Seafood Processors

Large segment of a massive industry

By **DANIEL STRONG**

Following the harvest, the next major step for Alaska seafood is processing.

In 2013, 27,909 people worked as seafood processors at some point in the year, nearly four out of five of whom worked hands-on making surimi, processing fish roe, or cutting and trimming. The other fish processing workers perform an array of supporting services including grading, machine operation, ship maintenance, packaging, and general labor.

Alaska had about 170 fish processing facilities in 2012. Most on-shore processing plants were in Southeast (39.3 percent) and Southcentral (26.8 percent). However, the highest numbers of processing workers were located in the Aleutians and Pribilofs Island region followed by Southeast, Bristol Bay, and Southcentral.[1] (See Exhibit 1).

Minimal training required

Most fish processing jobs require relatively little on-the-job training and less than a high school diploma, so they're a ready source of employment for younger workers and those without higher education. Working throughout the season and consistently returning to the same company can also provide opportunities to advance.

Mainly seasonal jobs

Although some fisheries continue throughout the year, the industry is mostly seasonal and few workers are employed year-round. In 2013, only 2 percent of seafood processors (representing 18 percent of seafood processing occupations), worked an average of at least three quarters, and many of those were office workers or material movers. The vast majority, 91 percent, worked two or fewer quarters.

High percentage of nonresidents

The remoteness of many fisheries and low resident populations mean it's often necessary to bring in out-of-state labor or workers from other regions to process the large seasonal catches, particularly salmon.

Although the seafood processing industry has a high number of nonresidents (73.6 percent in 2012), some regions have a low ratio of nonresident workers. For example, the Yukon Delta employs 9.2 percent nonresidents, and three-quarters of its resident workers come from the region.

Most come back more than once

Seafood processors tend to stay in the industry for at least a few years. From 2007 to 2012, more than half returned for a second season. Over the same period, a quarter had worked in the industry for the past five years or longer.

[1]The count of workers shown here represents those who worked at any time in 2013. Some may have worked in more than one borough and were counted more than once. Data may not be comparable to data in our "Residency of Alaska Workers" publication because of differences in methodology.

The Kodiak region has the highest longevity among seafood processing workers, with an average of 32.9 percent having worked in the industry for the past five years. Kodiak also had the lowest percentage of workers who'd held another job during the year, at 12.2 percent.

A group of higher-wage positions

Individual workers are classified in occupations, but companies are classified in industries and these companies employ other workers in addition to the seafood processing workers. When looking at the seafood processing industry as a whole, different trends emerge.

Though it generally has low hourly wages, high seasonality, and low resident hire, the industry does have a number of higher-wage occupations that follow a different trend. (See Exhibit 2.)

The 11 highest-paid occupations in the industry relate to engineering, high-level management, installation, maintenance, and repair work. The largest numbers of workers in this group were ship engineers at 34 percent, followed by captains, mates, and boat pilots (27.8 percent) and general and operations managers (14.6 percent).

This group made up just 1.2 percent of all industry workers but made 6 percent of total wages. The median annual wage for the industry was $24,689, compared to $66,720 for the highest-paid occupations. These wages ranged from a low of $57,889 for ship engineers to a high of $148,678 for chief executive officers.

Management occupations made an average of $82,364 a year and accounted for 36 percent of the total wages among this group. About 64 percent of this group's wages were earned by plumbers, pipefitters, and steamfitters; electrician helpers; structural metal fabricators and fitters; engineers (other); captains, mates, and pilots of water vessels; and ship engineers.

This group requires more training

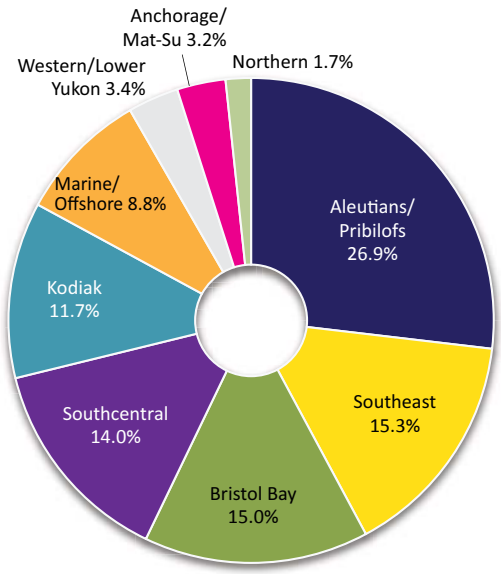
Most of these higher-paying occupations require more qualifications than other fish processing industry jobs, with two-thirds requiring a bachelor's degree.

Despite this, the necessary work experience and training are minimal. Most of these occupations require less than five years of experience and no on-the-job training.

Captains, mates, and boat pilots must have a U.S. Coast Guard license. Engineers, plumbers, and electrician helpers must be licensed by the State of Alaska, and other occupations may have federal certification requirements.

1 Harvesters Spread Statewide

HARVESTING JOBS BY REGION, 2013



Note: The count of workers shown here represents those who worked at any time in 2013. Some may have worked in more than one borough and were counted more than once. Data may not be comparable to data provided in our "Residency of Alaska Workers" publication due to differences in methodology.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Higher-paid group works more

Workers in these higher-paid occupations also tend to work year-round. In 2013, they worked an average of three quarters, about 24.3 percent more than the average for all seafood processing occupations combined. Structural metal fabricators, administrative services managers, electrician helpers, engineers (other), and general and operations managers worked the most, more than three quarters in 2013.

These occupations also tend have a higher percentage of Alaska residents than other seafood processing industry jobs. On average, less than a quarter in this group were nonresidents, with the lowest nonresident percentages among administrative services managers (8.7 percent), CEOs (9.1 percent), and sales managers (10.5 percent).

The highest rates of nonresident workers were among ship engineers (59.5 percent); captains, mates, and boat

pilots (52.4 percent); and structural metal fabricators and fitters (34.4 percent).

Older workers in higher-paid group

These higher-paying occupations tended to employ older workers,[2] with over half being 45 or older, on average. Electrician helpers had the fewest older workers at 30.1 percent, while CEOs had the most, at 76.4 percent. For comparison, seafood processors were 39.6 years old on average.

Occupational outlook

Seafood processing industry employment is projected to grow by 6.7 percent between 2012 and 2022, and the highest-paid processing occupations are expected to grow at nearly twice that rate. Across all industries, expected growth ranges from a low of 6.9 percent for electrician helpers to 15.3 percent for captains, mates, and boat pilots.

Daniel Strong is a research analyst with the Department of Labor in Juneau. To reach him, call (907) 465-6036 or e-mail him at Daniel.Strong@alaska.gov.

[2]Age information comes from PFD data and is for Alaska resident workers only.

2 Highest-Paid Processing Occupations

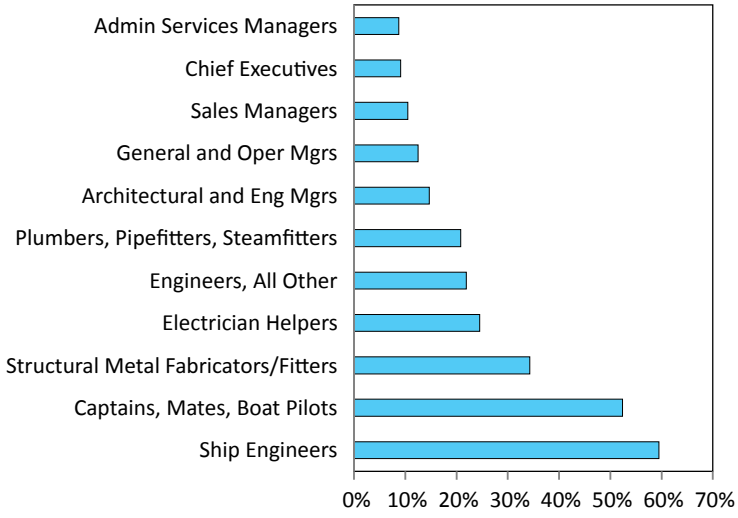
ALASKA, 2013

Occupations	2013 avg wages	Quarters worked
Chief Executive Officers	$148,677.72	2.95
Structural Metal Fabricators and Fitters	$82,210.60	4.00
Engineers, All Other	$82,176.59	3.14
General and Operations Managers	$73,467.15	3.06
Captains, Mates, and Pilots of Water Vessels	$70,767.14	2.48
Sales Managers	$66,720.29	3.00
Administrative Services Managers	$63,317.29	3.50
Plumbers, Pipefitters, and Steamfitters	$60,326.87	2.13
Electrician Helpers	$59,667.70	3.50
Architectural and Engineering Managers	$59,639.42	2.61
Ship Engineers	$57,888.53	2.84

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

3 Major Variation in Nonresident Rates

ALASKA SEAFOOD PROCESSING INDUSTRY, 2013



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