	56	1,961,515	28	332,010
Municipality of Anchorage	7,354	253,572,661	5,713	211,330,311	1,641	42,242,350
Bethel CA	311	13,212,680	236	10,663,341	75	2,549,339
Bristol Bay Borough	42	1,592,941	35	1,458,708	7	134,233
Dillingham CA	70	2,834,134	61	2,530,193	9	303,941
Lake & Peninsula Borough ²	-	-	-	-	-	-
Dillingham, Lake & Pen (combined)	70	2,834,134	61	2,530,193	9	303,941
Fairbanks North Star Borough	4,106	133,427,302	1,722	66,491,014	2,384	66,936,288
Haines Borough	45	1,456,409	44	1,443,294	1	13,115
Juneau Borough	4,435	161,280,514	4,117	152,688,784	318	8,591,730
Kenai Peninsula Borough	1,087	39,065,525	938	35,409,047	149	3,656,478
Ketchikan Gateway Borough	538	19,811,437	486	18,621,765	52	1,189,672
Kodiak Island Borough	298	10,857,375	229	9,290,597	69	1,566,778
Mat-Su Borough	812	27,876,062	653	24,020,327	159	3,855,735
Nome CA	232	10,350,223	200	9,269,759	32	1,080,464
North Slope Borough	32	1,269,657	30	1,250,762	2	18,895
Northwest Arctic Borough	86	3,779,894	70	3,103,864	16	676,030
Prince of Wales-Outer Ketchikan CA	33	1,159,019	32	1,158,019	1	1,000
Sitka Borough	292	8,450,358	248	7,521,070	44	929,288
Skagway-Hoonah-Angoon CA	-	-	-	-	-	-
Yakutat Borough ³	-	-	-	-	-	-
Skagway-Yakutat-Angoon CA	41	1,378,461	40	1,375,687	1	2,774
Southeast Fairbanks CA	160	5,425,484	143	5,086,835	17	338,649
Valdez-Cordova CA	609	22,963,769	528	21,309,047	81	1,654,722
Wade Hampton CA	29	843,361	28	817,976	1	25,385
Wrangell-Petersburg CA	92	3,139,550	90	3,073,515	2	66,035
Yukon-Koyukuk CA	230	8,183,310	212	7,773,167	18	410,143
Denali Borough ⁴	-	-	-	-	-	-
Yukon-Koyukuk (incl. Denali)	230	8,183,310	212	7,773,167	18	410,143
Unknown area or out of state ⁵	79	4,008,068	79	4,008,068	-	-
Gulf Coast Region	1,994	72,886,669	1,695	66,008,691	299	6,877,978
Interior Region	4,496	147,036,096	2,077	79,351,016	2,419	67,685,080
Northern Region	350	15,399,774	300	13,624,385	50	1,775,389
Southeast Region	5,476	196,675,748	5,057	185,882,134	419	10,793,614
Southwest Region	536	20,776,641	416	17,431,733	120	3,344,908
Anchorage-Mat-Su Region	8,166	281,448,723	6,366	235,350,638	1,800	46,098,085
Unknown/out of state	79	4,008,068	79	4,008,068	-	-
Urban Alaska ⁶	17,794	615,222,064	13,143	489,939,483	4,651	125,282,581
Rural Alaska ⁷	3,303	123,009,655	2,847	111,717,182	456	11,292,473

Notes

- Data is not available, not applicable, zero, or rounds to zero.

1. Combined as Aleutian Island Census Area until FY 1991

2. Part of Dillingham Census Area until FY 1991

3. Part of Skagway-Yakutat-Angoon Census Area until FY 1994

4. Part of Yukon-Koyukuk Census Area until FY 1992

5. AKDOL records for FY 1985 do not accurately portray the number of State of Alaska employees working out of state. Long term trends for these employees are more accurately reflected by looking at FY 1990 data forward.

6. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs

7. Balance of state outside of designated urban areas

CA – Census Area

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

6

State Employment—University and Agency—FY 1985

By area

Area	Total State Employment	Total State Wages	State Agency Employment	State Agency Wages	University of Alaska Employment	University of Alaska Wages
Total	19,793	652,116,463	14,864	522,422,892	4,929	129,693,571
Aleutians East Borough ¹	-	-	-	-	-	-
Aleutians West CA ¹	-	-	-	-	-	-
Aleutian Island CA (combined)	78	1,975,466	46	1,536,068	32	439,398
Municipality of Anchorage	6,890	222,068,900	5,348	182,462,321	1,543	39,606,579
Bethel CA	255	9,546,553	180	6,902,129	75	2,644,424
Bristol Bay Borough	39	1,337,335	39	1,337,335	-	-
Dillingham CA	76	2,553,701	62	2,219,137	15	334,564
- Lake & Peninsula Borough ²	-	-	-	-	-	-
Dillingham, Lake & Pen (combined)	76	2,553,701	62	2,219,137	15	334,564
Fairbanks North Star Borough	3,931	127,182,250	1,668	63,291,428	2,263	63,890,822
Haines Borough	42	1,357,175	42	1,357,175	-	-
Juneau Borough	4,437	152,176,328	4,156	144,856,704	281	7,319,624
Kenai Peninsula Borough	823	27,189,975	649	23,422,651	174	3,767,324
Ketchikan Gateway Borough	573	19,269,333	513	17,955,978	60	1,313,355
Kodiak Island Borough	277	9,249,155	196	7,454,695	82	1,794,460
Mat-Su Borough	701	22,041,593	544	18,198,370	157	3,843,223
Nome CA	243	9,647,127	198	8,465,344	45	1,181,783
North Slope Borough	37	1,237,736	33	1,171,220	4	66,516
Northwest Arctic Borough	95	2,910,261	70	2,242,125	25	668,136
Prince of Wales-Outer Ketchikan CA	29	936,187	29	936,190	-	(3)
Sitka Borough	249	7,034,762	206	6,210,562	43	824,200
Skagway-Hoonah-Angoon CA	-	-	-	-	-	-
Yakutat Borough ³	-	-	-	-	-	-
Skagway-Yakutat-Angoon CA	36	1,010,167	35	1,004,749	1	5,418
Southeast Fairbanks CA	140	4,499,672	118	4,181,982	22	317,690
Valdez-Cordova CA	523	18,168,615	453	16,710,673	70	1,457,942
Wade Hampton CA	23	772,936	23	772,936	-	-
Wrangell-Petersburg CA	109	3,495,129	105	3,426,948	3	68,181
Yukon-Koyukuk CA	188	6,456,107	152	6,306,172	36	149,935
Denali Borough ⁴	-	-	-	-	-	-
Yukon-Koyukuk (incl. Denali)	188	6,456,107	152	6,306,172	36	149,935
Unknown area or out of state ⁵	-	-	-	-	-	-
Gulf Coast Region	1,624	54,607,745	1,298	47,588,019	326	7,019,726
Interior Region	4,259	138,138,029	1,939	73,779,582	2,320	64,358,447
Northern Region	375	13,795,124	301	11,878,689	74	1,916,435
Southeast Region	5,474	185,279,081	5,086	175,748,306	388	9,530,775
Southwest Region	471	16,185,991	349	12,767,605	122	3,418,386
Anchorage-Mat-Su Region	7,591	244,110,493	5,891	200,660,691	1,700	43,449,802
Unknown/out of state	-	-	-	-	-	-
Urban Alaska ⁶	16,782	550,659,046	12,364	432,231,474	4,417	118,427,572
Rural Alaska ⁷	3,012	101,457,417	2,500	90,191,418	512	11,265,999

Notes

- Data is not available, not applicable, zero, or rounds to zero.

1. Combined as Aleutian Island Census Area until FY 1991

2. Part of Dillingham Census Area until FY 1991

3. Part of Skagway-Yakutat-Angoon Census Area until FY 1994

4. Part of Yukon-Koyukuk Census Area until FY 1992

5. AKDOL records for FY 1985 do not accurately portray the number of State of Alaska employees working out of state. Long term trends for these employees are more accurately reflected by looking at FY 1990 data forward.

6. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs

7. Balance of state outside of designated urban areas

CA – Census Area

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

Changes in State Employment

Between FY 1985 and 1999



Area	Total State	Percent change	State Agency	Percent change	University of Alaska	Percent change
Total	1,835	9.3%	904	6.1%	931	18.9%
Aleutians East Borough ¹	-	-	-	-	-	-
Aleutians West CA ¹	-	-	-	-	-	-
Aleutian Island CA (combined)	-26	-33.2%	3	6.5%	-29	-90.6%
Municipality of Anchorage	1,614	23.4%	1,098	20.5%	517	33.5%
Bethel CA	41	16.2%	68	37.6%	-26	-34.9%
Bristol Bay Borough	-11	-28.8%	-15	-38.9%	4	n/a
Dillingham CA	-	-	-	-	-	-
Lake & Peninsula Borough ²	-	-	-	-	-	-
Dillingham, Lake & Pen (combined)	11	14.3%	3	4.1%	8	57.5%
Fairbanks North Star Borough	375	9.5%	-50	-3.0%	425	18.8%
Haines Borough	-3	-7.6%	-4	-10.0%	1	n/a
Juneau Borough	-230	-5.2%	-309	-7.4%	79	28.2%
Kenai Peninsula Borough	216	26.2%	210	32.4%	6	3.3%
Ketchikan Gateway Borough	21	3.7%	30	5.9%	-9	-14.6%
Kodiak Island Borough	-44	-15.9%	-24	-12.0%	-21	-25.3%
Mat-Su Borough	124	17.7%	113	20.7%	12	7.4%
Nome CA	-49	-20.2%	-27	-13.7%	-22	-48.9%
North Slope Borough	20	54.9%	23	68.7%	-3	-72.2%
Northwest Arctic Borough	-40	-42.2%	-23	-32.9%	-17	-68.1%
Prince of Wales-Outer Ketchikan CA	-2	-5.3%	-2	-5.3%	0	0.0%
Sitka Borough	90	36.3%	55	26.7%	35	82.2%
Skagway-Hoonah-Angoon CA	-	-	-	-	-	-
Yakutat Borough ³	-	-	-	-	-	-
Skagway-Yakutat-Angoon CA	6	15.7%	5	13.6%	1	81.8%
Southeast Fairbanks CA	-9	-6.6%	3	2.2%	-12	-54.3%
Valdez-Cordova CA	-212	-40.6%	-213	-47.0%	1	1.3%
Wade Hampton CA	6	26.1%	6	26.1%	0	n/a
Wrangell-Petersburg CA	-29	-26.4%	-28	-26.9%	0	-9.1%
Yukon-Koyukuk CA	-69	-36.6%	-50	-32.9%	-19	-52.4%
Denali Borough ⁴	-	-	-	-	-	-
Yukon-Koyukuk (incl. Denali)	-53	-28.0%	-34	-22.3%	-19	-52.4%
Unknown area or out of state ⁵	-	-	-	-	-	-
Gulf Coast Region	-41	-2.5%	-26	-2.0%	-14	-2.5%
Interior Region	313	7.3%	-81	-4.2%	394	7.3%
Northern Region	-69	-18.4%	-27	-9.1%	-42	-18.4%
Southeast Region	-146	-2.7%	-253	-5.0%	107	-2.7%
Southwest Region	21	4.5%	64	18.2%	-43	4.5%
Anchorage-Mat-Su Region	1,738	22.9%	1,210	20.5%	528	22.9%
Unknown/out of state	-	-	-	-	-	-
Urban Alaska ⁶	2,099	12.5%	1,061	8.6%	1,038	23.5%
Rural Alaska ⁷	-264	-8.8%	-157	-6.3%	-107	-20.9%

Notes

- Data is not available, not applicable, zero, or rounds to zero.

1. Combined as Aleutian Island Census Area until FY 1991

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3. Part of Skagway-Yakutat-Angoon Census Area until FY 1994

4. Part of Yukon-Koyukuk Census Area until FY 1992

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Long term trends for these employees are more accurately reflected by looking at FY 1990 data forward.

6. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs

7. Balance of state outside of designated urban areas

CA – Census Area

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

(continued from page 6)

the university's statewide administrative offices. The UA Anchorage campus has the next largest portion of university employment at more than 2,050, while the University of Alaska Southeast campus in Juneau employed 360 in FY 99. While these three campuses account for the largest share, the university's employment is distributed widely and is found in many small and medium-sized communities throughout the state.

In terms of employment counts, the university has fared better than many state agencies since 1985. Total University of Alaska employment has grown 19 percent while combined growth at the agencies was about six percent. However, from FY 93 to FY 98, university employment fell by five percent, before rebounding in FY 99.

Transportation and Public Facilities is the largest agency

Following the University of Alaska, the Alaska Department of Transportation and Public Facilities (DOTPF), including the Alaska Marine Highway System, is the largest state agency. With nearly 2,900 jobs, DOTPF accounted for 13 percent of state government's total employment and 16 percent of payroll.

The Department of Transportation and Public Facilities designs, constructs, operates, and maintains state transportation systems, buildings, and other facilities. State legislation mandates the department's responsibility for long-range statewide planning for both public facilities and transportation projects. Ongoing services include provision for air, water, and highway transportation; construction, operation, and maintenance of the state's two major international airports at Anchorage and Fairbanks; design, construction, operation, and maintenance of state buildings and related facilities; and design and contracting performed for other departments of state government.

Transportation facilities under the management of DOTPF include over 5,000 miles of state maintained land highways; over 300 aviation facilities (land and water based); numerous harbor facilities; and the Alaska Marine Highway System ferries serving both foot passengers and vehicles.

State facilities to transport people and goods are located in hundreds of places throughout Alaska. Its responsibilities make DOTPF the most geographically dispersed department of state government. Nevertheless, as with most state agencies, most of its employees are in Anchorage, Juneau and Fairbanks. There is also a relatively large number of DOTPF employees in Ketchikan because it is a major center for the Alaska Marine Highway System.

Health and Social Services is another large department

With over 2,000 employees, the Alaska Department of Health and Social Services (H&SS) is the third largest state government entity. H&SS employment and payroll accounted for nine percent of state government's total in FY 99. This agency's responsibilities include the provision of public health nurses throughout the state and management of federally funded assistance programs such as the Alaska Temporary Assistance Program and Medicaid. H&SS is also responsible for youth detention centers and the Alaska Psychiatric Institute. A wide variety of social services is also administered by this agency, including alcohol and drug prevention programs, and family and youth services.

The largest contingent of H&SS employees is in the Division of Public Assistance, followed by the Division of Public Health, Division of Family and Youth Services and the newly created Division of Juvenile Justice. The Division of Mental Health and Developmental Disabilities has about 300 staff members, of whom more than 200 are

located at the Alaska Psychiatric Institute. Over half of H&SS employees are located in Anchorage, with significant groups in Fairbanks and Juneau. Youth detention center locations such as Bethel and Nome also have cadres of H&SS employees.

Recently, employment at H&SS has been growing, particularly in the area of Family and Youth Services and Juvenile Justice. There have been expansions to many of the youth detention facilities around the state, and since these are 24-hour facilities, additional staff accompanied the expansions.

The Department of Administration

At nearly 1,400 employees, about six percent of state government employment and payroll, the Alaska Department of Administration (DOA) is the fourth largest state government entity. DOA activities can be broadly drawn into two main functions. A significant number of DOA employees supply direct services to the public; the largest component of those are at the six Pioneer Homes under DOA oversight. Another significant contingent of public service employees, which was assigned to DOA from the Department of Public Safety in FY98, is the Division of Motor Vehicles. In other public service functions, DOA oversees a variety of programs including the public defender and public advocacy offices, the longevity bonus, and others.

The other main function of DOA can be broadly categorized as administrative support services for other departments of the executive branch. These services include personnel, payroll, risk management, data processing and facilities management and general procurement.

Anchorage, Juneau and Fairbanks are home for the majority of DOA employees, but there are large groups of employees associated with Pioneer Homes in Palmer, Sitka and Ketchikan.

The Department of Corrections

The Alaska Department of Corrections, at nearly 1,300 employees, is the next largest state agency. It accounted for about six percent of total state employment and seven percent of total payroll. Anchorage, the Kenai Peninsula Borough, and the Mat-Su Borough have the most Corrections employees. These concentrations are associated with one or more of the department's 13 correctional facilities located around the state.

Until the mid-1980s when it was granted department status, Corrections was a division within the Department of Health and Social Services. The majority of employees within this department staff the adult correctional facilities. Since these facilities operate 24 hours a day, there are significant staff contingents at each one. The next largest group of Correction employees is probation and parole officers that oversee the aftercare programs for former inmates. Since 1985, there has been one significant change in the level of employment in this department. In 1988, the Spring Creek Correctional Facility in Seward came on line, adding more than 200 staff members to the Corrections payroll.

Alaska Department of Fish and Game

The Alaska Department of Fish and Game (ADF&G), with slightly over 1,100 employees, is the sixth largest state agency and the only remaining state agency that exceeds 1,000 employees. Charged with the management of Alaska's vast commercial and sport fishing resource, as well as game management, habitat and wildlife preservation and subsistence hunting and fishing, ADF&G employees are located throughout the state. Large contingents are located in Juneau, Anchorage and Fairbanks, but Kenai, Kodiak and many other communities

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State Employment per 1,000 Population FY 1999

Area	Population July 1, 1999	Total State Employees per 1,000	Total State Agency Emp per 1,000	Total U of A Employees per 1,000
Total	641,035	33.7	24.6	9.1
Aleutians East Borough ¹	2,151	7.4	7.4	-
Aleutians West CA ¹	5,285	6.8	6.2	0.6
Aleutian Island CA (combined)	7,436	7.0	6.6	0.4
Municipality of Anchorage	259,391	32.8	24.8	7.9
Bethel CA	16,167	18.3	15.3	3.0
Bristol Bay Borough	1,258	22.3	19.1	3.2
Dillingham CA	4,731	16.9	12.0	4.9
Lake & Peninsula Borough ²	1,791	3.9	3.9	-
Dillingham, Lake & Pen (combined)	6,522	13.3	9.8	3.5
Fairbanks North Star Borough	83,773	51.4	19.3	32.1
Haines Borough	2,475	15.8	15.4	0.4
Juneau Borough	30,189	139.4	127.4	11.9
Kenai Peninsula Borough	48,952	21.2	17.5	3.7
Ketchikan Gateway Borough	13,961	42.5	38.9	3.7
Kodiak Island Borough	13,989	16.7	12.3	4.4
Mat-Su Borough	55,694	14.8	11.8	3.0
Nome CA	9,311	20.8	18.4	2.5
North Slope Borough	7,413	7.7	7.6	0.1
Northwest Arctic Borough	6,873	8.0	6.8	1.2
Prince of Wales-Outer Ketchikan CA	6,589	4.1	4.1	-
Sitka Borough	8,681	39.1	30.1	9.0
Skagway-Hoonah-Angoon CA	3,541	7.6	7.3	0.3
Yakutat Borough ³	729	20.6	19.2	1.4
Skagway-Yakutat-Angoon CA	4,270	9.8	9.4	0.5
Southeast Fairbanks CA	6,283	20.8	19.3	1.6
Valdez-Cordova CA	10,333	30.1	23.2	6.9
Wade Hampton CA	7,060	4.1	4.1	-
Wrangell-Petersburg CA	7,137	11.2	10.8	0.4
Yukon-Koyukuk CA	6,372	18.7	16.0	2.7
Denali Borough ⁴	1,871	8.6	8.6	-
Yukon-Koyukuk (incl. Denali)	8,243	16.4	14.3	2.1
Unknown area or out of state	-	-	-	-
Gulf Coast Region	73,274	21.6	17.3	4.3
Interior Region	98,299	46.5	18.9	27.6
Northern Region	23,597	13.0	11.6	1.4
Southeast Region	73,302	72.7	65.9	6.8
Southwest Region	38,443	12.8	10.7	2.1
Anchorage-Mat-Su Region	315,085	29.6	22.5	7.1
Unknown/out of state	-	-	-	-
Urban Alaska ⁵	477,999	39.5	28.1	11.4
Rural Alaska ⁶	163,036	16.9	14.4	2.5

Notes

- Data is not available, not applicable, zero, or rounds to zero.

1. Combined as Aleutian Island Census Area until FY 1991

2. Part of Dillingham Census Area until FY 1991

3. Part of Skagway-Yakutat-Angoon Census Area until FY 1994

4. Part of Yukon-Koyukuk Census Area until FY 1992

5. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs

6. Balance of state outside of designated urban areas

CA - Census Area

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

State Employment per 1,000 Population

FY 1990



Area	Population April 1, 1990	Total State Employees per 1,000	Total State Agency Emp per 1,000	Total U of A Employees per 1,000
Total	568,586	37.1	28.1	9.0
Aleutians East Borough ¹	2,464	-	-	-
Aleutians West CA ¹	9,478	8.9	5.9	3.0
Aleutian Island CA (combined)	11,942	7.0	4.7	2.3
Municipality of Anchorage	226,338	32.5	25.2	7.3
Bethel CA	13,656	22.8	17.3	5.5
Bristol Bay Borough	1,410	29.8	24.8	5.0
Dillingham CA	4,012	-	-	-
Lake & Peninsula Borough ²	1,668	-	-	-
Dillingham, Lake & Pen (combined)	5,680	12.3	10.7	1.6
Fairbanks North Star Borough	77,720	52.8	22.2	30.7
Haines Borough	2,117	21.3	20.8	0.5
Juneau Borough	26,751	165.8	153.9	11.9
Kenai Peninsula Borough	40,802	26.6	23.0	3.7
Ketchikan Gateway Borough	13,828	38.9	35.1	3.8
Kodiak Island Borough	13,309	22.4	17.2	5.2
Mat-Su Borough	39,683	20.5	16.5	4.0
Nome CA	8,288	28.0	24.1	3.9
North Slope Borough	5,979	5.4	5.0	0.3
Northwest Arctic Borough	6,113	14.1	11.5	2.6
Prince of Wales-Outer Ketchikan CA	6,278	5.3	5.1	0.2
Sitka Borough	8,588	34.0	28.9	5.1
Skagway-Hoonah-Angoon CA	3,680	-	-	-
Yakutat Borough ³	705	-	-	-
Skagway-Yakutat-Angoon CA	4,385	9.4	9.1	0.2
Southeast Fairbanks CA	5,913	27.1	24.2	2.9
Valdez-Cordova CA	9,952	61.2	53.1	8.1
Wade Hampton CA	5,791	5.0	4.8	0.2
Wrangell-Petersburg CA	7,042	13.1	12.8	0.3
Yukon-Koyukuk CA	6,714	-	-	-
Denali Borough ⁴	1,764	-	-	-
Yukon-Koyukuk (incl. Denali)	8,478	27.1	25.0	2.1
Unknown area or out of state	-	-	-	-
Gulf Coast Region	64,063	31.1	26.5	4.7
Interior Region	92,111	48.8	22.5	26.3
Northern Region	20,380	17.2	14.7	2.5
Southeast Region	68,989	79.4	73.3	6.1
Southwest Region	38,479	13.9	10.8	3.1
Anchorage-Mat-Su Region	266,021	30.7	23.9	6.8
Unknown/out of state	-	-	-	-
Urban Alaska ⁵	411,294	43.3	32.0	11.3
Rural Alaska ⁶	157,292	21.0	18.1	2.9

Notes

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1. Combined as Aleutian Island Census Area until FY 1991

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3. Part of Skagway-Yakutat-Angoon Census Area until FY 1994

4. Part of Yukon-Koyukuk Census Area until FY 1992

5. Defined as Municipality of Anchorage, Fairbanks North Star, Juneau, Kenai Peninsula, and Mat-Su Boroughs

6. Balance of state outside of designated urban areas

CA - Census Area

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

(continued from page 13)

have Fish and Game employees. Aside from the Department of Transportation and Public Facilities, ADF&G is the most geographically diverse department. The average wage for ADF&G employees is below the average for all state employees due to the large contingent of part-time, seasonal and nonpermanent workers that the department uses in its fish and wildlife monitoring programs.

ADF&G employment experienced a short burst of growth after the *Exxon Valdez* oil spill in 1989. A good portion of this gain was attributable to various research projects that were started by ADF&G to study the impacts of the oil spill on the affected region's fish and wildlife. Since FY 90 ADF&G employment has steadily declined; a good portion of this decline is attributable to the wind-down of projects related to the oil spill.

14 departments account for balance of agency employment

The five largest departments mentioned above, Transportation and Public Facilities, Health and Social Services, Administration, Corrections and Fish and Game, account for nearly 60 percent of all employment at state agencies. The balance of agency employment is spread among fourteen other departments.

The largest of the remaining agencies are the Department of Natural Resources, Department of Public Safety, the Alaska Court System, Department of Labor and Workforce Development, and the Department of Education and Early Development. It should be noted that employment levels in Exhibit 2 do not reflect the changes that occurred in FY 2000 when the programs of the Department of Community and Regional Affairs were transferred to the Departments of Commerce, Labor and Education.

Taken as a group, employment at the remaining departments outside of the largest five agencies has fallen off since FY 85. There are notable exceptions to this trend, particularly increases in staff in Environmental Conservation and Natural Resources that occurred following the *Exxon Valdez* oil spill. The Department of Revenue has shown some substantial growth due to the increasing Permanent Fund and an increase in the effort to collect child support in the state. The Department of Law has also shown a steady increase over time. And while it is a relatively small agency, the Department of Military and Veterans' Affairs has beefed up considerably during the last several fiscal years, primarily due to the National Guard Military Youth Corps program.

The rest of the state agencies have shown either little to no growth or even declines during the 1990s. The departments that have shown the largest overall employment losses are Natural Resources, Public Safety (partly due to the transfer of responsibility of motor vehicles to Administration), Governor's Office, Legislative Affairs, and Commerce and Economic Development. In evaluating trends at the Department of Natural Resources, one must keep in mind that emergency firefighters are counted among the employed in this agency. This can make for spikes in employment in years that see particularly heavy deployment of firefighters.

Railroad, AHFC, dairy, account for about 1,000 state jobs

Nearly a thousand state jobs and \$45 million in wages fall outside of the University of Alaska or agency category. The largest is the Alaska Railroad, which averages near 600 employees on an annual basis, followed by the Alaska Housing Finance Corporation, which has about 300 employees. Probably the most unusual endeavor owned by the State of Alaska is the Matanuska Maid dairy, which employs about 50 employees on an annual basis.

Regional trends in state government employment

While overall levels of state government employment have remained fairly stable, shifts have occurred in the location of state government employees. Generally, state employment has shifted to the Anchorage, Mat-Su Borough, Kenai and Fairbanks areas, while most other parts of the state have seen a decline. Since FY 1985, Anchorage has gained more than 1,600 state government jobs while Fairbanks has gained 375 and the Kenai Peninsula has added about 200 (due to Spring Creek Correctional Center in Seward). The Mat-Su Borough has also gained more than 100 state employees. On the other end of the scale are the Valdez-Cordova census area, which has lost more than 200 state jobs (a good portion due to the closure of the Harborview medical facility) and the Juneau Borough, which has lost more than 200 state jobs during the same period. University of Alaska employment can show trends different from state agency employment. For example, Juneau has lost state agency employment while gaining in terms of University of Alaska jobs.

Changing levels of state employment can merely represent a shifting of the state's population to the railbelt area of Alaska. Looking at a per capita measurement of state employment can help measure the effects that changing population might have on state employment. While the ratio of state government employees per 1,000 population has declined since 1990, the picture is mixed when looking at the census areas. (See Exhibits 8-9). Most areas of the state have seen the ratio of state employment to 1,000 population decline since 1990, but some have seen increases—particularly the North Slope and Sitka Boroughs.

In comparing urban versus rural trends in state government employment, urban areas of Alaska have generally fared better in terms of overall

trends in state employment. If *urban* is defined to encompass the Anchorage, Mat-Su, Fairbanks, Kenai and Juneau areas, state employment increased by 13 percent from FY 85 to FY 99. During this period, state employment in the balance of Alaska's census areas declined by nearly nine percent. Even if one takes into account the faster population growth in urban than rural areas, the urban areas have fared better when it comes to state jobs.

Changes ahead for state government employment

Current fiscal pressures, particularly on the portion of the State of Alaska's expenditures covered by the general fund, portend more change for state government employment. Currently, studies are underway scrutinizing the level of compensation for state employees, as well as the extent to which services now provided by the state might be privatized. Retirement incentive programs and hiring freezes have also been part of the state employment landscape for much of the recent past. All of these trends point toward a reduced role for state government employment in the future.

State government employment is likely to continue to diminish in relation to local governments and the private sector in the future; however it will continue to play a major role in many areas of Alaska. The large role that state government plays in the provision of services to Alaskans is more historically ingrained than might commonly be imagined. Changes in the role of Alaska's state government are inevitable, but those changes will probably come more slowly and with more difficulty than might be popularly perceived.