

## STATEWIDE IN ALASKA

There was continued growth of the State's economy during 1972. The overall economy continued to advance despite hinderances such as continued delay in construction of the Trans Alaska pipeline, uncertainty over the status of public lands in Alaska, only average production of natural resources and continued high levels of unemployment. Total monthly employment in 1972 surpassed the 1971 figures consistently throughout the year. This improvement was particularly evident in the government, trade, and service industries. Employment is likely to continue its upswing throughout 1973, and in the event of a 1973 starting date for pipeline construction, could increase at record rates. Total employment was up 6,500 positions from the previous year, a 5.8 percent increase. However, the annual average Statewide rate of unemployment of 9.1 percent, was up .7 of one percent from 1971 figures.

Growth in two of Alaska's basic industries, mining and manufacturing, advanced only marginally in 1972. Since the passage of the Alaska Native Land Claims in late 1971, both the federal and State governments have been reviewing the status of land holdings, and it is expected to be sometime in 1973 before these lands are finally classified for mineral exploration. The mining industry has adopted a wait-and-see attitude until the land classification dispute is settled. The petroleum sector of the mining industry reduced activity drastically during the year, primarily due to Trans-Alaska pipeline construction delays. This reduction was manifested in employment levels much lower than in the last three years.

Activity in Alaska's highly variable and seasonal manufacturing industry slowed in 1972 as both major components, fisheries and lumber, posted only small gains over 1971 figures. Harvests of finfish and shrimp were poor in 1972, due to natural and economic factors. The 1972 salmon pack was depressed by catches substantially below the average of recent years. A water shortage and price dispute at one of Alaska's leading fish ports, Kodiak, caused shrimp fishermen to be idle during the spring of 1972, which squelched what probably would have been a record shrimp season. Landings of dungeness, king, and tanner crab were higher in 1972 than in 1971, with dungeness and king crab showing only

marginal gains. Tanner crab landings showed an increase of 119 percent over 1971.

It was an average year for Alaska's lumber industry as reductions in cutting prevented significant employment gains, although the lumber industry itself was boosted by international currency realignments which improved the competitive position of Alaska's exported lumber.

While employment in the construction industry did not surpass the 1971 figures, the volume and value of both public and private contracts rose to record levels. Construction was the bright spot among basic industries in 1972, and the outlook is for another excellent year during 1973.

The trade sector enjoyed a prosperous 1972, and in many cases could not keep pace with the rapidly increasing demand in Alaska's cities. The year saw rapid expansion in the Anchorage area where merchants were hard pressed to meet the area's demands. Merchants in many communities were adversely affected by several maritime labor disputes during the year which hampered the flow of goods into the economy at times. The expansion in the trade industry is reflected by an employment growth of 1,000 over last year. This upward trend should continue during 1973.

The service industry showed significant expansion in 1972. The demand generated by Alaskans and a record number of tourists was sufficient to prompt many service proprietors to invest in capital expansion during the year. New hotels or modified existing ones, new medical clinics, new theatres, and better educational facilities were the effect of progress in the service industry. All indications are that this expansion will continue during 1973.

Employment in the transportation, communication, and public utilities sector rose by more than 800 positions during 1972. The increases in transportation were due to the record number of tourists to Alaska. In the public utilities sector, the expansion was due to improvements in facilities and services. The trucking and warehousing increase was stimulated by growth in the trade sector.

Financial institutions enjoyed a prosperous year reflecting investor optimism related to business prospects in Alaska. Both the banking and real estate sectors enjoyed the prosperity, and several institutions expanded facilities to take advantage of the increased demand for their services. Employment in banking and other financial institutions will further expand as these firms establish new offices around the State in response to demands for financial services stemming from both the pipeline project and the Native Land Claims settlement.

Employment in government expanded significantly over 1971 due to expansion at the State and local level. The rapid employment growth that began to manifest itself in these sectors several years ago shows no sign of slackening, and may accelerate in 1973. Employment at the State and local levels has expanded by 13.8 percent and 12.8 percent respectively, over 1971. Federal employment has declined slightly from 1971 figures and will remain the same or decline slightly during 1973, as the State continues to assume more functions.

## ALASKA'S ECONOMY IN NOVEMBER

**Total Employment -- Unemployment:** The estimated total employment during November declined typically as 3,800 fewer persons were employed than in October, a decrease of approximately 3 percent. Compared with 1971, employment in November was 5.8 percent higher primarily due to expansion at the State and local government level and expansion of

INDUSTRY	(Thousands)			Changes From:	
	11-72	10-72	11-71	10-72	11-71
CIVILIAN WORKFORCE.....	130,200	131,000	122,100	- 800	8,100
INVOLVED IN WORK STOPPAGES.....	0	0	0	0	0
TOTAL UNEMPLOYMENT.....	11,900	8,900	10,300	3,000	1,600
Percent of Workforce.....	9.1	6.8	8.4	-	-
TOTAL EMPLOYMENT <sup>2/</sup> .....	118,300	122,100	111,800	-3,800	6,500
Nonagricultural Wage & Salary <sup>3/</sup> .....	104,900	107,500	98,900	-2,600	6,000
Mining.....	2,300	2,500	2,200	- 200	100
Construction.....	7,900	9,900	8,000	-2,000	- 100
Manufacturing.....	7,600	8,000	7,000	- 400	600
Durable Goods.....	3,400	3,500	2,600	- 100	800
Lumber, Wood Products.....	2,300	2,400	1,700	- 100	600
Other Durable Goods.....	1,100	1,100	900	0	200
Non Durable Goods.....	4,200	4,500	4,400	- 300	- 200
Food Processing.....	2,600	2,900	2,800	- 300	- 200
Other Non Durable Goods.....	1,600	1,600	1,600	0	0
Transp.-Comm. & Utilities.....	10,400	10,800	9,600	- 400	800
Trucking & Warehousing.....	1,500	1,600	1,400	- 100	100
Water Transportation.....	800	1,000	800	- 200	0
Air Transportation.....	2,900	2,900	2,700	0	200
Other Transp.-Comm. & Utilities.....	5,200	5,300	4,700	- 100	500
Trade.....	17,400	17,400	16,400	0	1,000
Wholesale Trade.....	3,300	3,300	3,200	0	100
Retail Trade.....	14,100	14,100	13,200	0	900
General Merchandise & Appar.....	3,600	3,600	3,600	0	0
Food Stores.....	2,200	2,300	1,800	- 100	400
Eating & Drinking Places.....	3,200	3,200	3,100	0	100
Other Retail Trade.....	5,100	5,000	4,700	100	400
Finance-Insurance & Real Estate.....	3,400	3,400	3,400	0	0
Service & Miscellaneous.....	14,100	14,000	13,100	100	1,000
Government <sup>4/</sup> .....	41,800	41,500	39,200	300	2,600
Federal.....	17,200	17,400	17,500	- 200	- 300
State.....	14,000	13,500	12,300	500	1,700
Local.....	10,600	10,600	9,400	0	1,200

<sup>1/</sup> Estimated in accordance with techniques recommended by U. S. Bureau of Labor Statistics.

<sup>2/</sup> Includes domestics, nonagricultural self employed and unpaid family workers, and agricultural workers.

<sup>3/</sup> Prepared in cooperation with the U. S. Bureau of Labor Statistics.

<sup>4/</sup> Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

### CHARACTERISTICS OF THE INSURED UNEMPLOYED IN ALASKA

#### State Unemployment Insurance

	Insured Unemployed Based on Key Week		
	11-72	10-72	11-71
Total Weeks Claimed.....	5,093	2,578	4,185

Characteristic	Percent Distribution		
	100	100	100
Total.....	100	100	100

	Sex and Age		
	49	42	47
<b>Men</b>			
Under 45.....	49	42	47
45 and over.....	28	25	25
<b>Women</b>			
Under 45.....	17	24	17
45 and over.....	6	9	9

	Industry		
	4	3	6
Mining.....	4	3	6
Contract Construction.....	36	28	29
Manufacturing.....	15	12	18
Transp.-Comm. & Utilities...	11	11	12
Trade.....	15	22	18
Finance-Insurance & R. E....	2	3	1
Service & Miscellaneous.....	16	19	16
All Other.....	1	2	0

	Occupation		
	7	8	6
Professional & Managerial...	7	8	6
Clerical & Sales.....	12	16	14
Service.....	11	15	13
Farming-Fishing & Forestry..	3	2	2
Processing.....	8	5	10
Machine Trades.....	4	4	5
Bench Work.....	1	1	1
Structural Work.....	37	32	33
Miscellaneous.....	14	12	15
Unknown.....	3	5	1

	Length of Current Spell of Insured Unemployment		
	50	55	54
1-4 Weeks.....	50	55	54
5-14 Weeks.....	41	33	36
15 Weeks and over.....	9	12	10