

Resident/Nonresident Hire

by
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1997 shows improvement over 1996

The year 1997 saw the lowest number and percent of nonresident workers since 1988. In 1997, 71,233 Alaska wage and salary workers were nonresident. Nonresidents made up 20.3% of all workers. This was a decline of 4.7%, or more than 3,500 nonresident workers since 1996, and a sizable drop from the peak nonresident hire year of 1992 when nearly 24 percent were nonresidents.

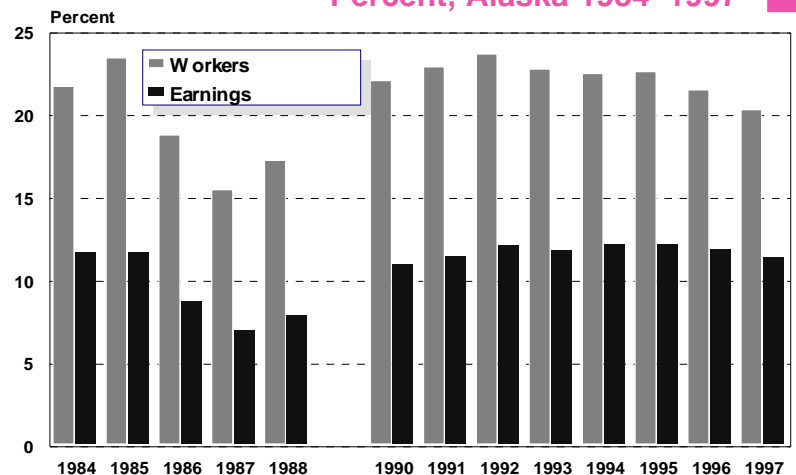
While nonresident workers decreased, the number of resident employees in 1997 increased by 6,700 to nearly 280,000, a 2.5% increase over 1996.

The decline in nonresident workers was the result of several factors. A strong national economy slowed migration into Alaska, reducing competition for the jobs created by Alaska's moderate, steady growth. The changing structure of the Alaska economy, with fewer seasonal jobs and more year-round jobs, meant that fewer workers were needed during the peak summer hiring season. Training programs produced Alaskan graduates with the needed skills to fill many more of the jobs available in 1997.

For instance, in fiscal year 1997 Alaska's State Training and Employment Program (STEP), funded by the Unemployment Insurance Trust Fund, served 1,740 individuals. Of the clients who received occupational training, 275 (37 percent) found employment in shortage occupations often filled by nonresidents.

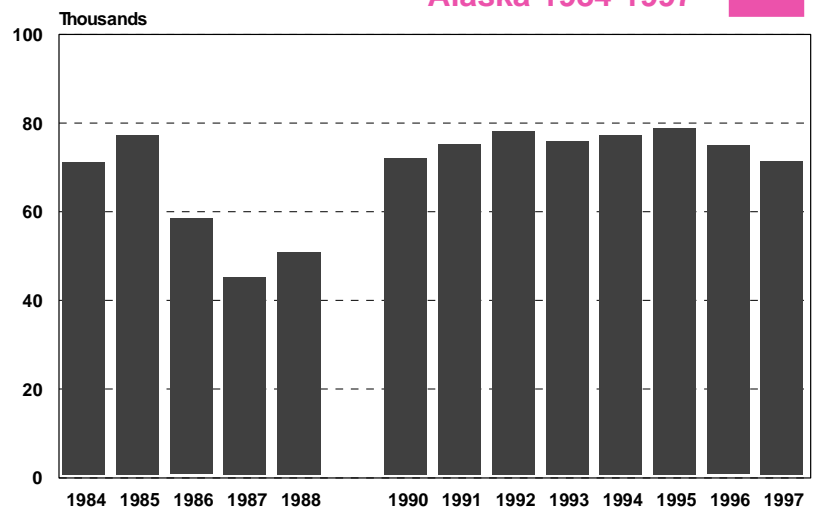
Total wage and salary earnings in private sector, state and local government jobs approached \$7.85 billion in 1997. Nonresidents earned about 11.4% of the total (or \$894.7 million), a significant decline

Nonresident Workers & Earnings Percent, Alaska 1984-1997



Note: No data available for 1989

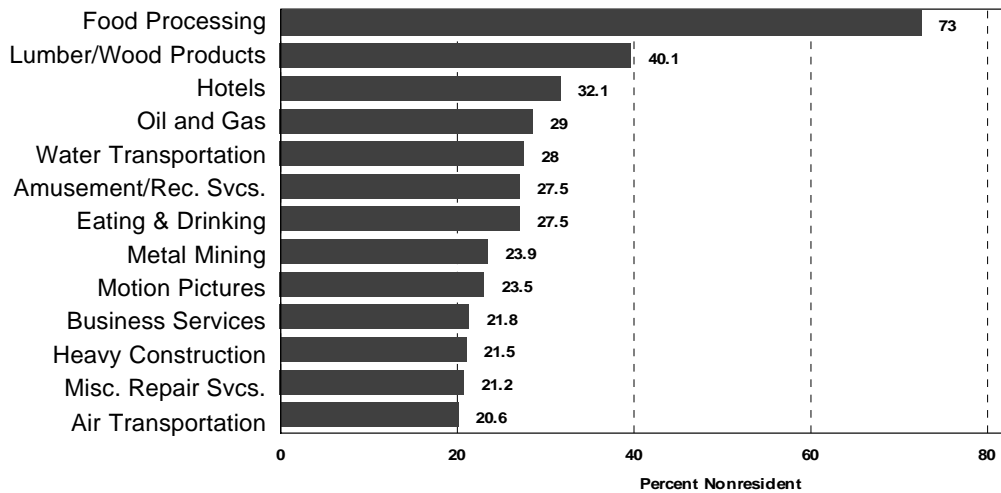
Number of Nonresident Workers Alaska 1984-1997



Source: Alaska Department of Labor, Research and Analysis Section

3 Industries* by Percent Nonresident Workers

Alaska 1997



* Industries with 1,000 or more workers

Source: Alaska Department of Labor, Research and Analysis Section

4 Nonresidents by Occupation

Private Sector

	Resident Workers	Nonresident Workers	Percent	Resident Earnings	Nonresident Earnings	Percent
Cannery Workers	4,477	13,940	75.7%	\$40,175,555	\$89,008,387	68.9%
Sales Clerks	8,623	1,840	17.6	83,529,048	8,578,834	9.3
Waiters & Waitresses	4,353	1,601	26.9	37,133,029	6,896,196	15.7
General Office Occup.	8,893	1,491	14.4	142,849,873	10,974,612	7.1
Manual Occup., N.E.C.	4,358	1,442	24.9	47,400,570	8,984,343	15.9
Misc. Food & Beverage Prep.	2,717	1,017	27.2	25,915,986	4,924,266	16.0
Carpenters	4,181	994	19.2	88,842,187	10,439,243	10.5
Janitors & Cleaners	3,870	936	19.5	39,746,394	4,941,784	11.1
Misc. Hand Working Occup.	405	893	68.8	4,854,347	6,244,296	56.3
Fast Food	3,152	884	21.9	14,013,591	2,439,156	14.8
Construction Laborers	3,747	871	18.9	61,129,365	8,317,499	12.0
Maids	2,452	863	26.0	24,132,505	4,873,002	16.8
Airplane Pilots and Navigators	1,214	823	40.4	60,389,923	39,774,435	39.7
Cooks, Restaurant	1,421	794	35.8	17,509,134	5,421,404	23.6
Kitchen Workers, Food Prep.	2,291	768	25.1	24,647,276	4,450,332	15.3
Sailors & Deckhands	853	728	46.0	13,460,586	10,548,856	43.9
Guides	568	720	55.9	4,558,934	4,550,803	50.0
Cashiers	4,251	646	13.2	49,370,395	2,861,323	5.5
Registered Nurses	2,374	582	19.7	86,185,909	9,995,350	10.4
Child Care Workers	2,096	527	20.1	16,465,162	2,000,647	10.8
Food Counter, Fountain	1,836	495	21.2	11,924,767	1,619,873	12.0
Freight, Stock, & Material Movers	2,343	445	16.0	46,388,491	3,976,131	7.9
Salespersons	2,177	398	15.5	39,922,558	2,635,237	6.2
Receptionists	2,736	395	12.6	40,052,636	2,408,677	5.7
Stock Handlers and Baggers	2,781	387	12.2	33,498,598	1,805,429	5.1
Electricians	1,638	379	18.8	63,890,796	9,702,837	13.2
Bartenders	1,662	372	18.3	19,062,866	1,741,481	8.4
Engineers	1,245	364	22.6	70,221,310	30,511,970	30.3
Welders and Cutters	686	362	34.5	24,196,672	6,773,058	21.9
Truck Drivers, Light	1,915	361	15.9	38,389,077	3,010,140	7.3
Guards & Police, except Public Svc.	1,462	358	19.7	30,113,850	4,526,594	13.1
Counter Clerks	1,857	326	14.9	21,998,939	1,801,033	7.6
General Managers and Executives	2,606	324	11.1	151,489,664	13,962,487	8.4
Maintenance Repairers, Gen. Utility	1,110	324	22.6	28,519,324	5,055,306	15.1
Operating Engineers	1,176	324	21.6	44,055,501	10,815,175	19.7
Bookkeepers/Accounting	3,626	322	8.2	78,255,995	3,141,714	3.9

from the 11.9% of total wages paid to nonresidents in 1996. Total nonresident earnings declined by more than \$7 million from 1996 to 1997 while resident earnings increased by nearly four percent, or \$263 million.

On average, 23.6% of private sector workers in 1997 were nonresidents. However, the percent of nonresidents varied widely by industry. Nonresident workers are typically found in Alaska industries with a large number of seasonal jobs (often relatively low paying), industries with faster than average growth, industries with jobs requiring special skills, and industries where the workers may be employed in remote work sites or camps.

Alaska's seasonal industries continued to dominate the list of those with the highest nonresident earnings and the most workers. Seafood processing, lumber and wood products, hotels and restaurants, and the oil industry were the major industry sectors with high percentages of nonresident workers in 1997, just as they have been for the last several years.

The food processing industry (primarily seafood processing) maintained its customary dubious distinction of having the highest percent nonresident workers, 73 percent nonresidents in

Resident/Nonresident Workers By industry—1996-1997

1997. This was two percentage points less than in 1996. More than 60 percent of wages in this sector were paid to nonresidents.

The lumber and wood products industry also employs a high percentage of nonresident workers, engaged primarily in seasonal logging activities. Approximately 40 percent of workers were nonresidents in 1997. The pulp mill sector, with its stable, year-round jobs, has traditionally had one of the lowest percentages of nonresident workers in the state; in 1997, only 9.5% of workers were nonresidents. However, employment in this industry dropped sharply with the closure of the last of Alaska's pulp mills in the spring of 1997.

Other private sector industries with above average percentages of nonresident workers include hotels (32.1%), nonmetal mining/quarries (28.1%), eating/drinking places (27.5%), oil and gas (29.0%), water transportation (28.0%), and recreation services (27.5%).

Alaska's oil industry is important in terms of total earnings, employment and high paying jobs. In 1997, nearly 25 percent of earnings went to nonresidents, who made up 29.0% of oil industry workers, a small improvement from 1996. Improvement in resident hire performance came despite

	Resident Workers		% Change 1996-1997	Nonresident Workers		% Change 1996-1997
	1996	1997		1996	1997	
Ag/Forestry/Fishing	1,841	1,900	3.2	899	1,126	25.3
Mining	9,729	9,721	-0.1	4,015	3,795	-5.5
Construction	17,754	18,777	5.8	5,508	4,816	-12.6
Manufacturing	13,052	13,359	2.4	21,130	19,849	-6.1
Trans/Comm/Utilities	24,840	25,930	4.4	5,269	5,174	-1.8
Wholesale Trade	9,468	9,624	1.6	1,800	1,793	-0.4
Retail Trade	54,599	56,267	3.1	14,830	13,755	-7.2
Finance/Insur/Real Estate	12,287	12,948	5.4	1,494	1,483	-0.7
Services	66,853	69,911	4.6	15,754	15,664	-0.6
Nonclassifiable	442	174	-60.6	208	203	-2.4
Total Private Sector	210,865	218,611	3.7	70,907	67,658	-4.6
Local Govt	38,692	39,280	1.5	2,425	2,447	0.9
State Govt	23,512	21,920	-6.8	1,429	1,128	-21.1
Total	273,069	279,811	2.5	74,761	71,233	-4.7

Source: Alaska Department of Labor, Research and Analysis Section

the oil and oilfield service companies' continued two-year decline in total workers and earnings.

Exhibit 5 shows the direction of employment change for nonresidents between 1996 and 1997. The change varied by industry, with most industry sectors showing a decline in the number of nonresident workers.

Nonresidents hold many jobs that Alaskans could fill

Exhibit 4 shows the occupations with the largest total number of nonresident workers in 1997. Nonresidents were assigned an occupation code based upon the occupation in which they earned the most money. Nonresident workers were found in seafood processing related occupations, retail sales, eating and drinking occupations, general office occupations and construction occupations. Some occupations with large numbers of nonresidents require special training, such as carpenters, airplane pilots, nurses, and electricians. These occupations have relatively high pay and may represent an opportunity for training programs in Alaska or a career path for an unemployed Alaskan. Some of the jobs with lower skill requirements for entry may be suitable for those seeking their first job or trying to obtain work experience.

Which Alaska firms hired the largest number of nonresidents?

Exhibit 6 shows the top five employers of nonresidents in each industry. The percentage of nonresidents hired, along with the total number of nonresidents should

be examined together, as a large employer may have a large number of nonresident workers without showing a high percentage rate. Complete resident hire data are available in *Residency Analysis of Alaska's Workers by Firm—1997*.

Methodology

Alaska residency is determined by matching the Alaska Department of Revenue Permanent Fund Dividend (PFD) file with the Alaska Department of Labor wage file. The PFD file includes Alaskans who either applied for or received a PFD. The wage file contains quarterly earnings and industry information on workers covered by unemployment insurance within Alaska. Workers in the wage file are considered Alaska residents if they either received a 1997 PFD or applied for a 1998 PFD.

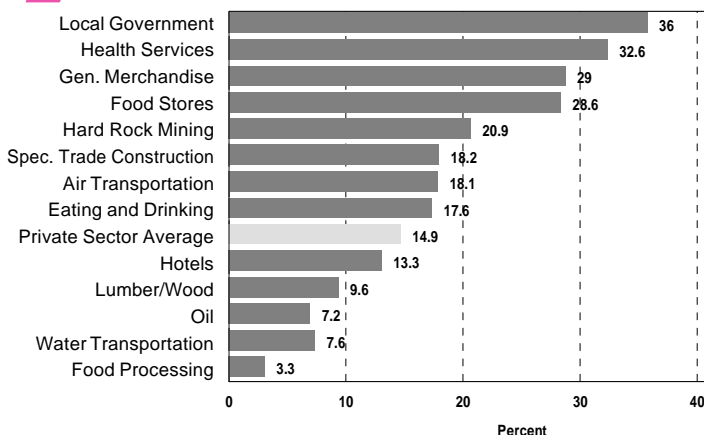
For the purposes of this analysis, Alaska residency is determined by matching the worker's social security number on the wage file with the social security number on the PFD file. The small number of workers with missing social security numbers are excluded from the analysis.

Although most workers would have to be in Alaska all of 1997 in order to be considered residents for purposes of this report, information from both the 1997 and 1998 dividend years is used to improve the accuracy of the residency classification. Resident workers who left Alaska during 1997 would not be eligible for a 1998 PFD. The 1997 PFD data match identifies these workers and they are counted as residents. New workers who arrived in Alaska after January 1, 1997 would generally be counted as nonresidents.

Employers of Nonresidents 6 By industry sector

	Resident Workers	Nonresident Workers	Percent Nonres.
Mining			
Alaska Petroleum Contractors, Inc.	1,406	684	32.7%
BP Exploration Alaska, Inc.	781	484	38.3
Veco Operations, Inc.	934	381	29.0
Peak Oilfield Service Co.	1,179	347	22.7
ARCO Alaska, Inc.	1,353	308	18.5
Construction			
H.C. Price Co.	1,035	262	20.2
Osborne Construction	533	75	12.3
Udelhoven Oilfield System Services	162	73	31.1
Alaska Interstate Construction LLC	310	72	18.8
Red Samm Construction PTR	142	71	33.3
Manufacturing			
Trident Seafoods Corporation	211	2,967	93.4
Ward Cove Packing Co., Inc.	542	1,876	77.6
Unisea, Inc.	277	1,341	82.9
Icicle Seafoods, Inc.	442	1,289	74.5
Peter Pan Seafoods, Inc.	323	1,162	78.2
Transportation, Communications, Utilities			
North Star Terminal and Stevedore	574	261	31.3
Cargo Services Co.	181	253	58.3
Federal Express Corp.	886	250	22.0
Northwest Airlines, Inc.	170	238	58.3
Westours Motorcoaches, Inc.	563	204	26.6
Wholesale Trade			
Baker Hughes Oilfield Operations	61	69	53.1
Officemax	116	48	29.3
NorthAlaska Fisheries, Inc.	147	47	24.2
Alaska Pacific Powder Company	109	44	28.8
Dresser Industries, Inc.	140	38	21.3
Retail Trade			
Aramark Leisure Services Group, Inc.	265	966	78.5
Carr Gottstein Foods Co.	4,679	579	11.0
K-Mart Corp.	1,652	483	22.6
Fred Meyer Shopping Centers	3,057	471	13.4
Wal-Mart Associates, Inc.	2,145	359	14.3
Finance, Insurance & Real Estate			
Alaska USA Federal Credit Union	897	120	11.8
Kake Tribal Corp.	232	101	30.3
National Bank of Alaska	1,484	101	6.4
First National Bank of Anchorage	995	67	6.3
Cusack Development, Inc.	230	66	22.3
Services			
Alaska Hotel Properties, Inc.	549	412	42.9
Providence Hospital	3,158	357	10.2
Westmark Hotels, Inc.	928	305	24.7
Ogden Facility Management of Alaska	1,074	261	19.6
Alyeska Resort	756	235	23.7

7 1996 Nonresidents Who Became Residents in 1997—by industry



Source: Alaska Department of Labor, Research and Analysis Section