

New Hires Increase During Summer of 1994

by Todd Mosher

New Hires Report

The Alaska New Hires Quarterly Report is a new series developed by the Alaska Department of Labor, Research and Analysis Section. A new hire is defined as an employee who was not working for the employer during any of the previous four quarters.¹ In other words, a new hire represents either a new job or the turnover of an existing job, excluding seasonal rehires from the previous year. New hires include workers entering the work force for the first time; workers re-entering the work force after training, education, or child-rearing; previously unemployed individuals who find work with a new employer; and individuals who change employers while making a vertical or lateral career move.

The New Hires Quarterly Report identifies opportunities provided by the combined effect of turnover and job creation and it should prove especially useful to employment services personnel and the Alaskan job-seekers they serve. The series will provide job-seekers with a better understanding of the timing and magnitude of peak entry opportunities for Alaskan industries and occupations. Currently, data is available for the 2nd and 3rd Quarters of 1994.

Seafood processing and construction new hires expand

There were 75,628 Alaska new hires during 3rd Quarter 1994, up 3,994 or 5.6% from 2nd Quarter 1994. (See Table 1.) The increase was largely attributable to seasonal upswings in seafood processing and construction hiring, which more than offset declines in non-seafood manufacturing and tourism-related hiring. Peak hiring of new employees by sightseeing, travel, and hotel and lodging businesses occurred in late spring. Seafood processing new hires increased by 2,582 or 41% from 2nd to 3rd Quarter 1994, while other manufacturing industry new hires declined by 11%. Newly hired construction workers rose from 7,547 in the spring to 9,126 in the summer, a 21% increase. Ser-

vice industry new hires, excluding the tourism-related hotels and lodging subcategory, were up by 1,132 or 7.8%. During spring and summer quarters, roughly 23 percent of all Alaskan employees were newly hired.

New hires younger, more likely to be nonresidents

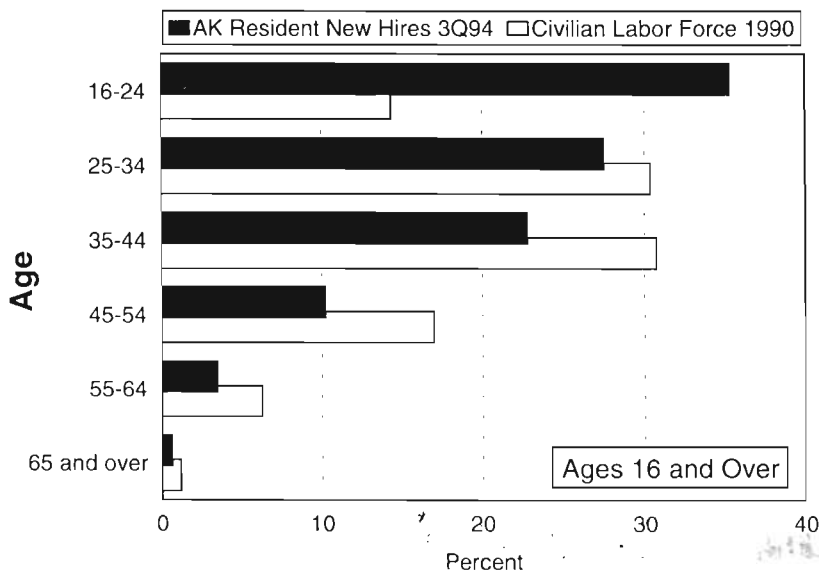
New hires include first-time entries into the labor market and tend to be younger, on average, than the overall work force. The average age of new hires is likely to be even younger during the late spring and summer months, when many high school graduates and college students find summer employment. Figure 1 compares the age distribution of Alaska resident new hires for 3rd Quarter 1994 with the age distribution of the

Todd Mosher is a statistical technician with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is located in Juneau.

¹ For a full explanation of how new hires data is produced, see methodology at the end of the article.

Figure • 1

Age Distribution
Alaska Resident New Hires 3rd Quarter 1994
and Alaska Civilian Labor Force 1990



Note: A resident is defined as an employee that applied for and received a Permanent Fund Dividend in 1993 or 1994.

Source: Alaska Department of Labor, Research & Analysis Section.

T a b l e • 1

Alaska New Hires 1/ 2nd and 3rd Quarters 1994

	2nd Qtr 94	3rd Qtr 94	Change
Total New Hires:	71,634	75,628	3,994
By Region 2/			
Northern	3,632	4,443	811
Interior	11,172	10,238	-934
Southwest	5,364	7,220	1,856
Anchorage	29,781	30,353	572
Gulf Coast	9,995	10,745	750
Southeast	10,250	10,753	503
Marine	801	843	42
Outside	444	585	141
Unknown	195	448	253
By Industry			
Ag./Forestry/Fishing	960	858	-102
Mining	1,303	1,669	366
Construction	7,547	9,126	1,579
Manufacturing	8,256	10,612	2,356
Seafood Processing	6,231	8,813	2,582
All Other	2,025	1,799	-226
Trans./Comm./Util.	6,036	5,070	-966
Tourism Related	1,829	1,028	-801
All Other	4,207	4,042	-165
Wholesale Trade	1,962	2,190	228
Retail Trade	19,040	18,598	-442
Fin./Ins./Real Estate	2,460	2,634	174
Services	18,538	18,482	-56
Hotels & Lodging	3,990	2,802	-1,188
All Other	14,548	15,680	1,132
Public Admin. 3/	5,532	6,389	857

1/ A "new hire" is defined as an employee that was hired by the firm in the report quarter and has not been employed by the firm during any of the previous four quarters.

2/ An employee's region is determined by his or her actual place of employment.

3/ Includes all employees of publicly-owned institutions.

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska civilian labor force for 1990.² Over 35 percent of resident new hires were 16- to 24-year-olds, well over twice the percentage of 16- to 24-year-olds in the overall work force.

A significant number of new hires are migratory workers and workers that have recently moved to Alaska from Outside. Compared to all other Alaska payroll employees, in the 3rd Quarter 1994, new hires were over twice as likely to have *not* received a Permanent Fund Dividend last year. This implies a much higher rate of nonresidency for new hires than for all other employees. Depending on the industry, new hires were anywhere from 1.3 to 4.6 times as likely to have not received a Permanent Fund Dividend. (See Figure 2.)

More new hires work in retail, service, manufacturing, and construction

On average, 51% of all Alaskan employment occurred in the retail, services, manufacturing, or construction industries in 1994. During the summer of 1994, 76% of new hires were employed in these four industries.

New hires by region

Southwest and Northern Alaska claimed the lion's share of summer gains in new hires; Interior new hires slowed. New hires located in Southwest Alaska were up by over a third from spring to summer 1994. (See Table 1.) Production workers—almost exclusively seafood processors—accounted for 825 of the 1,856 additional new hires.

² Since the age data is obtained from Permanent Fund Dividend records, the age distribution includes only Alaska resident new hires that applied for and received a Permanent Fund Dividend in 1993 or 1994.

Northern Alaska new hires were up by 22%. The largest gains were made in newly hired construction and production workers. Gains were also made by laborers, teachers, retail salespeople, and transportation workers.

Interior new hires leveled off by 8.4% from spring to summer. In the 3rd Quarter there were 656 less new hires of food service and retail sales workers than in the previous quarter.

Industries with highest percentage of new hires

In the 3rd Quarter of 1994, newly hired workers accounted for over 36 percent of the construction industry's total payroll, the highest percent of any industry. Nearly 32 percent of the manufacturing industry's payroll, and 29% of the retail trade industry's payroll consisted of newly hired employees. (See Figure 3.)

Top occupations for 3rd Quarter 1994 new hires

Not unexpectedly, the top occupation for summer new hires was cannery workers, including seafood processors, with 6,711 summer new hires. (See Table 2.) The majority of other top occupations for new hires were retail, service, or construction related. Most of the service and retail-related occupations on the top 20 list experienced declines in new hires from spring to summer, while construction-related and seafood processing jobs experienced increases.

Top 20 Occupations for New Hires 3rd Quarter 1994

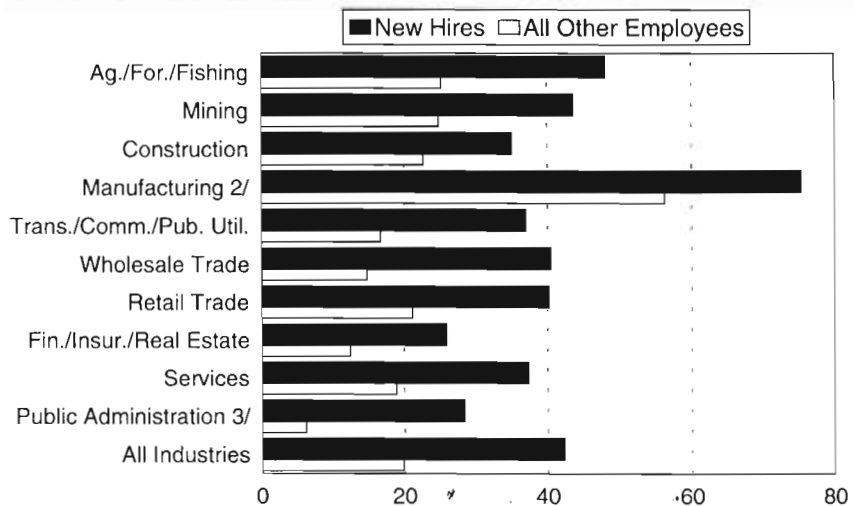
Rank 3Q94	Occupation	New Hires 3Q94	Change from 2Q94
1	Cannery Workers, Seafood Processing	6,711	2,578
2	Misc. Manual Occups.	2,775	194
3	Construction Laborers	2,706	388
4	Sales Clerks	2,506	-491
5	Carpenters	2,135	666
6	Waiters & Waitresses	2,057	-154
7	General Office Workers	2,027	-273
8	Janitors & Cleaners	1,607	58
9	Cashiers	1,494	-223
10	Misc. Food & Beverage Preparers	1,325	-148
11	Maids & Housemen	1,066	-169
12	Kitchen Wkrs., Food Preparation	1,004	-234
13	Electricians	828	288
14	Food Counter & Related, Cafeteria	782	-26
15	Receptionists	722	66
16	Fast Food Prep & Service	674	8
17	Misc. Freight, Stock, & Material Movers	665	-87
18	Guards & Police, Except Public	639	305
19	Attendants, Amusement & Recreation	637	83
20	Secretaries	622	15

Note: Occupations were not reported by the employer for 7,987 out of 75,628 new hires.

Source: Alaska Department of Labor, Research & Analysis Section.

Figure • 2

**Alaska New Hires 3rd Qtr 1994
Percent That Did Not Receive a PFD 1/
in 1994 By Industry**



1/ Permanent Fund Dividend
2/ Includes seafood processing.
3/ Includes all employees of publicly-owned institutions.

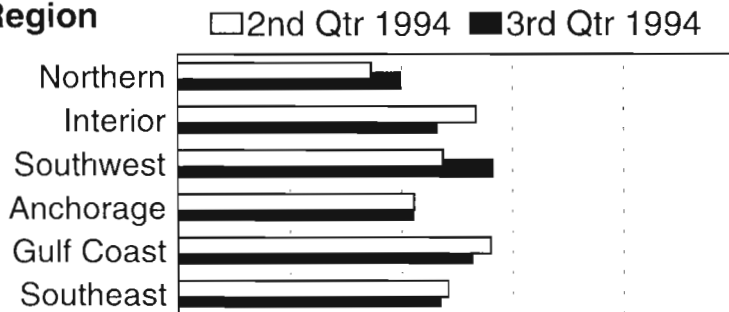
Quarter-to-quarter comparisons are not valid since Permanent Fund Dividend data is only available on an annual basis.

Source: Alaska Department of Labor, Research & Analysis Section.

Figure • 3

Percent New Hires

By Region



By Industry



Notes: *Includes all employees of publicly-owned institutions.

An employee's region is determined by his or her place of employment; if the place of employment is unknown, the employee's region is determined by the location of his or her employer.

Source: Alaska Department of Labor, Research & Analysis Section.

Methodology

The new hires series is produced by matching Occupational Data Base files, Alaska Department of Labor wage files, and Permanent Fund Dividend files keyed on employer numbers and employee social security numbers. This match is made for the report quarter and the four previous quarters. Each employer's full listing of employees is considered for the report quarter. If an employee worked for the employer in any of the previous four quarters, he or she is considered continuously employed or a seasonal rehire and is excluded from the new hires subset; otherwise, the employee is defined as a new hire for that employer.

A worker can be counted as a new hire for more than one employer during the report quarter, but not more than once for the same employer. This method purposely treats the turnover of an existing job as a new hire. The new hires series is designed to measure job opportunities provided by the combined effect of turnover and job growth.

An employee's region is set by his or her actual place of employment, unless that information is not provided by the employer. Historically, about 10 percent of employees' place of employment is left unreported by employers. In that case, the employee's region is determined by the location of the employer.