

## URBAN FAMILY BUDGETS — A COMPARISON

by Cal Dauel  
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One of the most popular sports in Alaska is comparing prices and incomes with the "lower 48." When this is done we are often shooting in the dark, not only because of pure guess work, but because we come from different areas of the country. To say the least, there is great interest in this topic. Companies headquartered in the "lower 48" are constantly trying to determine what they should pay their employees because of the higher costs in Alaska. Individuals who wish to relocate to Alaska or vice versa want to be able to judge what kind of salary they would need to retain or improve their standard of living. For others it is simply an area of interest.

The Bureau of Labor Statistics publishes a much neglected tool that makes these comparisons possible. This publication "Urban Family Budgets for Selected Urban Areas" comes out annually. It compares three hypothetical annual family budgets for an urban family of four for the U.S. and 40 major urban areas, including Anchorage. The family is made up of a 38-year-old husband, a non-working wife, a boy of 13 and a girl of 8. The family is considered well settled in an urban community. The three family budgets, lower, intermediate and higher are costs of three hypothetical lists of goods and services that have been determined as needs for these three standards of living. The budgets are broken down into food, housing, transportation, clothing, personal care, medical care, social security, personal taxes and other miscellaneous items. These have all been added for each area to come up with a total budget. This publication is revised annually because of the change in prices and taxes.

According to the table, which is only a portion of the 40 urban areas that are dealt with in this publication, it is obvious that the differences are quite phenomenal. An index is also available which compares different areas with the urban United States. Comparing the U.S. urban average with Anchorage the percent differences for the three budgets are 65 percent, 41 percent, and 40 percent higher in Anchorage than for the U.S. The index also allows comparison between different urban areas. The variance for the intermediate budget is large. Based on a national average index of 100, Baton Rouge and Dallas are at the lower end of the index with 90, while Honolulu and Anchorage present the other extreme with 124 and 141 respectively.

The budgets have been changing quite rapidly over the years. From 1968 to the early 1970's the gap between urban family budgets for Anchorage and the U.S. was closing, as prices in the U.S. were increasing more rapidly than in Anchorage. This was also a period when Anchorage was growing, modes of transportation were changing, and markets were growing so an increase in efficiency was helping to keep prices down. Beginning in 1974, however, prices began rising faster in Anchorage with the advent of the pipeline and extra demand pull. In 1976 the trend reversed and the gap began to narrow again for the intermediate and higher level budgets but soared to a 66 percent difference for Anchorage lower budget. In 1978 the gap for the lower budget declined slightly to 65 percent above urban U.S.

### Autumn 1978

<u>Budget</u>	<u>Lower</u>	<u>Intermediate</u>	<u>Higher</u>
Urban U.S. ....	\$11,546	\$18,622	\$27,420
Anchorage.....	19,030	26,329	38,406
New York — N.E., N.J. ....	12,063	21,587	34,252
Minneapolis — St. Paul .....	11,421	19,389	28,629
Houston.....	10,906	17,114	24,787
Seattle — Everett, Wa. ....	12,506	18,671	26,567

In Anchorage, housing costs were the largest budget item followed by food then personal income taxes for all three budgets. For the nation as a whole, the pattern was slightly different with food being the most expensive item for the lower and intermediate income budgets and housing being the largest item for the higher budget. Anchorage housing costs vary from 55 percent above the national average for the higher income budget to 116 percent greater for the lower budget. Food in Anchorage ranges from 20

to 27 percent greater. Personal income taxes vary from 75 percent above for the higher budget to 172 percent above the national average for the lower budget.

This latest publication for 1978 Urban Family Budgets is available from the U.S. Bureau of Labor Statistics. Their address is: Bureau of Labor Statistics; 450 Golden Gate Avenue; Room 10450 - Box 36017; San Francisco, Ca. 94102.

#### LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	e/ 4/79	r/ 3/79	4/78	e/ 4/79	r/ 3/79	4/78	e/ 4/79	r/ 3/79	4/78	e/ 4/79	r/ 3/79	4/78
Alaska Statewide.....	182303	179239	177416	18198	19887	21520	10.0	11.1	12.1	164105	159352	155896
Anchorage-Matsu Region....	87280	85759	86880	7741	7742	8549	8.9	9.0	9.8	79539	78017	78331
Anchorage.....	80174	78848	79895	6408	6494	7250	8.0	8.2	9.1	73766	72354	72645
Matanuska-Susitna.....	7106	6911	6985	1333	1248	1299	18.8	18.1	18.6	5773	5663	5686
Gulf Coast Region.....	21704	21313	20428	2410	2692	2963	11.1	12.6	14.5	19294	18621	17465
Cordova.....	1150	1153	1057	98	138	105	8.5	12.0	9.9	1052	1015	952
Kenai.....	10291	10154	9693	1371	1545	1619	13.3	15.2	16.7	8920	8609	8074
Kodiak.....	4770	4534	4355	397	314	397	8.3	6.9	9.1	4373	4220	3958
Seward.....	1490	1464	1444	168	189	248	11.3	12.9	17.2	1322	1275	1196
Valdez.....	4003	4008	3879	376	506	594	9.4	12.6	15.3	3627	3502	3285
Interior Region.....	26427	26317	26557	3782	4043	5265	14.3	15.4	19.8	22645	22274	21292
Fairbanks.....	21537	21337	21679	3138	3240	4380	14.6	15.2	20.2	18399	18097	17299
Southeast Fairbanks.....	2021	2064	1995	252	324	331	12.5	15.7	16.6	1769	1740	1664
Upper Yukon.....	594	614	621	72	100	130	12.1	16.3	20.9	522	514	491
Yukon-Koyukuk.....	2275	2302	2262	320	379	424	14.1	16.5	18.7	1955	1923	1838
Northern Region.....	8998	8575	8034	671	843	925	7.5	9.8	11.5	8327	7732	7109
Barrow-North Slope.....	2420	2272	2136	108	125	162	4.5	5.5	7.6	2312	2147	1974
Nobok.....	2697	2581	2463	250	308	374	9.3	11.9	15.2	2447	2273	2089
Nome.....	3881	3722	3435	313	410	389	8.1	11.0	11.3	3568	3312	3046
Southeast Region.....	28651	27887	26154	2552	3276	2788	8.9	11.7	10.7	26099	24611	23366
Anderson.....	491	502	418	71	106	42	14.5	21.1	10.0	420	396	376
Haines.....	1044	1043	950	149	199	149	14.3	19.1	15.7	895	844	801
Juneau.....	10107	9763	9171	726	917	773	7.2	9.4	8.4	9381	8846	8398
Ketchikan.....	6032	5676	5560	581	536	680	9.6	9.4	12.2	5451	5140	4880
Outer Ketchikan.....	1031	1014	1002	82	119	152	8.0	11.7	15.2	949	895	850
Prince of Wales.....	1603	1586	1425	149	215	123	9.3	13.6	8.6	1454	1371	1302
Sitka.....	3754	3654	3369	303	399	279	8.1	10.9	8.3	3451	3255	3090
Skagway.....	1524	1520	1415	184	257	215	12.1	16.9	15.2	1340	1263	1200
Wrangell-Petersburg.....	3065	3129	2844	307	528	375	10.0	16.9	13.2	2758	2601	2469
Southwest Region.....	9243	9388	9363	1042	1291	1030	11.3	13.8	11.0	8201	8097	8333
Aleutian Islands.....	2299	2300	2351	155	184	173	6.7	8.0	7.4	2144	2116	2178
Bethel.....	2910	2951	2946	359	433	354	12.3	14.7	12.0	2551	2518	2592
Bristol Bay Borough.....	391	415	394	42	71	40	10.7	17.1	10.2	349	344	354
Bristol Bay.....	1248	1280	1292	133	179	159	10.7	14.0	12.3	1115	1101	1133
Kuskokwim.....	937	969	879	184	226	114	19.6	23.3	13.0	753	743	765
Wade Hampton.....	1458	1473	1501	169	198	190	11.6	13.4	12.7	1289	1275	1311

e/=Preliminary r/=Revised

1978 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor, because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature, meaning that the unemployment rates in any given month are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

## ALASKA'S LABOR FORCE IN APRIL

by Sheila Lovelace

Alaska's economy began gearing up for the busy summer season in April. Though activity was picking up rather slowly in Anchorage and Fairbanks, employment gains in other parts of the state were much stronger. The Gulf Coast, Southeastern, and Northern regions all experienced significant growth.

The preliminary unemployment rate for April was 10.0 percent. This was a decrease from March's rate of 11.1 percent. Total employment experienced only a moderate increase of 2.9 percent.

Total nonagricultural employment is not experiencing the strong seasonal expansion of the recent past. This is primarily due to the sluggish nature of the Anchorage and Fairbanks labor markets. Alaska's nonagricultural employment index was 154.4 in April declining 1.8 percent from March.

Major industries which experienced a gain in employment were led by construction and manufacturing followed by small increases in mining,

transportation, trade, F.I.R.E, and services.

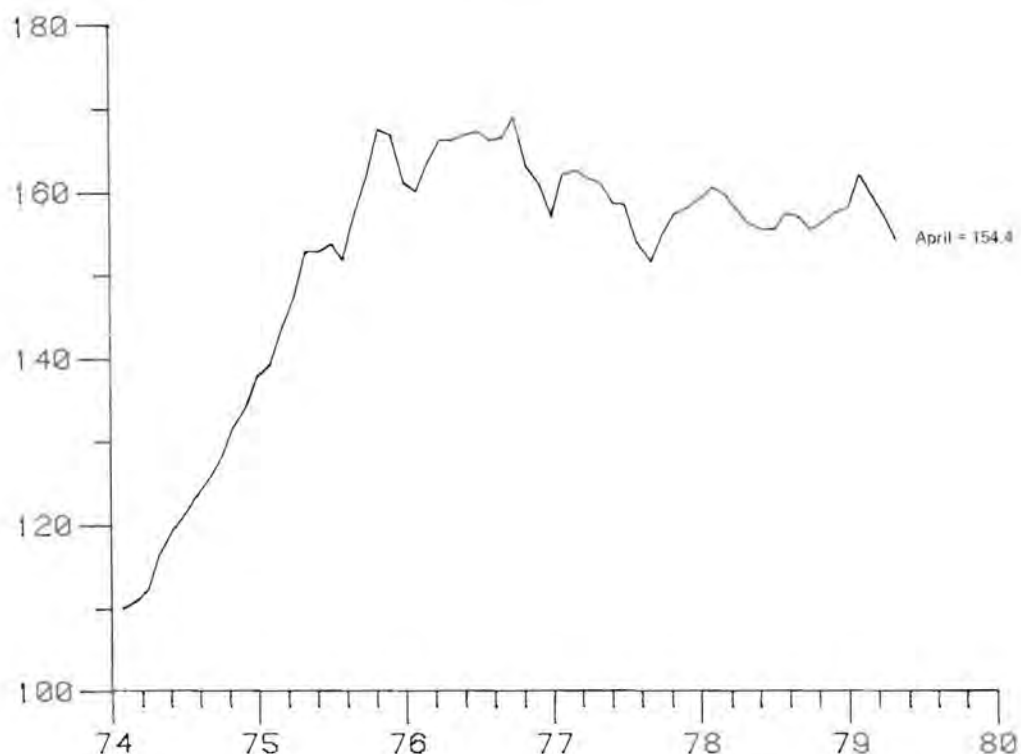
Employment trends in manufacturing though up, were mixed. The seafood processing industry declined 6.5 percent while the wood products industry increased 33.3 percent. The large increase in employment in the wood products industry was primarily due to settlement of the strike against L.P. Ketchikan. The decline in seafood processing, was primarily the result of closure of the tanner crab fishery around the Kodiak area.

Construction activity increased mainly in the heavy construction field with small increases among general building and special trade contractors.

Total government had relatively no net change with a small decline in federal government which was matched by a small increase at the local level. A drop in civilian employment at Elmendorf Air Force Base was a major factor behind the decline in federal government.

### NONAG. EMPLOYMENT INDEX

ALASKA  
1972 = 100



CHARACTERISTICS OF THE INSURED UNEMPLOYED  
STATEWIDE

State Unemployment Insurance Statistics

	4-79	3-79	4-78
<u>TOTAL WEEKS CLAIMED</u> .....	13,618	14,490	16,283
<u>CLAIMANT SEX AND AGE</u>			
Male Claimants.....	9,778	10,611	12,177
Less than 25.....	1,768	1,858	2,289
25 - 34.....	3,698	4,026	4,390
35 - 44.....	1,803	1,969	2,225
45 - 54.....	1,293	1,352	1,624
55 - 64.....	769	839	979
Over 65.....	145	153	190
Unknown.....	302	414	480
Female Claimants.....	3,840	3,879	4,106
Less than 25.....	972	972	1,118
25 - 34.....	1,471	1,476	1,384
35 - 44.....	615	674	663
45 - 54.....	458	439	482
55 - 64.....	190	189	243
Over 65.....	31	16	35
Unknown.....	103	113	181
<u>CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT</u>			
Mining.....	393	385	282
Contract Construction.....	4,510	4,788	7,293
Manufacturing.....	1,241	1,545	1,402
Transportation, Communications, Utilities.....	1,232	1,332	1,349
Trade.....	2,098	2,109	1,813
Finance, Insurance, Real Estate.....	601	580	491
Services.....	2,501	2,619	2,615
Other.....	955	957	385
Unknown.....	87	175	653
<u>CLAIMANT'S PREVIOUS OCCUPATION</u>			
Professional, Technical, Managerial.....	1,158	1,237	1,049
Clerical, Sales.....	2,167	2,171	2,153
Service.....	1,397	1,427	1,578
Farming, Fishing, Forestry.....	213	314	225
Processing.....	500	467	551
Machine Trades.....	579	672	887
Bench Work.....	77	74	86
Structural Work.....	5,623	6,090	6,964
Miscellaneous.....	1,806	1,936	2,498
Unknown.....	98	102	292
<u>DURATION OF WEEKS CLAIMED BY SEX</u>			
Male Claimants			
1 - 4 Weeks.....	4,831	5,560	3,146
5 - 14 Weeks.....	2,855	3,215	4,794
15 Weeks & Over.....	2,092	1,836	4,237
Female Claimants			
1 - 4 Weeks.....	1,932	1,967	1,223
5 - 14 Weeks.....	1,163	1,183	1,692
15 Weeks & Over.....	745	729	1,191



NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/  
BY PLACE OF WORK  
ALASKA

Changes From:

	<u>p/</u> <u>4/79</u>	<u>r/</u> <u>3/79</u>	<u>4/78</u>	<u>3/79</u>	<u>4/78</u>
Nonagricultural Wage & Salary.....	157,400	155,200	159,400	2,200	-2,000
Mining.....	5,700	5,600	5,700	100	0
Construction.....	7,900	7,300	10,700	600	-2,800
Manufacturing.....	9,600	9,100	10,700	500	-1,100
Food & Kindred Products.....	4,300	4,600	5,300	-300	-1,000
Lumber & Paper Products.....	3,200	2,400	3,200	800	0
All Other Manufacturing.....	2,100	2,100	2,200	0	-100
Transp.-Comm. & Utilities.....	15,800	15,500	16,000	300	-200
Trucking & Warehousing.....	2,000	2,000	2,300	0	-300
Water Transportation.....	1,000	1,000	1,100	0	-100
Air Transportation.....	4,500	4,300	4,300	200	200
Other Transp.-Comm. & Utilities..	8,300	8,200	8,300	100	0
Trade.....	27,400	27,100	27,900	300	-500
Wholesale Trade.....	5,200	5,200	5,600	0	-400
Retail Trade.....	22,200	21,900	22,300	300	-100
General Merchandise & Apparel..	3,800	3,700	4,000	100	-200
Food Stores.....	3,200	3,100	3,300	100	-100
Eating & Drinking Places.....	7,300	7,100	7,100	200	200
Other Retail Trade.....	7,900	8,000	7,900	-100	0
Finance-Insurance & Real Estate....	7,500	7,400	7,700	100	-200
Services & Miscellaneous.....	27,200	26,900	27,300	300	-100
Government <u>2/</u> .....	56,300	56,300	53,400	0	2,900
Federal.....	18,900	19,000	17,700	-100	1,200
State.....	15,100	15,100	14,400	0	700
Local.....	22,300	22,200	21,300	100	1,000

1/ Prepared in cooperation with the U. S. Bureau of Labor Statistics.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

## ANCHORAGE LABOR FORCE IN APRIL

by Cal Dael

The economic slowdown continues in Anchorage. This is the tenth month in a row where the Nonag. index has been below the previous year's level, and the third monthly decline. The index is now at 156.3, the lowest since January 1977. Total nonagricultural wage and salary employment is seasonally adjusted to remove seasonal fluctuations and then indexed to the annual average of 1972. This provides a view of the basic economy without seasonal patterns. As noted, the view is currently of a downslope.

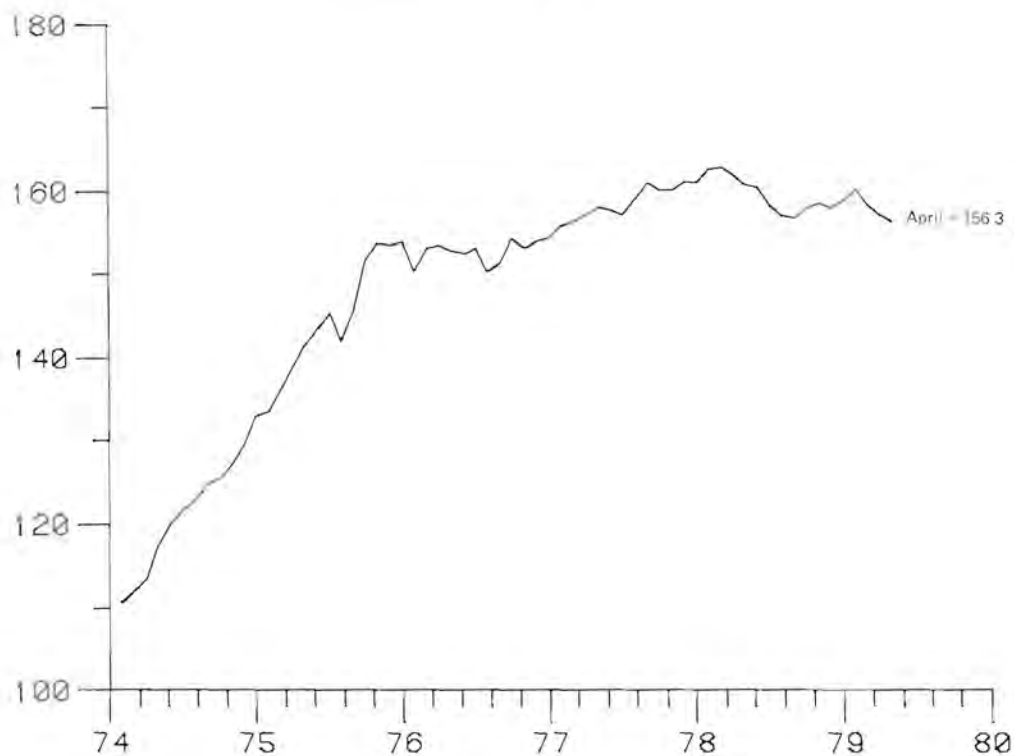
Other indicators are also down. Bank deposits statewide are down, particularly savings, but also checking accounts. Local government deposits are the main positive factor currently on the banking scene. School enrollment is down a normal amount, except there are fewer early graduations seeming to indicate a decline in total population. One local mover sees a shift in the moving patterns. He is currently moving

three families out for every one in. There is also a shift where more moves are paid by the family, and fewer by the company. Another indicator that population may be leaving is the vacancy rate. The vacancy rate for apartments is approaching 20 percent.

One indicator which is remaining constant is the number of openings received by Anchorage Job Service. A.J.S. is receiving nearly the same number of openings, but is filling a higher percentage of them. It seems there are fewer hard-to-fill positions, particularly ones made hard to fill because of low wages. There is certainly no shortage of applicants. Still, wages are on the rise even if applicants are more negotiable about wages. With very few exceptions, the average offered wage is higher than last year. Of the job openings listed with Job Service, only receptionists and keypunch operator have a lower average this year.

### NONAG. EMPLOYMENT INDEX

ANCHORAGE  
1972 = 100



CHARACTERISTICS OF THE INSURED UNEMPLOYED  
IN ANCHORAGE

State Unemployment Insurance Statistics

	<u>4-79</u>	<u>3-79</u>	<u>4-78</u>
<u>TOTAL WEEKS CLAIMED</u> .....	4,494	4,382	5,106
<u>CLAIMANT SEX AND AGE</u>			
Male Claimants.....	3,249	3,151	3,868
Less than 25.....	633	647	764
25 - 34.....	1,272	1,195	1,379
35 - 44.....	594	585	665
45 - 54.....	407	384	583
55 - 64.....	256	275	352
Over 65.....	52	40	63
Unknown.....	35	25	62
Female Claimants.....	1,245	1,231	1,238
Less than 25.....	314	289	346
25 - 34.....	539	521	402
35 - 44.....	193	204	218
45 - 54.....	132	137	155
55 - 64.....	55	66	83
Over 65.....	6	3	12
Unknown.....	6	11	22
<u>CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT</u>			
Mining.....	126	125	79
Contract Construction.....	1,488	1,513	2,543
Manufacturing.....	245	233	217
Transportation, Communications, Utilities.....	419	405	348
Trade.....	904	866	661
Finance, Insurance, Real Estate.....	173	149	172
Services.....	865	815	891
Other.....	251	249	62
Unknown.....	23	27	133
<u>CLAIMANT'S PREVIOUS OCCUPATION</u>			
Professional, Technical, Managerial.....	450	461	298
Clerical, Sales.....	875	859	825
Service.....	504	424	497
Farming, Fishing, Forestry.....	36	36	20
Processing.....	39	36	33
Machine Trades.....	155	170	157
Bench Work.....	35	29	27
Structural Work.....	1,741	1,747	2,460
Miscellaneous.....	630	597	720
Unknown.....	29	23	69
<u>DURATION OF WEEKS CLAIMED BY SEX</u>			
Male Claimants			
1 - 4 Weeks.....	1,001	957	1,017
5 - 14 Weeks.....	1,345	1,426	1,635
15 Weeks & Over.....	903	768	1,216
Female Claimants			
1 - 4 Weeks.....	367	357	368
5 - 14 Weeks.....	539	554	564
15 Weeks & Over.....	339	320	306

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/  
BY PLACE OF WORK  
ANCHORAGE

Changes From:

	<u>4-79</u> <sup>p/</sup>	<u>3-79</u> <sup>r/</sup>	<u>4-78</u>	<u>3-79</u>	<u>4-78</u>
Nonagricultural Wage & Salary.....	73,450	72,800	75,750	650	-2,300
Mining.....	1,950	2,050	1,950	-100	0
Construction.....	4,300	4,000	5,200	300	-900
Manufacturing.....	1,450	1,400	1,500	50	- 50
Food & Kindred Products.....	250	250	300	0	- 50
Other Manufacturing.....	1,200	1,150	1,200	50	
Transp.-Comm. & Utilities.....	8,050	7,900	7,850	150	200
Trucking & Warehousing.....	1,250	1,250	1,250	0	0
Water Transportation.....	300	250	450	50	-150
Air Transportation.....	2,700	2,600	2,450	100	250
Other Transp.-Comm. & Utilities..	3,800	3,800	3,700	0	100
Trade.....	15,900	15,600	16,550	300	-650
Wholesale Trade.....	3,800	3,800	4,150	0	-350
Retail Trade.....	12,100	11,800	12,400	300	-300
General Merchandise & Apparel..	1,600	1,600	1,750	0	-150
Food Stores.....	1,450	1,450	1,500	0	- 50
Eating & Drinking Places.....	3,950	3,800	4,200	150	-250
Other Retail Trade.....	5,100	4,950	5,100	150	0
Finance-Insurance & Real Estate....	4,750	4,650	4,950	100	-200
Services & Miscellaneous.....	14,300	14,250	15,750	50	-1,450
Government <u>2/</u> .....	22,750	22,950	22,000	-200	750
Federal.....	10,200	10,400	9,700	-200	500
State.....	4,850	4,850	4,550	0	300
Local.....	7,700	7,700	7,750	0	- 50

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the Inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.



Nonag. employment by industry shows a general monthly increase, with only government and mining showing a decline. Construction and trade have the biggest growth in absolute numbers. The construction increase is expected because it is a very seasonal industry and this is the time of year for seasonal expansion.

Even with the growth this month, construction is still almost a thousand below last year's employment. The high vacancy rate and the sharp decline in the number of building permits assures a continued over-the-year decline for the balance of 1979. The completion of the new Sheraton Hotel will add a further negative effect before mid-year. Every sector of construction is down over-the-year. However, employment in heavy construction is holding up the best. Construction on the new North-South runway at Anchorage International Airport, as well as some road jobs, should keep employment in heavy construction near or above last year's levels. Currently road construction is occurring from Potter south on the Seward Highway, an overpass at Eklutna and the job on the old Seward Highway at 36th is just starting up. Construction on the three new shopping centers should put some life into the general building and specialty trade sectors, but this won't match the over-the-year decline brought about by the decline in residential construction and the completion of the Federal Center.

Trade, as noted earlier, is the other industry with a large monthly change in employment. It continues to show an over-the-year decline, but things are looking up. The increase is fairly general, and even though the total growth for the industry is 300, the growth in individual subsectors is relatively small. The sectors with most of the growth are eating and drinking establishments as well as car sales and service enterprises.

## ANCHORAGE-MATSU LABOR FORCE IN APRIL

by Cal Dauel

The unemployment rate in the Anchorage-MatSu region dropped only slightly this month. The estimate of the number of unemployed in the valley increased, offsetting the decline in the Anchorage estimate. The regional unemployment rate was 8.9 percent in April. The revised estimate for March was 9.0 percent. This is still considerably below last year's April estimate of 9.8 percent. The decline in the estimate of total unemployment parallels the decline in insured unemployment. The MatSu Job Service Center is paying out about three-fourths of the number of checks that they paid last year. The decline is partially due to the number of people who have exhausted their benefits, but there is also a

similar decline in the number of initial claimants. The decline in the number of new claims assures a decline in the total number of claimants later in the year.

Total nonagricultural wage and salary employment increased by 800 this month. Most of this growth is contributed by Anchorage, but the valley did produce 150 new jobs. These jobs were concentrated in three sectors. Trade produced the most growth in the valley economy. It shows 100 new jobs this month and a couple hundred over the year. Construction and services showed smaller growth which was partially offset by a small decline in the financial sector.

### NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/ BY PLACE OF WORK ANCHORAGE-MATSU

Changes From:

	<u>4/79</u> <sup>p/</sup>	<u>3/79</u> <sup>r/</sup>	<u>4/78</u>	<u>3/79</u>	<u>4/78</u>
Nonagricultural Wage & Salary.....	76,950	76,150	78,050	800	-1,100
Mining.....	1,950	2,050	1,950	-100	0
Construction.....	4,500	4,150	5,600	350	-1,100
Manufacturing.....	1,500	1,450	1,500	50	0
Transp.-Comm. & Utilities.....	8,400	8,250	8,150	150	250
Trade.....	16,700	16,300	17,150	400	-450
Finance-Insurance & Real Estate....	4,850	4,800	5,000	50	-150
Services & Miscellaneous.....	14,650	14,550	15,900	100	-1,250
Government <u>2/</u> .....	24,400	24,600	22,800	-200	1,600

1/ Data contained in this report cover the Anchorage Election District area, which includes the City of Anchorage, the residential communities of Campbell, Spenard, Merrill Field, Mountain View, Elmendorf Air Force Base, Fort Richardson, and the Inter-connecting highways.

2/ Includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.

## FAIRBANKS LABOR FORCE IN APRIL

y Neal Fried

Nonagricultural Wage and Salary employment continued on the upswing in April. The increase was slightly less than one percent. The increases in past years during April had been substantially higher. As in April, the Fairbanks economy during the next 4-5 months will experience positive moves simply because these are normally the months with the greatest employment. These positive moves are entirely seasonal though. Compared with previous years, there will be fewer jobs — approximately 5-10 percent fewer in 1979 than in 1978.

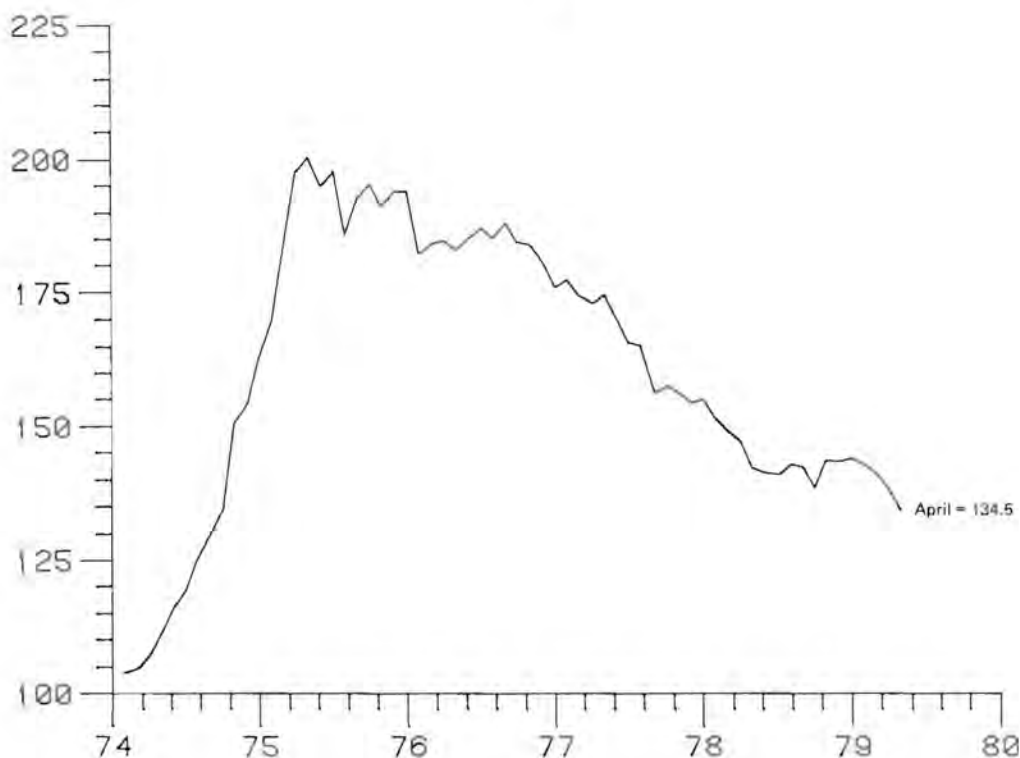
1979 may be the year that Fairbank's economy finally stabilizes unlike 1978 which experienced a continuing decline. During the first four months of this year, there have been signs of hesitation but it does appear a plateau may be finally close at hand. It may be too early to judge, but seasonality appears to have tempered somewhat. This is largely due to

the fact that the most seasonal industry, construction, is no longer one of the largest employers in Fairbank's economy. The employment share of construction is continuing to decline. In 1977 it was responsible for 19 percent of the employment compared with nine percent for 1978. For the first four months of 1978, the percentage share was 8.3 compared with six percent for the same period in 1979. With the exception of government, the trade and service industries are now the largest employers. Both of these industries have remained extremely stable and have experienced little seasonality during the past year.

Construction employment was the largest gainer this month with an addition of 150 workers. Construction employment continues to be extremely seasonal and should continue to grow during the next 3-4 months. Most of the gains made in April were

### NONAG. EMPLOYMENT INDEX

FAIRBANKS  
1972 = 100



CHARACTERISTICS OF THE INSURED UNEMPLOYED  
IN FAIRBANKS

State Unemployment Insurance Statistics

	4-79	3-79	4-78
<u>TOTAL WEEKS CLAIMED</u> .....	2,438	2,434	3,604
<u>CLAIMANT SEX AND AGE</u>			
Male Claimants.....	1,804	1,814	2,728
Less than 25.....	274	289	468
25 - 34.....	693	717	1,102
35 - 44.....	373	370	526
45 - 54.....	261	270	349
55 - 64.....	155	117	181
Over 65.....	21	23	41
Unknown.....	27	28	61
Female Claimants.....	634	620	876
Less than 25.....	153	167	277
25 - 34.....	254	224	296
35 - 44.....	105	117	133
45 - 54.....	73	71	86
55 - 64.....	36	28	59
Over 65.....	1	1	2
Unknown.....	12	12	23
<u>CLAIMANT'S PREVIOUS INDUSTRY OF ATTACHMENT</u>			
Mining.....	46	36	23
Contract Construction.....	1,191	1,159	2,073
Manufacturing.....	53	64	60
Transportation, Communications, Utilities.....	262	292	361
Trade.....	309	297	341
Finance, Insurance, Real Estate.....	58	56	55
Services.....	373	384	581
Other.....	141	119	29
Unknown.....	5	27	81
<u>CLAIMANT'S PREVIOUS OCCUPATION</u>			
Professional, Technical, Managerial.....	171	182	248
Clerical, Sales.....	317	347	455
Service.....	229	229	309
Farming, Fishing, Forestry.....	8	7	8
Processing.....	8	8	17
Machine Trades.....	117	132	280
Bench Work.....	16	17	24
Structural Work.....	1,163	1,083	1,573
Miscellaneous.....	398	412	628
Unknown.....	11	17	62
<u>DURATION OF WEEKS CLAIMED BY SEX</u>			
<u>Male Claimants</u>			
1 - 4 Weeks.....	621	642	721
5 - 14 Weeks.....	714	740	1,055
15 Weeks & Over.....	469	432	952
<u>Female Claimants</u>			
1 - 4 Weeks.....	260	233	253
5 - 14 Weeks.....	233	236	361
15 Weeks & Over.....	141	151	262

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/  
BY PLACE OF WORK  
FAIRBANKS

Changes From:

	<u>4/79</u>	<u>p/</u> <u>3/79</u>	<u>r/</u> <u>4/78</u>	<u>3/79</u>	<u>4/78</u>
Nonagricultural Wage & Salary.....	19,800	19,800	20,900	0	-1,100
Mining.....	50	50	50	0	0
Construction.....	1,250	1,100	1,750	150	-500
Manufacturing.....	500	450	500	50	0
Transp.-Comm. & Utilities.....	2,450	2,450	2,750	0	-300
Trucking & Warehousing.....	350	350	500	0	-150
Air Transportation.....	650	600	650	50	0
Other Transp.-Comm. & Utilities..	1,450	1,500	1,600	50	-150
Trade.....	3,650	3,650	3,950	0	-300
Wholesale Trade.....	750	750	800	0	- 50
Retail Trade.....	2,900	2,900	3,150	0	-250
General Merchandise & Apparel..	300	300	400	0	-100
Food Stores.....	500	500	550	0	- 50
Other Retail Trade.....	2,100	2,100	2,200	0	-100
Finance-Insurance & Real Estate....	800	800	950	0	-150
Services & Miscellaneous.....	3,500	3,550	3,700	- 50	-200
Government <u>2/</u> .....	7,600	7,750	7,250	-150	350
Federal.....	2,500	2,600	2,350	-100	150
State.....	3,000	3,050	2,850	- 50	150
Local.....	2,100	2,100	2,050	0	50

1/ Data contained in this report covers the Fairbanks Election District area which includes the city of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel.

3/ Benchmark date March 1978.

p/ Denotes preliminary estimates.

r/ Denotes revised estimates.



in the heavy construction sector. This will hold true throughout the construction season. This is simply because larger public projects will dominate the construction season in Fairbanks this year. The number of residential building permits issued so far, is 27 percent below 1978 levels which was considered a slow year. There is no reason to believe this will change in the near future.

Transportation employment, normally a seasonal growth industry, continues to move in no apparent direction. It did not improve this month because of a loss of employment in the sagging trucking sector. This sector continues to flounder because of a drop in freight handling. The small surge in construction may help alleviate some of the decline in the trucking sector, but next winter's closing of the haul road should continue the decline. Air transportation employment increased slightly and should continue to do so throughout the summer because of the coming of the tour season and the fact that a number of major worldwide airlines are now landing in Fairbanks because of the availability of jet fuel. This increase in air transportation may be large enough in the coming months to offset the decline in trucking employment and therefore show an overall increase in transportation employment.

Service employment has dropped again slightly in April. The service industry has been a relatively stable sector throughout 1978 and so far in 1979. Employment will grow for the next 3-4 months in large part because of the coming tour season, with hotels being the major beneficiaries. This should be another good year for tourism despite the energy crunch being experienced elsewhere. A large percentage of the tourists who visit Fairbanks come on "book in advanced" packaged tours, which brings them to Alaska via ship or air. Neither of these modes of transportation should be affected enough by possible energy shortages to have much effect on the number of this type of tourist. The number of tourists who come via the highway by car may very well drop off this year. Touring motorists are less likely to use hotel facilities in Fairbanks. It would be difficult to measure the amount of lost income due to the drop in the number of these tourists. It could possibly adversely affect employment, but it would be difficult to gauge.

Government employment was the true surprise this month, by being the largest loser. The loss was in the Federal and State sectors with local government remaining unchanged. Government employment can

be expected to decline for the next two months because of schools closing. This provides the slight seasonality that occurs each year in the normal stable government employment picture.

## INTERIOR LABOR FORCE IN APRIL

by Neal Fried

Nonagricultural Wage and Salary employment increased again this month in the Interior. April's level is higher than 1978 levels for all months through July. In other words, real growth, not only seasonal growth in employment, continues to occur.

The unemployment rate fell in the Interior in April and if Fairbanks is separated from the balance of the Interior, the rate dropped even further. The unemployment rate should be treated with caution — this being particularly true for the Interior and

all of rural Alaska. It is a well known fact that employment participation rates for rural areas in Alaska are far below the urban areas. Inhabitants of rural Alaska realize there is little opportunity for wage employment in their villages and towns and therefore seldom look for work. If an individual is not actively looking for work, then he or she is not considered part of the labor force and therefore not unemployed. This means the unemployment rate may not accurately measure the desire for wage employment in rural areas.

### NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT 1/ 3/ BY PLACE OF WORK INTERIOR

Changes From:

	<u>4/79</u> <sup>p/</sup>	<u>3/79</u> <sup>r/</sup>	<u>4/78</u>	<u>3/79</u>	<u>4/78</u>
Nonagricultural Wage & Salary.....	23,300	23,200	24,100	100	-800
Mining.....	200	150	150	50	50
Construction.....	1,400	1,250	1,800	150	-400
Manufacturing.....	550	500	500	50	50
Transp.-Comm. & Utilities.....	3,350	3,350	3,550	0	-200
Trade.....	3,950	3,950	4,200	0	-250
Finance-Insurance & Real Estate....	900	900	1,000	0	-100
Services & Miscellaneous.....	3,800	3,800	4,250	0	-450
Government <u>2/</u> .....	9,150	9,300	8,650	-150	500

1/ Data contained in this report covers the Fairbanks Election District area which includes the City of Fairbanks, the residential communities of College, International Airport, Fort Wainwright, Eielson Air Force Base, Farmer's Loop Road, Slaterville, Gilmore, Tok Junction, Big Delta and the inter-connecting highways.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

<sup>p/</sup> Denotes preliminary estimates.

<sup>r/</sup> Denotes revised estimates.

# SOUTHEAST ALASKA'S LABOR FORCE IN APRIL

by Jan McIlroy

In the Southeast region as a whole, unemployment was down 22.1 percent. One of the reasons for this in the Juneau area was the start-up of many small construction projects, as well as preparation work on the approaches to the new Juneau-Douglas bridge that is to be completed by fall, 1981.

In Sitka, the Green Lake Hydroelectric dam project is to begin construction this season. A crew of 40 has begun work building a road to the site.

Wrangell had a successful herring sac-roë harvest in the Sitka Sound in April. By cooperation and a sharing of fishing time, they were able to acquire a better product. They will be paid four million dollars

for their spring catch. There was also extra part-time employment of students and casual labor.

After a seven month strike, at Louisiana Pacific's pulp mill in Ketchikan, a final settlement was reached in early April. The end of the strike put 570 employees back on the payroll. Of these, only 40 were new employees. It was reported that 50 jobs at the mill and the Thorne Bay logging camp will not be filled because of environmental regulations, wilderness designations and native land withdrawals. In a separate strike seafood workers returned to work April 15 after a one week walkout that affected several processors throughout Southeastern.

## NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT <sup>1/</sup> <sup>3/</sup> BY PLACE OF WORK SOUTHEAST ALASKA

Changes From:

	<sup>p/</sup> <u>4/79</u>	<sup>r/</sup> <u>3/79</u>	<u>4/78</u>	<u>3/79</u>	<u>4/78</u>
Nonagricultural Wage & Salary.....	24,450	23,350	23,800	1,100	650
Construction.....	1,000	800	950	200	50
Manufacturing.....	3,300	2,800	3,500	500	-200
Transp.-Comm. & Utilities.....	1,850	1,800	2,000	50	-150
Trade.....	3,250	3,100	3,250	150	0
Wholesale Trade.....	350	300	300	50	50
Retail Trade.....	2,900	2,800	2,950	100	50
Finance-Insurance & Real Estate....	950	950	850	0	100
Services, Mining & Miscellaneous..	2,950	2,850	2,700	100	250
Government <sup>2/</sup> .....	11,150	11,050	10,550	100	600
Federal.....	2,500	2,450	2,300	50	200
State.....	4,700	4,650	4,500	50	200
Local.....	3,950	3,950	3,750	0	200

1/ Data in this report cover the following census divisions: Angoon, Haines, Juneau, Ketchikan, Outer Ketchikan, Prince of Wales, Sitka, Skagway-Yakutat, and Wrangell-Petersburg.

2/ Includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

3/ Benchmark date March 1978.

<sup>p/</sup> Denotes preliminary estimates.

<sup>r/</sup> Denotes revised estimates.

## GLOSSARY

**Annual Average:** The aggregate of 12 months data divided by 12. Annual average data are commonly used for projections and other long-term analyses.

**Average Hourly Earnings:** Average weekly earnings divided by average weekly hours.

**Average Weekly Earnings:** Average total money earnings of production or nonsupervisory workers in the survey week, including overtime and incentive pay.

**Average Weekly Hours:** Average total hours of paid work by production and nonsupervisory workers in the survey week, including overtime, paid vacation and sick leave.

**Benchmark:** Most economic time series utilize a sample trend made of the best available data at the time. Periodically the series is adjusted due to more complete information being available. This periodic adjustment is a *Benchmark Revision* and the point-in-time for which the more complete data was available is the *Benchmark Date*. Data is commonly referenced by its benchmark date, e.g., "data based on a March 1976 benchmark".

**Civilian Labor Force:** See Labor Force.

**Comprehensive Employment and Training Act of 1973 (CETA):** An act which set up a decentralized system of job training, Public Service Employment (PSE), and other employment services. This act provides federal grants to selected prime sponsors and replaced the Manpower Development and Training Act (MDTA).

**Consumer Price Index (CPI):** This index measures changes over time in a predetermined marketbasket of goods and services. Most goods and services are covered in the marketbasket as well as sales and excise taxes, but income tax is not included. The CPI is not a true cost of living index nor can it be compared between areas to determine their relative cost of living.

**Current Employment Statistics (CES):** Estimates of nonagricultural wage and salary employment and production worker hours and earnings by industry. Estimates are produced monthly for Alaska from a sample of employing establishments in cooperation with the Bureau of Labor Statistics.

**Current Population Survey (CPS):** A monthly household survey of the population of the United States. This survey is the data source for the national estimates of labor force composition. CPS data is also incorporated into the state and area labor force estimating procedures to improve interstate comparability.

**Discouraged Worker:** Persons who want work but made no attempt to find work in the past 4 weeks because of a belief that they could not find employment. Discouraged workers are not counted among the unemployed.

**DOT Codes:** An occupational coding structure based upon job traits and relationships. The codes are published in the Dictionary of Occupational Titles.

**Econometrics:** A subdiscipline which utilizes mathematical techniques in testing and applying economic theories.

**Economically Disadvantaged:** An individual whose immediate family either receives cash welfare payments or whose annual income falls below the current Poverty Income Guidelines.

**Employment by Place of Residence:** An estimate of the number of persons employed who live within a given labor market or other geographic area. All persons who worked for pay and unpaid family workers who worked at least 15 hours or more in the survey week are included, as are workers who were temporarily absent from their job due to vacations, labor disputes, etc.

**Employment by Place of Work:** An estimate of the number of jobs filled in the survey week within a given area. Multiple job holders are counted for each job. In Alaska only the nonagricultural wage and salary workers are tallied by place of work. Labor disputants are not included in the estimates of employment by place of work.

**Employment Security Automated Reporting System (ESARS):** A computerized tally of all Job Service activities, job applicant and job openings characteristics.

**Exogenous:** Relates to those components in econometric modeling which change externally to economic variables in the model.

**Hard-to-Fill Job Openings:** Job openings which have gone unfilled for a month or more. Some of the openings may be difficult to fill because of the job environment, wage scales or lack of qualified workers.

**High Demand Occupation:** Occupations which have a substantial number of job openings both in absolute terms and relative to the number of job applicants for that occupation. High demand may be the result of either high growth, high turnover and sometimes by a combination of the two.

**Index or Index Number:** A measure of relative growth compared with a base figure for the same time series. In index form the base period is set equal to 100, and data for other periods are expressed as percentages of the base value.

**Job Bank:** A computerized system which provides rapid dissemination of job orders throughout a network of Employment Division local offices.

**Labor Force:** All persons 16 years and older who are either employed or unemployed. Normally published as a civilian labor force by place of residence (see Employment by Place of Residence).

**Labor Market Area:** An area with a central community and economic concentration in which workers can generally change jobs without changing their residence. In most states labor market areas are either counties or groups of counties.

**Labor Market Information (LMI):** Data on a broad range of topics such as labor force, employment by industry and occupation, unemployment, population, earnings, wages, hours worked, training programs and labor turnover.

**Labor Turnover:** Movement of workers in and out of employment in a given time period in an industry, occupation or firm. The labor turnover program publishes a time series of monthly industry data on hires, rehires, quits, layoffs, etc. Turnover in an occupation is often considered on a longer time frame.

**Multiple Job Holders:** Persons who simultaneously work more than one job.

**Nonagricultural Wage and Salary Employment:** Place of work employment that does not include the self-employed, unpaid family workers, domestics or agricultural workers. Conceptually this is probably the most consistent economic time series available to compare different labor markets over an extended period of time.

**Occupational Employment Statistics (OES):** A program which produces occupational data for major industries once every three years. Projections by occupation are made which aid educators and other occupational planners.

**Part-time Work:** Work that is less than 35 hours per week.



**Seasonal Adjustment:** Minimizes the changes in any time series from normal annual occurrences, such as Christmas, summer vacations and weather. After seasonal adjustment any month can be compared with the annual average, or any other month and differences should then be due to economic trends or unusual occurrences. Seasonally adjusted data more accurately portrays underlying economic trends, but should not be used where the current level is more important to the data user than the economic trend. No meaningful seasonal adjustment exists for annual or annual average data since the purpose is to make monthly or quarterly data comparable to the annual average data.

**SIC Codes:** Standard Industrial Classification code structure in which all establishments are classified by a four-digit code according to their primary economic activity. Frequently references will be made to SIC codes at the 1, 2 or 3 digit levels when a less specific classification is useful.

**Standard Metropolitan Statistical Area (SMSA):** Except in the New England States, SMSA's consist of counties or groups of contiguous counties which meet specifications of social and economic integration with a central city (or twin cities) of at least 50,000 population. In New England States, SMSA's consist of towns or cities rather than counties.

**Survey Week:** The week that includes the 12th of the month is used as a reference period for most labor force data.

**Time Series:** A set of consistent economic quantitative data collected at periodic intervals (most labor market information is monthly, but weekly and annual data is published for some items).

**Underemployment:** A term that includes both persons who are working part-time who would prefer full-time work, and persons working full-time in an occupation which does not utilize their skills derived from prior training or experience.

**Unemployment:** Persons who were not employed during the monthly survey week but were available for work and had either (1) overtly engaged in a jobseeking activity within the four week period up to and including the survey week; (2) were waiting to be recalled from a layoff; or (3) were waiting to report to a new wage and salary job within 30 days.

**Unemployment Rate:** The number of unemployed persons expressed as a percentage of the labor force. Commonly the seasonally adjusted unemployment rate is referred to as the unemployment rate and it is usually the only rate quoted in the monthly news release on the U.S. unemployment situation (see Seasonal Adjustment).