Big Changes for the Information Industry
Newspapers decline as online content increases

In recent years, the Internet has rapidly reshaped the way people share information, and the increasing popularity of smart phones and tablets continues to reinforce this shift. Portability has made it even easier to stream radio and movies, or to read 10 online newspapers from a single portal.

With these continual advances in technology, the information industry has had to change the way it does business or risk becoming obsolete. Job declines have been a trend industry-wide over the past decade, with decreases in nearly every category and an overall drop of 14 percent in Alaska between 2001 and 2011. (See Exhibit 1.) The U.S. lost an even greater share at 25 percent.

Though losses have been industry-wide, traditional media such as newspapers and radio have been hit hardest as more people switch to online services.

Telecommunications big here

In Alaska, the information industry is relatively small at less than 2 percent of jobs, or 6,318 in 2012. (See Exhibit 2.) However, its products and services are in nearly every household and business in the state. In addition to broadcast and print journalism, “information” includes employment in film and music and the largest category, telecommunications.

Telecommunication companies — which provide Internet, cellular phone service, local phone service, and satellite television — represent 65.5 percent of all industry jobs and 74 percent of industry wages. This sets Alaska apart from the nation as a whole, where telecommunications makes up just 32.9 percent of the information industry. (See Exhibit 3.)

Even though telecommunications jobs are down somewhat in Alaska over the past decade, total wages for telecommunications grew by nearly $55.6 million. (See Exhibit 4.)

Newspapers hit hardest

Newspapers, radio, and television used to be the only options for news and entertainment, with local papers taking the lion’s share of daily news customers. But between 2001 and 2011, Alaska’s newspapers lost 45 percent of their employment.
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Dwindling from 1,100 jobs to 600. Annual wages paid to employees also fell by $9.5 million, and the number of reporters working in Alaska reached a decade low of 216 in 2011, down from 338 ten years before.

One exception to this downward trend is the growth of news syndicates such as The Associated Press, which provide content for newspapers across the country. News syndicates gained 942 jobs nationwide between 2001 and 2011.

Alaska’s losses echo a nationwide trend, with U.S. newspaper employment dropping at about the same rate as Alaska — an average of 4.1 percent each year. Even the largest markets have been hit, with New York and California publishers losing 32.3 percent and 52 percent of their jobs respectively. These cuts have come as newspapers laid off workers, went out of business, or stopped publishing print editions.

Online-only publishers grow

Newspapers that publish exclusively online are no longer classified as newspapers but as “online publishers,” a mix that includes Web search portals and radio, television, sports, and entertainment Web sites. These companies appear to be growing as traditional media providers decline or remain flat.

Alaska has relatively few online publishers and broadcasters, with just 44 jobs in 2011. Still, that’s more than double the 15 jobs in 2008, the first year data were available for this category. Alaska appears to be in step with the rest of the country, where online publishing employment grew 27.9 percent between 2008 and 2011 alone.

Smaller decline for radio, TV

Alaska’s television and radio stations weren’t hit quite as hard as newspapers, but the broadcasting decline has been steady year after year for a total of 195 lost jobs between 2001 and 2011, or a 19 percent decline.
Big Shifts in Total Yearly Wages
Select Alaska media categories, 2001 to 2011

![Graph showing shifts in total yearly wages for various media categories from 2001 to 2011.](source: Alaska Department of Labor and Workforce Development, Research and Analysis Section)

Nonprofit stations are a major presence in Alaska, providing local jobs in a media market that faces increasing pressure from outside competition.

Public broadcasting is funded by government grants, corporate sponsorship, and private donations. Alaska has 30 public radio stations and four public television stations, and in 2011 about 30 percent of the state’s radio station employment was in public radio.

Public radio stations play a bigger role here than they do elsewhere. They are a key part of the Alaska Emergency Alert System, which broadcasts public safety messages and warnings for natural disasters and storms. These stations operate 60 radio signal translators that reach 95 percent of all Alaskans, and in some remote areas, public radio is the only station available.

More film projects

Film and television are a small part of the state’s information industry, but they’ve become more visible in recent years with the filming of a handful of popular reality television shows. Bering Sea Gold and Alaska Gold are two of the newer additions, joining shows such as Alaska State Troopers and The Deadliest Catch, which are watched by millions nationwide.

A tax credit program for production companies is a possible factor in the growth of filming in Alaska, projects that include television shows, feature films, commercials, and documentaries. However, employment growth related to increased filming in Alaska would be spread across a variety of industries — everything from catering and accommodations to transportation and construction — and not isolated in the information industry.

Future overall decline is likely

Information is forecasted to grow less than any other industry in Alaska’s private sector in the near future. The Department of Labor and Workforce Development’s 2010 to 2020 industry fore-
cast projects just 1.6 percent growth, or 1,010 new jobs — far below the forecasted 12 percent growth for all industries. Most job openings will likely come from replacements rather than new positions.

Although some occupations in media are expected to grow, job openings for reporters are forecasted to decrease 7.7 percent by 2020. (See Exhibit 5.) Job openings for radio and television announcers, editors, and broadcast technicians are also forecasted to decline somewhat or remain flat.

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Steady growth projected

Population projections based on rates of births, deaths, and migration suggest the state’s Native population will grow steadily through 2035, gaining 40,000 people for a 33 percent increase from the 2010 Census. To compare, the state as a whole is projected to add a little more than 200,000 people to its 2010 count of 710,231, for a 29 percent increase. (See Exhibit 7 on page 9.)

All age groups to increase

The Native population ages 20 to 64, which roughly covers the working ages, is expected to increase by nearly 16,000 people, or 24 percent, between 2010 and 2035. That increase is very large and is attributable to the high birth rates among Natives over the past 25 years. For the state, the same age group is projected to increase by just 11 percent through 2035.

The population of Alaska Natives age 65 or older is projected to grow by nearly 12,000 people, or 150 percent, between 2010 and 2035. Though that increase is dramatic and will represent an important shift for the Native community, it’s not out of line with the projected statewide increase of 180 percent over the same period.

Sustained populations

Through the dramatic ups and downs of population and economic change that Alaska has seen over the past 100 years, the Alaska Native population has sustained a steady increase in numbers. By the start of the 21st century, the Native population was more than 100,000 and on pace to reach 150,000 by 2030.

Though Alaska Natives are increasingly connected to the state’s biggest cities, many Native villages in remote areas still gain population regularly, and continued growth for both ways of life is likely.