

BAR AND RESTAURANT JOBS IN ALASKA

We have a smaller share than all but one other state

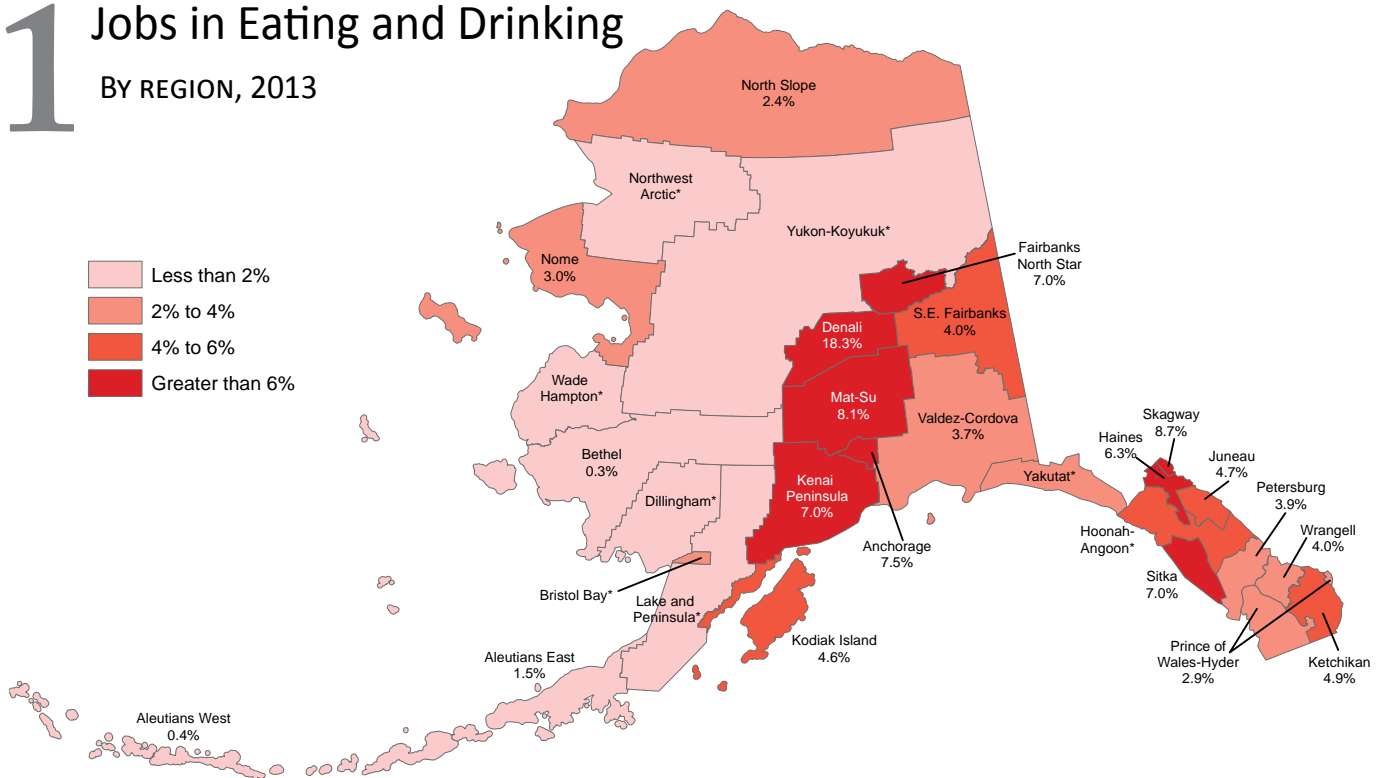
By **CONOR BELL**

Restaurants and bars are some of the most visible employers in the state, but overall, Alaska has relatively few of them. Alaska is 49th in the nation for its share of employment in food and drinking places, topping only New Jersey.

This might come as a surprise because Alaska has so

much tourism, but even some of the larger communities with heavy visitor traffic, such as Juneau and Ketchikan, are lower than the already-low statewide average. Cruise ships don't stay in port overnight and they provide meals on board, so passengers eat and drink on shore only to the extent it's enticing or convenient. Only in areas especially dependent on tourism, such as Denali and Skagway, do visitors generate a high percentage of restaurant and bar jobs.

1 Jobs in Eating and Drinking BY REGION, 2013



*Not disclosable Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

2 Percent of States' Jobs

EATING AND DRINKING, 2013

State	Percent of all jobs	Percent more/less than U.S.
1 Hawaii	9.8%	28%
2 Nevada	9.1%	18%
3 South Carolina	9.1%	18%
4 Rhode Island	9.0%	16%
5 Florida	8.9%	16%
6 Colorado	8.5%	11%
7 Montana	8.4%	10%
8 Georgia	8.3%	8%
9 North Carolina	8.3%	8%
10 New Mexico	8.3%	7%
United States	7.7%	
41 Pennsylvania	6.8%	-11%
42 Minnesota	6.8%	-11%
43 New York	6.8%	-11%
44 Utah	6.8%	-12%
45 Connecticut	6.7%	-13%
46 Iowa	6.6%	-15%
47 North Dakota	6.4%	-17%
48 Vermont	6.3%	-18%
49 Alaska	6.3%	-19%
50 New Jersey	6.2%	-19%

Source: U.S. Bureau of Labor Statistics

Denali and Skagway, major tourist hubs with small populations, are two of just three Alaska boroughs or census areas with bar and restaurant employment above the national average of 7.7 percent. (See Exhibit 1.)

Skagway's overall employment triples from January to July, and Denali's increases by a factor of five. Their annual influx of visitors and seasonal workers leads to a stock of eateries that far outstrips the demands of year-round residents.

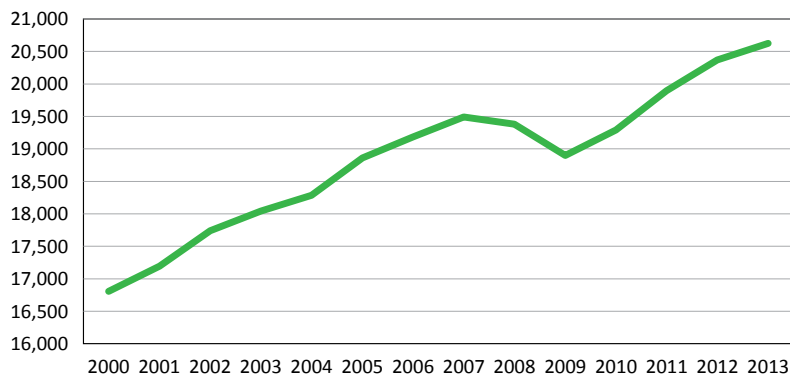
The third area that tops the national average is the Matanuska-Susitna Borough. Mat-Su has a large and growing population, but is very dependent on the Anchorage job market. As a result, a higher concentration of Mat-Su jobs are in service industries such as restaurants and bars.

In general, the most populated areas such as Fairbanks and Anchorage have restaurant and bar employment above the statewide average of 6.3 percent. Though Anchorage is well above the statewide average, it still falls just below the national average. It's grown rapidly over the past decade, though: 58 percent faster than the city's overall employment. Anchorage residents have noted a growth in selection in recent years, from trendy restaurants serving locally sourced ingredients to national chains like Hard Rock Café, Olive Garden, and Texas Roadhouse.

At the other extreme, sparsely populated areas such as Wade Hampton and Lake and Peninsula census areas had no bar or restaurant employment in 2013. Businesses that sell food or drinks in these areas would likely be hotels or lodges, which is where the jobs would be counted. (See the sidebar on page 14.)

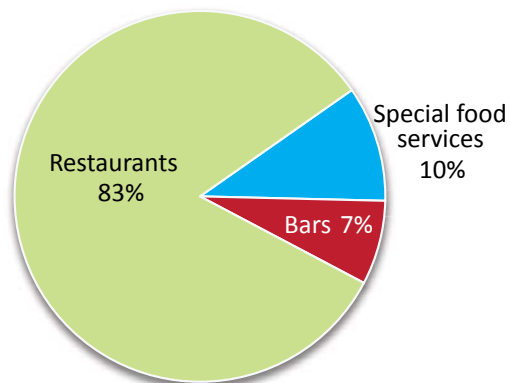
3 Eatery, Bar Employment on Steady Rise

ALASKA, 2000 TO 2013



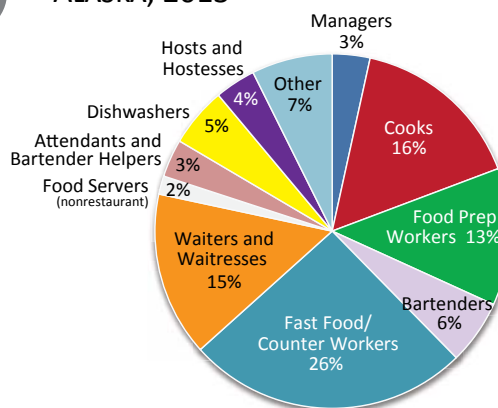
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

4 Most Jobs in Restaurants ALASKA, 2013



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

5 Types of Food Service Jobs ALASKA, 2013



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Jobs have continued to grow

During 2013, Alaska had 20,609 jobs in bars and restaurants, making up 6.3 percent of the state's total employment. The national average was 7.7 percent, and the state with the highest share, Hawaii, was 9.8 percent. (See Exhibit 2.) During the prior year, the most recent available for sales in Alaska, these establishments brought in \$1.4 billion.

Many of these jobs are highly seasonal because of their ties to tourism, and July 2013 reached a peak of 4,473 more jobs than January.

Aside from a dip during the last decade's national recession, bar and restaurant employment has grown steadily since 2000 (see Exhibit 3), at roughly the same rate as Alaska's overall employment. Restaurants and bars tend to follow the larger economic and population trends.

The Department of Labor and Workforce Development projects these jobs will increase by 10 percent between 2012 and 2022, slightly less than overall employment.

Fewer restaurants, more bars and special food service

Alaska also differs in the makeup of its eating and drinking establishments. Though 83 percent of industry employment was within restaurants in 2013 (see Exhibit 4), that was the lowest concentration in the nation.

The lack of restaurants is why Alaska falls far below the national average, as the state had a higher-than-average share of the other two categories: bars and special food services.

6 Managers, Chefs Paid Most FOOD SERVICE WAGES IN ALASKA, 2013

Occupation	Average Hourly Wage
Food Service Managers	\$25.16
Chefs and Head Cooks	\$23.02
Cooks, Institution and Cafeteria	\$17.46
First-Line Supervisors of Food Preparation and Serving Workers	\$17.18
Bakers	\$15.13
Cooks, Restaurant	\$13.78
Food Preparation and Serving Related Workers, All Other	\$13.03
Food Servers, Nonrestaurant	\$12.96
Cooks, Short Order	\$12.80
Food Preparation Workers	\$12.67
Bartenders	\$11.93
Combined Food Prep and Serving Workers, Including Fast Food	\$10.69
Cooks, Fast Food	\$10.61
Waiters and Waitresses	\$10.29
Dining Room and Cafeteria Attendants and Bartender Helpers	\$10.22
Counter Attendants: Cafeteria, Concession, and Coffee Shop	\$10.06
Dishwashers	\$9.94
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	\$9.58

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Special food services are especially notable for their high employment levels in Alaska. This category, which includes food carts, caterers, and food service contracting, largely serves oil and tourism companies. These special food service jobs also paid more, at roughly double the industry's average wage.

Employment in bars was 74 percent more common in Alaska than the U.S, putting it at seventh place in the nation. The No. 1 state, Montana, was a whopping 390 percent above the national average.

Younger workers, fewer males

Restaurant workers are 53 percent female compared with 48 percent for overall employment, and bar employment is dominated by women, at 65 percent. This is common for service workers who deal directly with customers, whereas behind-the-scenes jobs like dish-washing have higher percentages of men.

Workers in food services also tend to be young. The average age is 30, eight years below the average age for all workers. The bulk of occupations are open to young, untrained applicants, and most workers eventually transition to other industries.

Because most of these jobs don't require prior training, wages tend to be low. Waiters and waitresses, the biggest occupational group, made an average of \$10.29 per hour in 2013. (See Exhibits 5 and 6.) This doesn't take all of their tips into account, though.

The highest paying occupations are those requiring previous experience or training. These include food service managers at \$25.16 per hour, and chefs and head cooks at \$23.02 per hour.

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How employers are classified

A business that does multiple things at the same location, such as operate a hotel and a restaurant, is typically categorized by its "main business activity." So, for example, a place like Montana that appears to have a sky-high number of bars may actually just have more standalone bars instead of restaurants or hotels that also serve alcohol.