

Home-Grown Workers in the State

Comparing those who lived here as kids to those who didn't

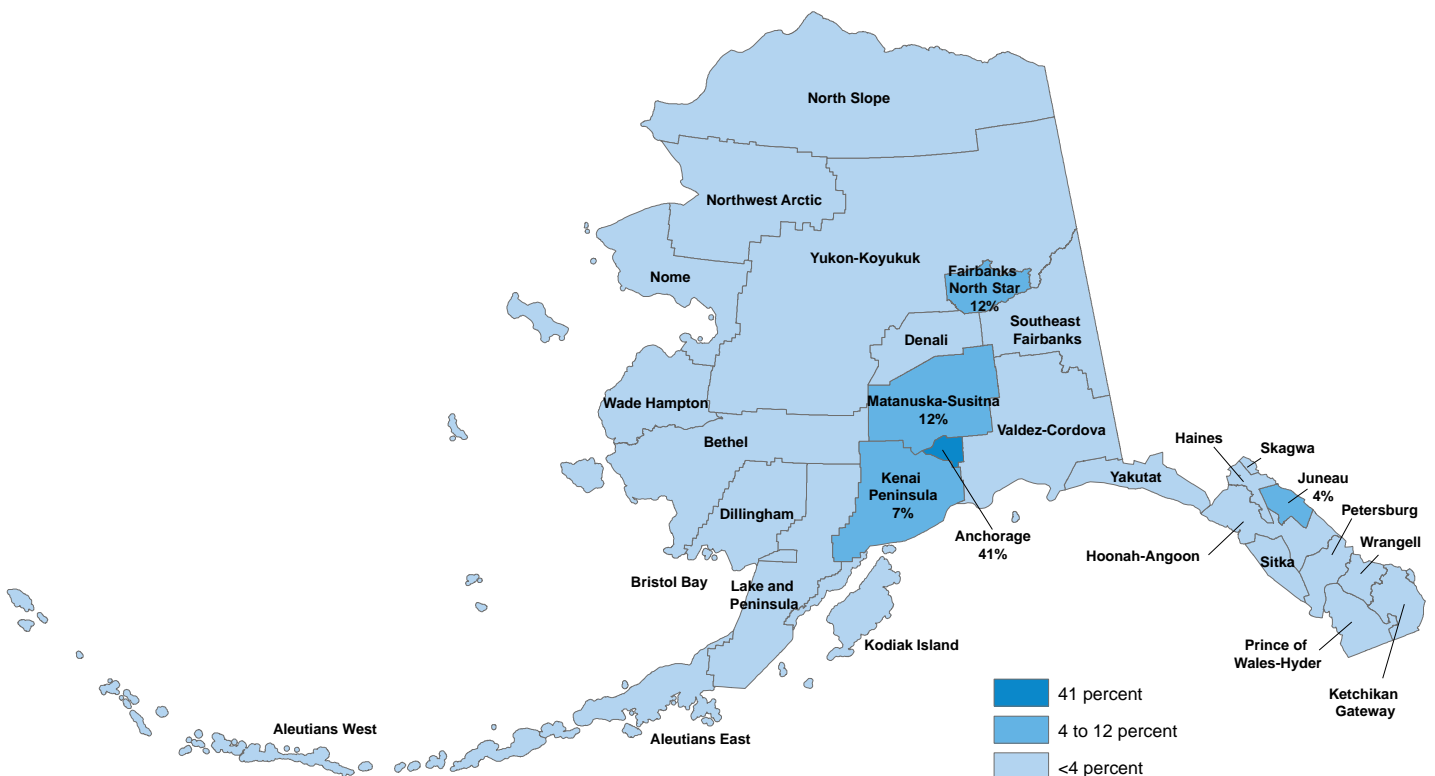
People tend to become more mobile after high school, often leaving home for college, work, or military service. In communities around the world, this out-migration of young people often causes concern that local kids are being lost, and it's no different in Alaska.

Alaska does lose some of its 18-to-21-year-olds after graduation, but many of them stay or eventually return. Of the 40,411 who applied for a Permanent Fund Dividend as 15-to-18-year-olds in 2000, 63 percent had either remained residents 10 years later or had come back. This means Alaska has a sizeable group of “home-grown workers,” or those who lived in Alaska as kids and either stayed

or returned. The state also gains a significant number of new residents from outside between age 22 and their late 30s, when people tend to be looking for job opportunities.

To examine the paths of Alaska-grown workers, the department reviewed the migration, occupations, and earnings of this 25-to-28-year-old group of PFD applicants who lived in the state as kids and compared them with applicants of the same age who moved to Alaska from outside after age 18. Those who were 25 to 28 years old in 2010 were selected because they were the first group able to apply for a PFD since birth — 1982 was the PFD's first year. (For more, see the sidebar on page 16.)

1 Most Home-Grown Workers Live in Alaska's More Urban Areas 25-to-28-year-old PFD applicants, 2010



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

Many move to the state after 18

Of the 39,129 people between 25 and 28 who applied for a PFD in 2010, nearly a third (29 percent) were newcomers to the state during the previous decade.

In two areas, Skagway and Aleutians West, more than half of this age group were from outside Alaska. Both areas attract many young workers because of their industry makeup, with shipping and seafood in Aleutians West and tourism in Skagway.

Both tend to live in urban areas

Of those who lived in Alaska as 15-to-18-year-olds in 2000, 41 percent lived in Anchorage in 2010 and 77 percent lived in the five most highly populated areas of the state. (See Exhibit 1.)

People who moved from outside were even more likely to live in urban settings, with 47 percent living in Anchorage and over 80 percent living in

the five most populous areas in 2010. Rural areas had particularly low shares of new residents at these ages.

Most rural kids stay

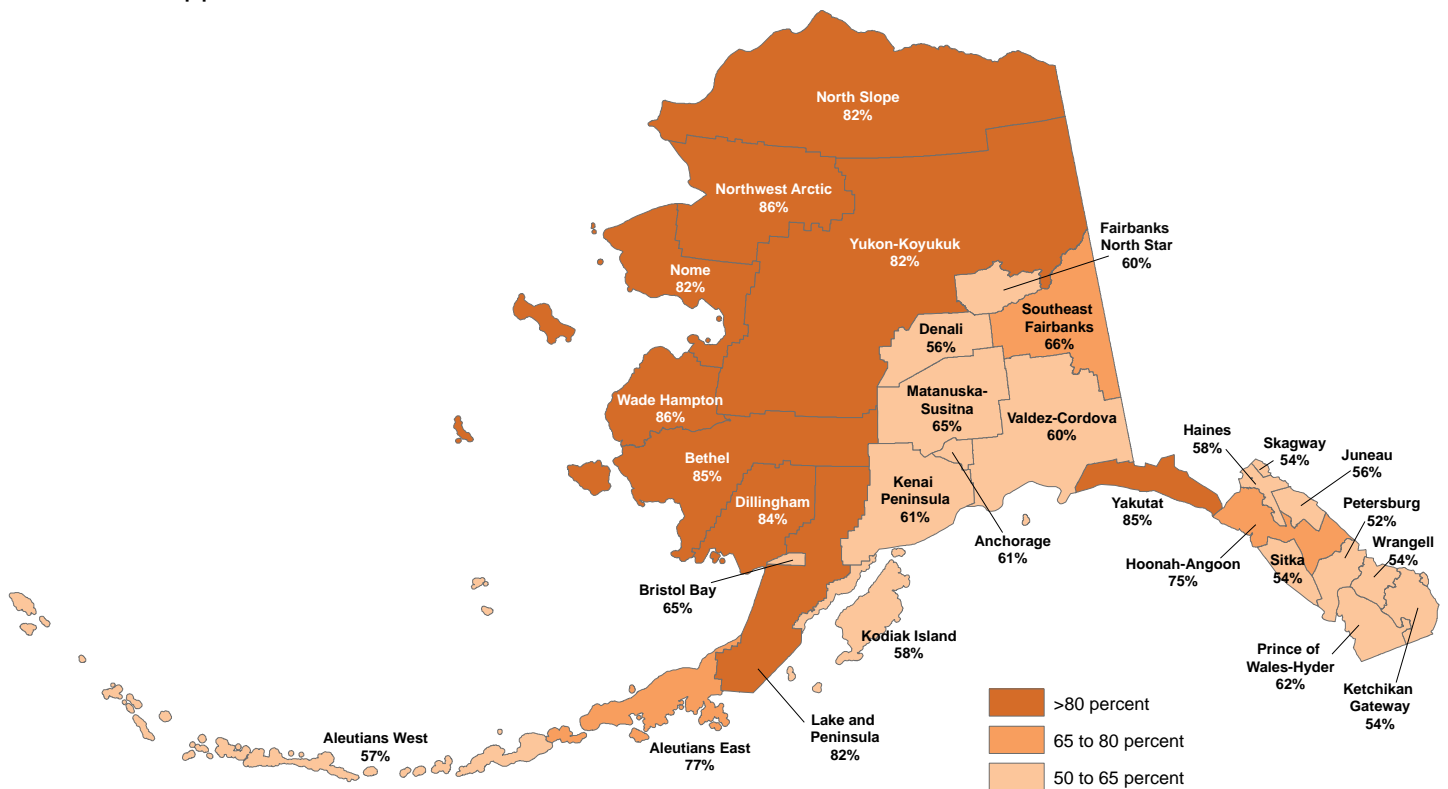
Remote areas of the state such as the Northern Region and the more remote parts of the Interior Southwest had the highest proportions of youth who stayed in the state. (See Exhibit 2.)

Yakutat is the only borough or census area with significant highway or ferry access that had more than 80 percent retention of its young people in Alaska. Those from the more accessible parts of the state may be more likely to leave because of historical connections to communities outside the state as well as easier access to them.

For Alaska kids who leave their hometown but stay in the state, there's a tendency to move to the more urban areas. The population centers of Anchorage/Matanuska-Susitna, Fairbanks, Juneau, and the Kenai Peninsula gained 1,867 young

2 Rural Kids Most Likely to Stay in Alaska

PFD applicants who were 15 to 18 in 2000 and lived in Alaska in 2010



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

About these numbers

This research only included people who applied for a Permanent Fund Dividend. To become eligible for a PFD, a person must have lived in Alaska for the entire previous year. Because of this requirement, many military service members and transient workers were not included.

It's important to note that for migration between 2000 and 2010, 25-to-28-year-old Alaskans who lived in the state as 15-to-18-year-olds in 2000 were compared with those who never lived in the state as minors, but for the occupational comparisons, 25-to-28-year-olds who lived in the state at any time as kids were compared with those who never did.

For the occupational analysis portion of the study, all PFD applicants ages 25 to 28 in 2010 were matched to records of workers covered by Alaska unemployment insurance. Workers were divided based on whether they filed for a PFD at or prior to age 18. Federal civilian and military employees and the self-employed were excluded from this analysis because they are not included in the unemployment insurance records.

Average earnings were calculated by dividing total earnings in a specific occupation by the number of workers. This does not account for seasonality or whether a worker was full-time or part-time.

people from the rest of the state between 2000 and 2010, and lost just 378 to the other boroughs and census areas for a net gain of 1,489 from within Alaska. Of the 9,050 young people who were living in Anchorage in 2000 and remained in the state, only 11 percent had moved to another borough or census area in 2010, and most of that small share was in the nearby Matanuska-Susitna Borough.

Groups had similar occupations

Home-grown workers and newcomers were likely to find employment in similar fields. Just over half (55 percent) of the 25-to-28-year-olds with a childhood connection to Alaska and half the newcomers were employed in service, retail, transportation, construction, or mining.

The two groups were also alike when looking at specific jobs. The three most common occupations for the home-grown workers were in administra-

tive support, construction, and food service. The top three for the workers who moved to Alaska after age 18 were in administrative support, food service, and retail. (See Exhibit 3.)

Construction mostly Alaskans

Construction and mining had the highest percentage of workers who lived in Alaska as kids, at 81 percent. The occupations with the lowest shares of Alaska grown workers included teachers and librarians at 65 percent; and engineering, computer, math, and science workers with 68 percent.

Wages about the same overall

The young workers who lived in Alaska as kids earned about the same as those who moved here later, with average annual earnings of \$29,362 versus \$31,068 for the newcomers. Some home-grown workers earned more than their counterparts, with postsecondary teachers from Alaska earning \$7,977 more per year followed by material production workers (\$6,631 more) and science technicians (\$5,892 more). The workers from Alaska also earned more on average in the broader construction and mining category.

In most job categories, though, newcomers earned at least slightly more. The largest differences were among doctors, engineers, lawyers, and judges. It's important to note that the sample sizes are small, and some categories have a few very high-paying occupations that can skew the average. Those who migrate to Alaska as adults also tend to have higher levels of education and may move to Alaska specifically for specialized, high-paying positions.

The data are still coming in

The first group eligible to apply for a PFD from birth is young, and their careers are still evolving. Still, social and economic outcomes are important at each stage of life, and a review even at relatively early stages can provide useful snapshots.

3 Earnings by Industry, Home-Grown Workers and Newcomers

Alaska, 2010 PFD applicants ages 25 to 28

Types of Occupations	From Alaska	Share of Total	Moved to Alaska as Adults	Share of Total	% from Alaska	From Alaska, Avg Annual Earnings	Moved to Alaska, Avg Annual Earnings
Total Jobs	21,037	100%	6,575	100%	76%	\$29,362	\$31,068
Construction, Mining, Maintenance, and Production	4,946	24%	1,169	18%	81%	\$36,855	\$35,642
Construction	2,310	11%	383	6%	86%	\$39,268	\$43,574
Oil	295	1%	73	1%	80%	\$55,578	\$63,030
Mining (Except Oil)	133	1%	14	0%	90%	\$56,580	\$68,127
Installation, Maintenance, and Repair (Excl Vehicle Repair)	1,230	6%	365	6%	77%	\$26,061	\$26,296
Vehicle Repair/Maintenance/Installation	374	2%	95	1%	80%	\$38,408	\$35,168
Food Production	151	1%	122	2%	55%	\$11,634	\$18,265
Material Production	453	2%	117	2%	79%	\$42,996	\$36,366
Health-Related	1,506	7%	567	9%	73%	\$30,570	\$37,567
Doctors and other Medical Specialists	110	1%	75	1%	59%	\$38,548	\$65,031
Health Aides and Assistants, Other Health Care Workers	847	4%	263	4%	76%	\$24,102	\$26,091
Health Technicians	345	2%	147	2%	70%	\$33,650	\$36,516
Nurses	204	1%	82	1%	71%	\$47,914	\$51,143
Management, Finance, and Business	1,675	8%	523	8%	76%	\$36,132	\$39,155
Business	164	1%	58	1%	74%	\$39,999	\$42,788
Finance	935	4%	246	4%	79%	\$32,364	\$35,025
Management	576	3%	219	3%	72%	\$41,147	\$42,831
Engineering, Computer, Math, and Science	1,023	5%	471	7%	68%	\$47,113	\$50,225
Architects, Draftsmen, and Engineer Technicians	230	1%	81	1%	74%	\$47,775	\$49,609
Computer Occupations	249	1%	84	1%	75%	\$45,104	\$46,275
Engineers	209	1%	115	2%	65%	\$69,843	\$80,484
Math and Science	93	0%	69	1%	57%	\$40,558	\$44,963
Science Technicians	221	1%	99	2%	69%	\$30,776	\$24,884
Social Sciences	21	0%	23	0%	48%	\$38,421	\$40,377
Service, Retail, and Transportation	6,545	31%	2,125	32%	75%	\$21,505	\$22,597
Food Service	1,751	8%	629	10%	74%	\$14,886	\$17,969
Retail	1,566	7%	516	8%	75%	\$18,662	\$20,179
Other Sales (Non-Retail)	499	2%	179	3%	74%	\$33,315	\$29,428
Service Occupations	661	3%	245	4%	73%	\$17,119	\$18,163
Transportation	856	4%	248	4%	78%	\$31,145	\$32,597
Materials Transportation	1,212	6%	308	5%	80%	\$25,459	\$27,603
Social, Religious, and Legal	551	3%	198	3%	74%	\$31,350	\$33,017
Counselors, Social Workers, and Religious Workers	468	2%	171	3%	73%	\$29,599	\$30,693
Lawyers and Judges	28	0%	11	0%	72%	\$56,696	\$66,300
Legal Support	55	0%	16	0%	77%	\$33,344	\$34,982
Teachers and Librarians	877	4%	466	7%	65%	\$24,071	\$31,161
K-12 Teachers	345	2%	241	4%	59%	\$34,296	\$40,580
Postsecondary Teachers	34	0%	19	0%	64%	\$29,671	\$21,694
Other Teachers and Librarians	498	2%	206	3%	71%	\$16,606	\$21,015
Other occupations	3,914	19%	1,056	16%	79%	\$25,939	\$26,602
Administrative Support Services	2,837	13%	691	11%	80%	\$26,938	\$26,716
Entertainment and Media and Communication	447	2%	138	2%	76%	\$16,331	\$20,245
Farming, Fishing, and Forestry	97	0%	29	0%	77%	\$13,218	\$16,674
Protective Services	488	2%	179	3%	73%	\$32,891	\$34,182
Unknown	45	0%	19	0%	70%	\$10,442	\$12,376

Notes: "Home-grown workers" refers to the cohort of 25-to-28-year-old 2010 PFD applicants who also applied at or before age 18. "Newcomers" refers to the cohort of 25-to-28-year-old 2010 PFD applicants who did not apply at age 18 or younger.

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