

## JUNEAU

Juneau is located on the mainland of southeast Alaska about 900 miles northwest of Seattle. It has a mild moist climate with an annual mean temperature of 40.5° F and annual precipitation (rain plus snow) of 56 1/4 inches. On the longest day of the year in Juneau (June 20) the sun rises at 3:51 a.m. and sets at 10:09 p.m., but civil twilight lasts till almost midnight. The sun is above the horizon between 9:46 a.m. and 4:07 p.m. on the shortest day of the year, December 21.

Joe Juneau and Dick Harris founded the city in 1880 when they discovered gold in Gold Creek — a creek which runs through the middle of town. This gold strike was the beginning of two of the world's richest gold mines, the Alaska-Juneau and the Treadwell mines. The Treadwell mine closed in 1917 after producing \$65.5 million of gold; the Alaska-Juneau closed in 1944 after \$80.8 million worth of gold was extracted.

In 1900, Juneau was named the capital of Alaska. Today government activities are the principal sources of payroll in Juneau with tourism bringing in a large amount of revenue.

While the proportion of Juneau's population to total statewide population has remained stable over the seven year period 1970-1976, its proportion of the civilian labor force and total nonagricultural wage and salary employment decreased. This means that even though Juneau was growing at a fast pace, the rest of the state was growing at a substantially faster rate due to the effects of the pipeline project. As Juneau is located quite a distance from the center of this project, the impact was minimal.

**Wages:** The graph below shows average monthly wages in Juneau from 1973 to 1976 by industry. Seven major industrial categories are depicted: construction; government; transportation, communications, and public utilities; manufacturing; finance, insurance, and real estate; wholesale and retail trade; and services. It should be noted that many people working in these industries will **not** be earning the "average" wage shown here as these wages are derived by finding the average wage of all the wage earners in the industry at that time.

The industry in Juneau which has the highest monthly wage is construction. In 1976, the average

monthly wage was \$2,640 which is about \$900/month more than was earned in 1973. Most of this increase occurred in 1976. Employment in all industries, especially in the construction industry, is quite seasonal. Inclement weather conditions causes construction to slow down from December through April. Employment in the construction industry more than doubles during the summer months. Longer hours are worked and the additional overtime pay causes wages to be high in this industry.

Government wages and wages in transportation, communications, and public utilities are the second and third highest paying industries in Juneau. Since 1973, these industries experienced a steady increase in wages of about 12 percent per year.

The wholesale and retail trade and the services industries had the lowest average monthly wages in 1976 of \$930 and \$880, respectively. Total employment in the trades and services is exceeded only by government, however, wages remain lower than all other industries. Possibly because these employees are non-unionized their wages are lower. One interesting point is that both of these industries show higher average wages during the fourth quarter than in the third quarter of the year (most industries in Alaska show higher wages in the third quarter). A possible explanation for this might be increased overtime during the holiday season for the trade and service workers causing average monthly wages to rise. During the rest of the year there is less overtime at high wages.

**Employment:** Total construction employment in Juneau has decreased since 1973. Average employment has decreased 32 percent in the construction industry since 1973. This is unusual as most areas of the state experienced an increase in the construction industry. In 1973 and 1974 there were many large state funded construction projects in Juneau, such as: the new State Office Building, which began in 1971 and was completed in 1974; the Marine View apartment complex with 86 units was completed early in 1974; the Alaska Court Building which began in 1973 and was completed early in 1976; and the new highway (Egan Drive), started in 1974 and completed in 1975. Fewer state construction projects were started in 1975 and 1976; however, private construction picked up again in 1976 with the building of many new homes and additions to shopping malls.

Government is the dominant employer in Juneau as it is the state capital. Approximately one half of total employment is government related. Historically, Juneau has had one of the lowest unemployment rates in the state. As the largest year round employer, government exerts a stabilizing influence on the economy that helps to hold down unemployment and dampen the wide fluctuations in seasonal employment (which is extreme in many areas of the state). Employment in this industry has grown over the past few years with the addition of about 1,200 jobs, or a 27 percent increase since 1973.

Employment in the transportation, communications, and public utilities industry was highest in the third quarter of 1974 after which the growth leveled. Several factors contributed to this high period of employment in 1974. As was mentioned earlier, the new state office building was completed in the second quarter of 1974 which meant that many telephone hookups and transfers were made in the third quarter. Transportation was also at a peak at this time as the pipeline project had just begun and many people left Juneau to work on it. Also, the general upturn of the economy, more intense interest in all areas of Alaska, and an increase in government and business trips caused by the pipeline affected transportation employment. Since 1974, transportation,

communications, and public utilities has not experienced any growth in employment.

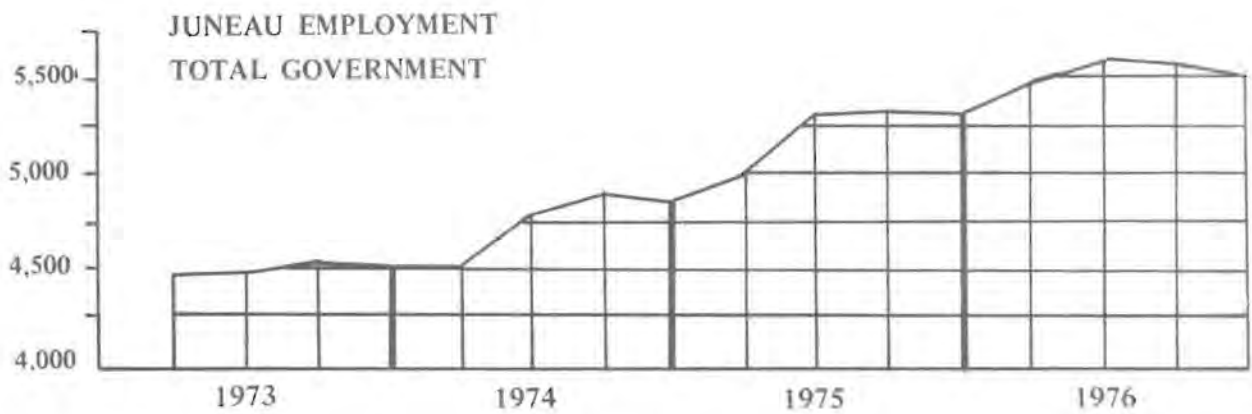
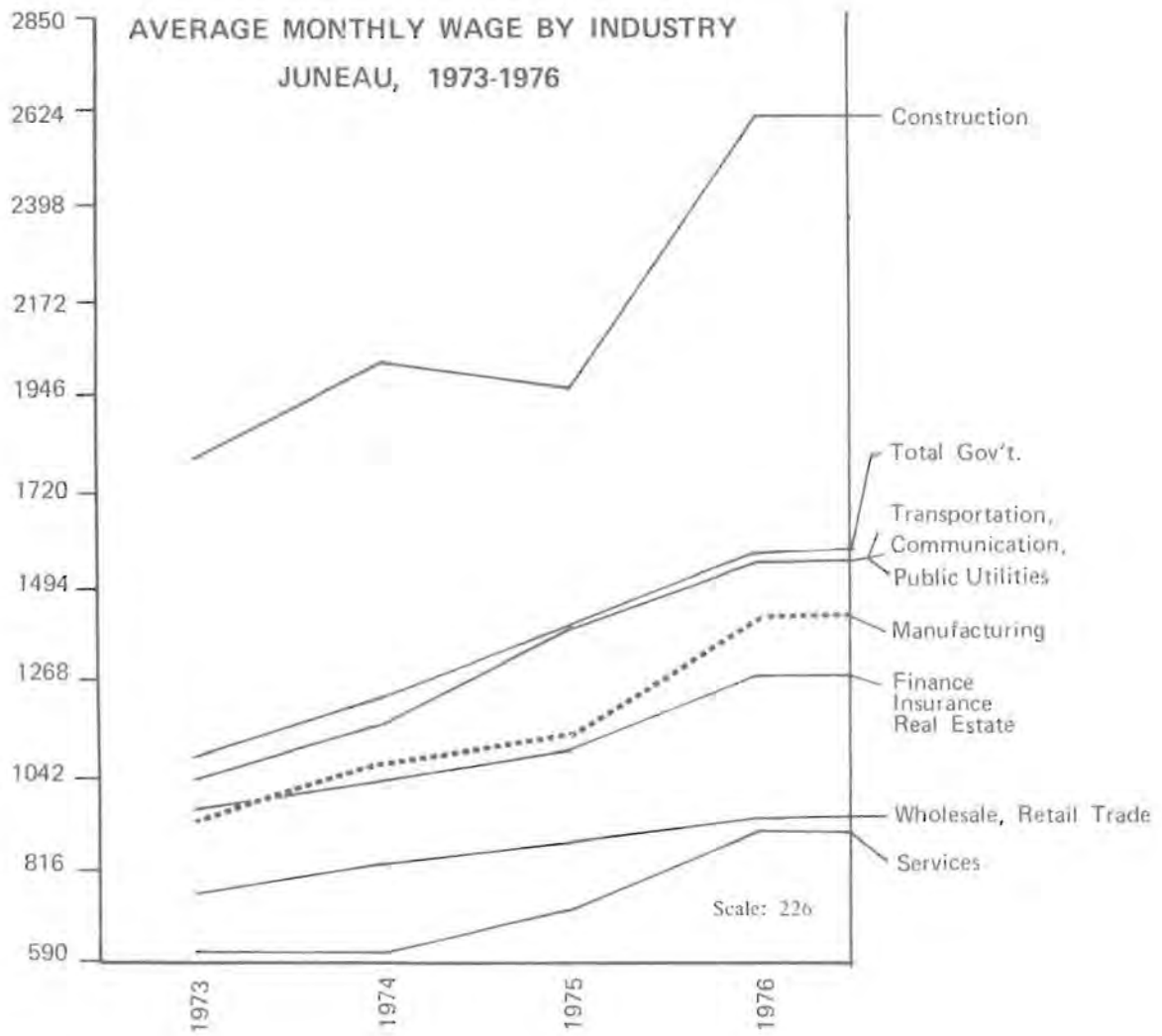
Manufacturing in Juneau consists of food processing, bakery products, printing and publishing, and concrete products. Very little growth has occurred in these areas since 1973, and these industries remain fairly stable the year round with the exception of food processing. The necessity to process fish as soon as they are caught causes employment in this industry to increase during the second and third quarters.

The finance, insurance, and real estate industry has experienced more growth than any other with an increase of 67 percent in employment since 1973. This was a result of the development and expansion of new malls, increased private housing and the overall steady growth Juneau has experienced. More banks, insurance, and real estate agencies were required to accommodate this growth. There is little seasonality in this industry.

Wholesale and retail trade, and services have experienced steady growth in employment since 1973. These industries usually follow the trends of employment of other industries in an area. Peak periods of employment are usually in third quarter for wholesale and retail trade, but services has shown



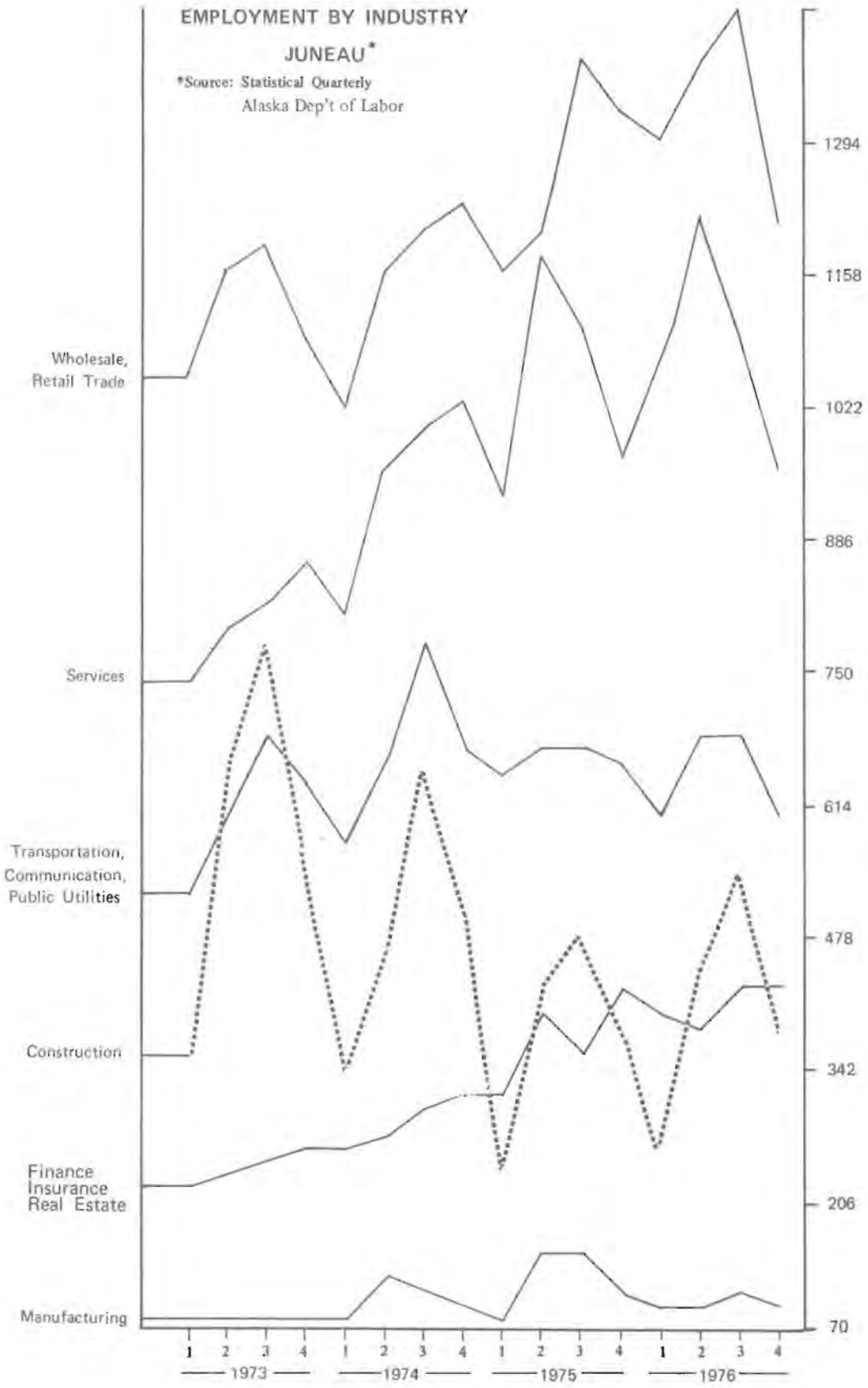
Photo: Alaska State Library



**EMPLOYMENT BY INDUSTRY**

**JUNEAU\***

\*Source: Statistical Quarterly  
Alaska Dep't of Labor



peak employment during the second quarter in 1975 and 1976. Trade and services employment have increased 18.3 and 36 percent, respectively, over the past 4 years.

**Unemployment:** Unemployment in Juneau is usually less than other areas in the state. The major reason for this being the large percentage of government employment here. Government employment also tends to decrease the effects of seasonality in Juneau which is prominent throughout most of the state. The unemployment rate is only slightly higher in the winter months than the summer which is the result of diminished tourism and construction during the winter. In 1976 the unemployment rate hovered around 7.5 percent.

Shown below is information provided by the Employment Service Agency in Juneau which reveals the broad occupational categories of people actively seeking work in September 1977.

These percentages partially reflect the occupational makeup of Juneau. Notice that almost 70 percent of the job applicants were professional, technical, and managerial; clerical; and public oriented services. Most government workers fall into the first two categories and the support services fall into the public oriented service category.

It should be noted that the ESARS data does not reflect all unemployment in Juneau as many people do not use the Employment Service while looking for employment. In addition, most unions do their

own hiring from the union hall.



**Current Trends:** In 1977 Juneau fared better than many other areas in the state. The completion of the pipeline had very little impact on employment or unemployment. Business was much the same as other years without unemployment soaring as it did in various parts of the state. Construction was very heavy this summer and fall, the fishing season was much better than the last few years, and tourism was very strong this year.

The outlook for Juneau over the next couple of years is good. Employment in most industries should continue to grow or at least remain stable. The long range outlook for Juneau is uncertain though, because of the approaching capital move. It is estimated that the move will take place between 1982 and 1994. All of the central office state government employees will be moved while the regional and local employees should remain in Juneau. Central office state employees constitute approximately one-third of the state government employment. It is estimated that the support services in Juneau will decline by approximately the same amount as the central office state government employment.

Currently there is a petition to put the entire cost of the capital move on the ballot. This will let the voters decide if they wish to spend the money to move the capital. The future of Juneau rests on the outcome of this issue.

<u>Occupational Category</u>	<u>% of Job Seekers*</u>
Professional, Technical, Managerial.....	25.3
Clerical.....	27.5
Sales.....	2.2
Domestic Service.....	1.7
Public Oriented Service .....	16.3
Farming, Fishing, Forestry.....	.7
Processing.....	.9
Machine Trades.....	3.1
Bench Work.....	.6
Structural Work.....	14.3
Miscellaneous .....	7.4
	100.0%

\* Source: Employment Services Automated Reporting System.