

The Trends 50—Alaska's Largest Employers

By Greg Huff

For the second year the Alaska Department of Labor and *Alaska Economic Trends* has produced a list of Alaska's largest private employers—the Trends 50.¹ These employers represent only a small percentage of private business establishments operating in Alaska (less than 2%), but their employment levels account for over one-fifth of all private sector jobs in Alaska and an even greater portion of wages and salaries. The Trends 50, though few in number, are a major force in the Alaskan economy.

In 1986, Alaska's 50 largest private employers ranged in size from 2,600 down to 300 employees and encompassed a variety of industries—from oil and gas production to private social service agencies. In total they employed 31,294 in 1986, 20.6% of total private employment (Figure 1). Including government employment, which totaled 66,680 in 1986, the Trends 50 represented a sizeable proportion of total statewide wage and salary employment (14.3%).

The Trends 50 paid a billion dollars in wages in 1986, 25% of all wages paid by private employers in the state. On average they tend to pay higher wages and salaries than other firms. The average monthly pay in 1986 for employees working for Trends 50 employers was \$2,620 compared to the average private monthly pay of \$2,230. (The average includes Trends 50 employers.)

Trends Top 50 employers tended to weather Alaska's economic downturn better, although several firms had significant employment declines. Six employers dropped out of the 1986 list. These include three construction firms, a retail establishment an airline and a bank. The new firms include two seafood processors, a hotel, a construction company, a company catering to the air transportation industry and one health care firm (see table 1, where * designates a new Trends 50 firm).

The highest debut in the Trends 50 was a seafood processor, International Seafoods of Alaska. They burst into the Trends 50 as the 23rd largest employer in the state. Brown & Root USA, Inc. was the second highest newcomer in 1986 at number 32.

When examining the rankings in Table 1, the annual average data obscure seasonal fluctuations in employment levels. The seasonal fluctuations result in shifts in the ranking during the year. The primary examples are the seafood processing and construction industries. During the summer seafood processing employment levels peak and the rank of the processors climbs considerably, but their ranking falls as quickly when the peak season ends.

Industry Breakout

Of the 31,294 jobs among Trends 50 employers in 1986, the trade industry had the largest number of jobs and construction the fewest. Trade also had the most firms on the list. These 14 firms represented over a quarter of total employment among Alaska's 1986 Trends 50. Illustrated in Figure 2 is the industry breakdown of

We would like to thank the employers for their cooperation and time in responding to our short survey. The survey enabled us to provide this information and we hope in the years to come that we may continue providing information about the Trends 50.

Figure 1
The Trends 50
Percent of Total Private Employment

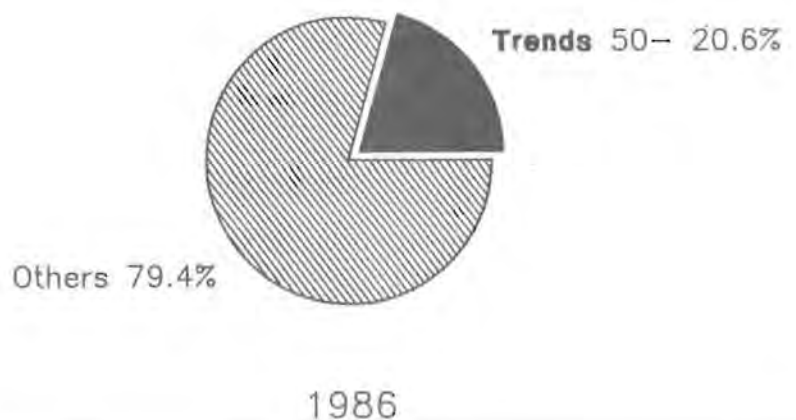


Table 1
Alaska Economic Trends
Top 50 Employers
(based on 1986 average employment)

1986 Rank	1985 Rank	Employment Firm	Employment 1986	1987/a	Industry	Area	Headquarters or Largest Site
1	1	Arco Alaska, Inc.	2,609	2,661	Oil & Gas Production	Statewide	Anchorage/Northern
2	2	Carr-Gottstein Inc. ¹	2,248	2,209	Retail-grocery	Statewide	Anchorage
3	3	Providence Hospital	1,643	1,618	Hospital	Anchorage	Anchorage
4	4	Standard Alaska Production Co.	1,399	1,290	Oil & Gas Production	Statewide	Anchorage/Northern
5	5	Lutheran Hospital & Homes Society ²	1,087	1,094	Health Care	Statewide	Fairbanks
6	7	National Bank of Alaska	920	806	Banking	Statewide	Anchorage
7	6	Alascom Inc.	914	874	Telephone Communications	Statewide	Anchorage
8	9	Safeway Stores Inc.	908	899	Retail-grocery	Statewide	Anchorage
9	11	VECO Inc.	893	805	Oil Field Services	Statewide	Anchorage/Northern
10	8	Alyeska Pipeline Services Co. Inc.	868	878	Pipeline	Statewide	Anchorage
11	10	First National Bank of Anchorage	768	703	Banking	Statewide	Anchorage
12	12	Alaska Airlines Inc.	755	734	Air Carrier	Statewide	Anchorage
13	15	Alaska U.S.A. Federal Credit Union	685	654	Credit Union	Statewide	Anchorage
14	22	Ketchikan Pulp Co.	670	723	Pulp & Lumber Products	Statewide	Ketchikan
15	17	MarkAir	651	628	Air Carrier	Statewide	Anchorage
16	14	Humana Hospital Alaska Inc.	628	618	Hospital	Anchorage	Anchorage
17	34	All Alaskan Seafoods	612	478	Seafood Processing	Statewide	Kodiak
18	13	McDonalds ³	600	687	Retail-eating establishments	Statewide	Anchorage
19	16	Icicle Seafoods Inc.	583	508	Seafood Processing	Statewide	Petersburg
20	19	Fred Meyer, Inc.	531	517	Retail-general merchandise	Statewide	Anchorage
21	21	Sears Roebuck and Co.	524	447	Retail-general merchandise	Statewide	Anchorage
22	18	Union Oil Co. of California	515	469	Oil & Gas	Statewide	Anchorage
23	*	International Seafoods of Alaska, Inc.	488	438	Seafood Processing	Statewide	Kodiak
24	25	Nordstrom Inc.	463	445	Retail-general merchandise	Statewide	Anchorage
25	33	Pay N Save ⁴	462	496	Retail-general merchandise	Statewide	Anchorage
26	26	Anchorage Daily News	451	396	Newspaper	Anchorage	Anchorage
27	20	Spenard Builders Supply	432	325	Retail-building supplies	Statewide	Anchorage
28	23	Hotel Captain Cook	426	378	Hotel	Anchorage	Anchorage
29	24	J. C. Penney Co.	421	405	Retail-general merchandise	Statewide	Anchorage
30	29	Felec Services Inc.	412	388	Radar Station Operator	Statewide	Fairbanks
31	30	Alaska Commercial Co.	408	349	Retail-general merchandise	Statewide	Anchorage
32	*	Brown & Root USA, Inc.	391	226	Heavy Construction	Statewide	Anchorage/Northern
33	40	Lamonts Inc.	390	345	Retail-apparel	Statewide	Anchorage
34	31	Wilsyk Alaska Inc.	390	405	Personnel Supply Services	Statewide	Anchorage
35	48	Burger King ⁵	385	388	Retail-eating establishments	Statewide	Anchorage
36	*	Westward Hilton Corp.	384	319	Hotel	Anchorage	Anchorage
37	32	Sheffield Enterprises Inc. ⁶	378	403	Hotel	Anchorage	Anchorage
38	28	Anchorage Times Publishing Co. Inc.	373	362	Newspaper	Anchorage	Anchorage
39	37	Chugach Electric Association Inc.	372	302	Electric Utility	Statewide	Anchorage
40	46	Alaska Pulp Corp.	358	401	Pulp & Lumber Products	Sitka	Sitka

employment. Compared to the 1985 Trends 50 list there were changes in the industry characteristics. There were increases in the proportion of manufacturing and services representation and declines in the rest of the industries. Finance-insurance and real estate and construction lost the largest share of Trends 50 employment.

Not only do these 50 firms represent a considerable portion of jobs in Alaska, they represent a significant share of employment in their specific industries. The prime example is the mining industry. The four oil and gas firms represented over 61% of total oil and gas employment out of a total of over 120 firms. The two lar-

gest oil and gas firms, ARCO and Standard Alaska, accounted for nearly half of oil and gas employment in 1986. On the other side of the scale, the construction industry is predominantly composed of small firms. Less than three percent of total construction employment is within the largest 50 employers.

Retail trade firms in the Trends 50 represented 18% of total trade employment. Some members however, make up a greater share of their specific retail business. For example, the largest two firms in the trade industry are also Alaska's largest grocers. Carr's and Safeway represent 47.3% of total employment in Alaska's food store industry. Four

department store merchants (Fred Meyer, Sears, JC Penney and Nordstroms) had employment levels in 1986 that accounted for nearly 85% of statewide employment levels within the general merchandise portion of retail trade.

The largest services firms (Providence Hospital, Lutheran Hospital and Homes Society, and Humana Hospital) accounted for over 3,330 jobs in 1986. This was over three quarters of the private hospital, nursing and personal care facilities employment in Alaska.

Three of the seven firms in the transportation, communication, and utilities industry group are air carriers or

Table 1 (continued)
Alaska Economic Trends
Top 50 Employers
(based on 1986 average employment)

1986 Rank	1985 Rank	Firm	Employment 1986	Employment 1987/a	Industry	Area	Headquarters or Largest Site
41	36	The Office Place	355	308	Office Equipment/Supplies	Statewide	Anchorage
42	41	Tanana Chiefs Conference Inc.	354	335	Non-profit service	Statewide	Fairbanks
43	45	ERA Helicopters Inc.	331	284	Air Carrier	Statewide	Anchorage
44	*	Servair Inc.	329	328	Air Transportation Service	Statewide	Anchorage
45	42	International In-Flight Catering Co. Ltd	327	240	Retail-food catering	Anchorage	Anchorage
46	*	Our Lady of Compassion Care Center	325	317	Health Care	Statewide	Anchorage
47	38	Alaska National Bank of the North ⁷	321	0	Banking	Statewide	Anchorage
48	*	Trident Seafoods Corporation	319	661	Seafood Processing	Statewide	Dutch Harbor
49	44	Sheraton Anchorage Hotel	313	286	Hotel	Statewide	Anchorage
50	49	The Salvation Army-Alaska Division	311	298	Non-profit services	Statewide	Anchorage

Dropped Out of Trends 50

1985 Rank	Firm	1985 Employment
27	Pioneer Construction Co.	437
35	AIC-Martin JV, Inc.	385
39	H C Price Construction Co.	365
43	Alaska Sales and Service, Inc	338
47	Reeve Aleutian Airways	313
50	First Interstate Bank	308

a/ 1987 data based on first 6 months only.

* New Top 50 members in 1986

¹ Includes all Carr-Gottstein companies. Carrs Quality Centers alone accounts for 83%.

² Includes Fairbanks Memorial Hospital and facilities in Kodiak, Soldotna, and Valdez.

³ This is Alaska's largest McDonald franchise. It includes Anchorage, Palmer and Wasilla outlets. This franchise sold in late 1986 and in 1987 to several franchise owners.

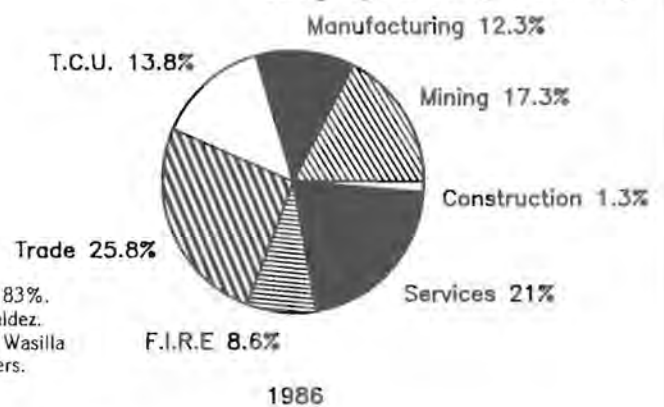
⁴ Seattle Standard Corp. is the parent corporation during this period.

⁵ This franchise includes Anchorage, Fairbanks, Wasilla Burger Kings.

⁶ Was sold to Holland America/Westours in 1987, operated under the name Westmark Hotels.

⁷ Went bankrupt in 1987. Deposits and selected assets were taken over by National Bank of Alaska.

Figure 2
The Trends 50
Employment by Industry



they service the airline industry. They accounted for 31% of all air transportation employment in Alaska. Alyeska Pipeline Company is in a league by itself, providing 90% of the jobs in the oil pipeline industry. Alascom is the big player in the telephone communications, representing nearly half of that industry's total employment (this does not include local government owned and operated systems).

The three banks and credit unions among the 1986 Trends 50 list represented over 60% of banking/credit union employment statewide.

Location of the Trends 50

The Trends 50 are found throughout Alaska, from Ketchikan to the North Slope, and from Cordova to Adak. In 1986 they had employees in at least 57 communities across Alaska. Alaska's largest employers are found in the greatest number in Anchorage followed by Fairbanks and Juneau. Geographically speaking, financial institutions are the most widely distributed firms. On average, they had employees in 13 communities and in as many as 22 communities.

The trade, air transportation, telephone communication and services industries were represented in more communities than other industries.

Among those in the trade industry, Sears and Spenard Builders Supply had operations in more communities than any other retail establishment. Carrs and Safeway have locations in the six largest communities in south-central Alaska. These two grocers and Spenard Builders Supply also have several locations in Anchorage.

Because of the scope of their services, Alascom, MarkAir and Alaska Airlines are located across the state, each having employees in at least 15 communities. The Salvation Army was found in many of the same communities. According to our records The Salvation Army had employees in 13 Alaska communities in 1986. The only hotel operator in Alaska

among the Trends 50 with locations beyond Anchorage was Sheffield Enterprises—now owned by Holland America/Westours and operated under the name Westmark Hotels.

Unique among the Trends 50 are the oil and construction companies location of operations. The oil companies operate on the North Slope and in Cook Inlet, but have their headquarters in Anchorage. The construction firm, Brown & Root U.S.A., is much the same as the oil firms. Headquartered in Anchorage, its main operations are on the North Slope, related to oil field construction.

The majority of manufacturing firms among the Trends 50 are in the fish processing and lumber and paper manufacturing sectors. These firms are the most likely not to be located in Anchorage. On the other hand, Alaska's two largest newspapers are Anchorage based, but distributed statewide.

Conclusion

Alaska's 50 largest employers contribute a large share of total jobs in Alaska. In 1986 they accounted for over 31,200 jobs, 21% of total private employment in Alaska. They represent a variety of industries and have operations across the state. These firms have been major contributors to the economy and will continue to play a leadership role in Alaska's future.

Trends 50 Data Table

Provided in Table 1 are the Trends 50 ranked by employment. Also provided are the firms headquarters location and industry information. Ranking is based on 1986 annual average employment data, which are provided in column 4 of Table 1. The next column contains employment data for the first six months of 1987 (the most current data available at survey time). Although the 1987 data are not directly comparable with the 1986 annual average data because of seasonal and other cyclical fluctuations they provide some insights into the employment trends of these firms.

Overall, the companies in the Trends 50 will remain relatively stable from 1986 to 1987. The rankings will shift around, but only Alaska National Bank of the North will drop out for certain. Another one or two appear on the verge of dropping out based on their data for the first half of 1987. In addition, their relative economic durability is illustrated by the fact that total employment among these employers fell about half as much as the decline in total private employment from 1986 to 1987.

Column 6 is the firms primary business activity. This would not include all business activities which a firm may be involved in. Column 7 and 8 contain location information. If the firm operates in more than one com-

munity, then it is designated a statewide firm. If it operates in only one location that place is listed. The second location provided gives the company's Alaska headquarters or the location of its largest operation.

¹ *The employment data are based on records of unemployment insurance tax, which every employer in the state with one or more employees must pay. The employment data are based on U.I account numbers, so the employment figures may not include the total employment of a parent company if the subsidiaries are under another account number. The employment information is protected by confidentiality laws and therefore it was necessary to receive written permission from each company to release their employment information.*

The number of employees is a job count. It represents the total number of people who worked during the pay period including the 12th of each month. This is not an unduplicated count of the number of different individuals because some workers are reported by more than one employer due to dual job holding and labor turnover. No distinction is made between full-time and part-time employment.