

Alaska Quarterly New Hires Report

Spring New Hires Taper Off in 1996

By Todd Mosher, Labor Economist

The *Alaska New Hires Quarterly Report* measures the number of job opportunities created by business expansions, business start-ups, or job turnover. The report assists employment security personnel and the job-seekers they serve as they develop strategies for job placement in Alaska's economy. A *new hire* is defined as an employee who was not working for the employer in any of the four previous quarters. New hires data include job turnover, and readers are therefore cautioned against drawing broad conclusions about job growth trends based solely on quarterly new hires data.

Spring new hires show strong seasonal spike

In the spring of 1996, there were 69,942 Alaska new hires, up by 30,182 (or about 76 percent) from the winter quarter, but down by 3,123, or 4.3%, from the spring of 1995. (See Table 1.) The first-quarter to second-quarter jump in new hires marks the beginning of the peak spring and summer hiring seasons, buoyed by seasonal spikes in seafood processing, construction, and tourism activity. Figure 1 demonstrates the seasonal fluctuations in Alaska new hires since the first quarter of 1992. The

upward spikes on the graph represent the peak spring and summer hiring period.

Despite the drop in new hires from the previous spring, the numbers were higher than expected, given that employment in the high-turnover seafood processing industry was down sharply from 1995 levels. Compared to the previous spring, seafood processing and other manufacturing new hires were down by 1,243 new hires, or about 16 percent. On the other side of the

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Table • 1

Alaska New Hires 2nd Quarter 1996

	2nd Qtr 96	1st Qtr 96	Change from 1st Qtr 96	Change from 2nd Qtr 95 ¹
Total New Hires²:	69,942	39,760	30,182	-3,123
By Region³				
Northern	2,904	2,546	358	-924
Interior	11,834	4,414	7,420	12
Southwest	5,590	4,504	1,086	-382
Anchorage	29,383	17,888	11,495	-854
Gulf Coast	9,041	4,029	5,012	-628
Southeast	10,247	4,822	5,425	-286
Offshore	596	982	-386	45
Outside	346	475	-129	-55
Unknown	1	100	-99	-51
By Industry				
Ag./Forestry/Fishing	1,043	259	784	62
Mining	1,391	1,204	187	-771
Oil & Gas Extraction	920	1,055	-135	-737
All Other	471	149	322	64
Construction	7,494	2,735	4,759	-414
Manufacturing	6,469	5,154	1,315	-1,243
Seafood Processing	4,823	4,275	548	-820
All Other	1,646	879	767	-423
Trans./Comm./Util.	5,861	2,786	3,075	290
Tourism Related	2,061	592	1,469	236
All Other	3,800	2,194	1,606	54
Wholesale Trade	1,958	1,105	853	19
Retail Trade	18,787	8,611	10,176	-473
Fin./Ins./Real Estate	2,088	1,400	688	-202
Services	18,958	11,996	6,962	48
Hotels & Lodging	4,124	890	3,234	150
All Other	14,834	11,106	3,728	-102
Public Admin. ⁴	5,893	4,510	1,383	-537

¹ Reflects minor revisions for 2nd Quarter 1995

² 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. New hires figures include turnover and should not be used to assess job growth trends.

³ An employee's region is determined by his or her actual place of employment.

⁴ Includes all employees of publicly-owned institutions.

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

coin, non-oil mining new hires were up by nearly 16 percent from the previous spring, and the transportation and hotels and lodging industries also posted healthy gains in spring-quarter new hires.

It is important to note that 1994 and 1995 were stellar years for spring and summer hiring, thanks to the recent expansion of the retail and services sectors and continued rapid growth in tourism. Even after the dust has long settled from the recent surge in building and staffing of large retail outlets, new hires in the second quarter of 1996 were still well ahead of 1993 levels, perhaps showing that the longer-term “base” level of seasonal hiring has grown. (See Figure 2.)

Oil industry hiring was down

Oil industry new hires were down by 737 from the spring quarter of 1995, when some industry employers were rebuilding employment levels after substantial cutbacks. This

likely reflects the timing of the industry’s business cycle and specific projects. Since turnover is less of a factor in this industry, new hire counts are more dependent on project start-up and ending dates.

Tourism-driven industries keep Interior rolling

The Interior region was the only region to surpass its spring new hires levels of 1995. In the second quarter of 1996, the Interior region had 717 new hires in the tourism-related transportation categories¹, up 26%, and 1,218 new hires in the hotels and lodging industry, up 24%. Hotel additions in Fairbanks and the Denali Park area and growth in travelers to the Interior region during the “shoulder season” of early May were the impetus for the increased hiring. Interior also got a boost from non-oil mining expansion, which generated 231 second quarter new hires in 1996, up by 101, or 78%, from 1995.

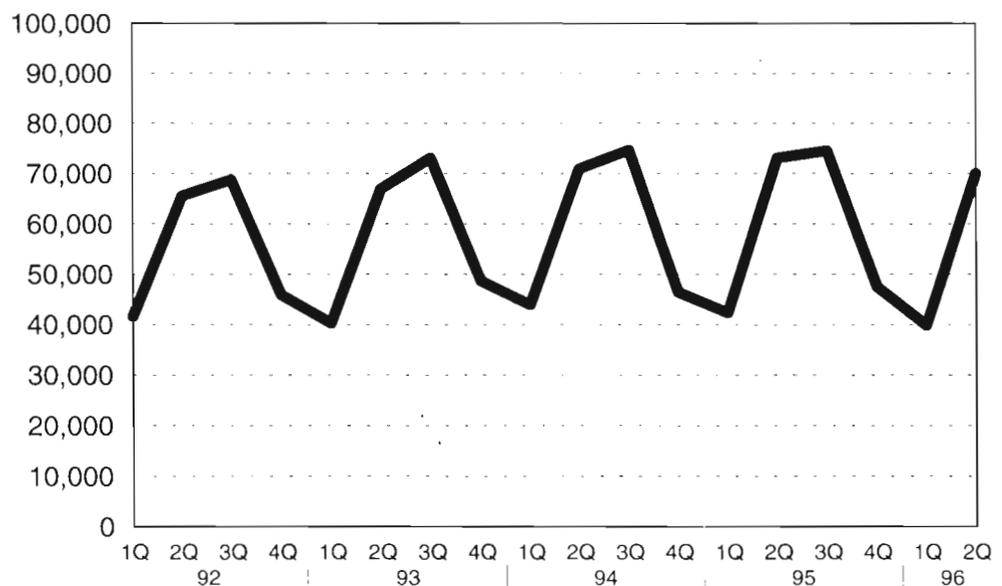
¹ These categories include local passenger transportation, water transportation, nonscheduled air transportation, travel agencies and other travel arrangers. Not all of the employment in these industries is attributable to tourism, but all of these categories are heavily influenced by tourism in most regions.

Figure • 1

Alaska New Hires, 1992-1996

A “new hire” is defined as an employee who was hired by the firm in the report quarter and has not been employed by the firm during any of the previous four quarters. New hires figures include turnover and should not be used to assess job growth trends.

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



Services new hires rise in Anchorage

Anchorage new hires were down slightly due primarily to slower hiring in the construction and public sectors. However, these declines were moderated by continued new hires growth in services. Services new hires were up by 327, or 3.6%, in the Anchorage area, getting a boost from job growth in engineering services, health services, and temporary services.

Occupations with the largest year-to-year drop in new hires 2nd Quarter 1996

Occupation Group	Change from 2Q95	Percent Change
Fabricators, Assemblers, and Hand Working Occupations*	-955	-20.5
Retail Salespersons	-717	-10.7
Administrative Support Occupations	-476	-5.7
Material Moving Occupations	-373	-28.4
Handlers and Laborers	-225	-2.9
Forestry and Logging Occupations	-151	-24.8
Mechanics and Repairers	-143	-6.7
Extractive (including Oil and Gas) Occupations	-121	-46.0
Helpers	-118	-12.3
Construction Trades	-91	-2.3
Other Service Occupations	-73	-0.5
Health Technologists and Technicians	-63	-19.0
Precision Production Occupations	-60	-16.7
Supervisors; Admin. Support	-58	-34.1
Engineering Technologists and Technicians	-49	-18.1
Athletes and Sports Related Occupations	-42	-29.0
Officials and Administrators, Public Administration	-38	-36.2
Fishers, Hunters and Trappers	-30	-19.7

Table • 2

*Primarily seafood processing workers.

About 10 percent of employers did not report occupational data for their employees.

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

Seafood woes hit many regions of the state

The Southwest region had 229 fewer seafood processing new hires in the spring of 1996 than in the previous spring, and other sectors of its economy were also down. Overall, there were 382 fewer spring new hires in Southwest than in 1995, a decline of more than six percent. The Gulf Coast and Southeast regions of the state were also hard hit by losses in the seafood industry, but both regions got some help from construction

Occupations with the largest year-to-year gains in new hires 2nd Quarter 1996

Occupation Group	Change from 2Q95	Percent Change
Other Sales Related Occupations	85	57.4
Registered Nurses	73	26.0
Pharmacists, Therapists, Physician Assistants	71	64.0
Science Technologists and Technicians	51	50.0
Private Household Occupations	49	46.2
Teachers: Postsecondary	35	31.3
Social, Recreation and Religious Workers	30	5.4
Natural Scientists	30	30.0
Transportation Occupations	28	1.1
Officials and Administrators, Other	27	3.3
Engineers, Surveyors and Architects	23	7.9
Salespersons; Non-Retail Commodities	21	13.4
Writers, Artists, Performers	19	6.4
Other Agricultural Occupations	19	1.8

Table • 3

About 10 percent of employers did not report occupational data for their employees.

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

activity. The Gulf Coast region had 88 more construction new hires than in the previous spring, but this was small consolation in the face of 239 fewer seafood processing new hires and a net decline of 628 new hires overall. Southeast was helped substantially by a mini-boom in residential housing construction in Juneau, which helped grow Southeast's construction new hires by 224 over the previous spring. But this was little help to other areas of the region, where manufacturing new hires were squelched by the closure of Pelican's seafood processing plant and timber industry cutbacks. Southeast's spring manufacturing new hires were down by 420, or about 29 percent.

Service sector shows gains in some higher-paying occupations

Tables 2 and 3 show the occupations with the largest gains and declines in new hires, comparing the second quarter of 1996 with

the second quarter of 1995. Fabricators, assemblers, and hand-working occupations (primarily seafood processing workers) topped the list of occupations with the largest year-to-year declines in second-quarter new hires. (See Table 2.) Other occupations showing substantial declines were retail salespersons, administrative support occupations, material moving occupations, handlers and laborers, forestry and logging occupations, mechanics and repairers, extractive (including oil and gas) occupations, and helpers. Table 3 shows those occupations with gains in second quarter new hires. Many were higher-paying health service, technical, and public administration occupations, such as registered nurses; pharmacists, therapists, and physician assistants; science technologists and technicians; natural scientists; other officials and administrators; and engineers, surveyors and architects. The Anchorage region had most of the new hire gains in these occupation groups.

Figure • 2

Spring Quarter New Hires Alaska, 1992-1996

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

