

Alaska Mass Layoffs

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Statistics on business slowdowns

Mass Layoff Statistics (MLS) is a state-federal cooperative statistical program designed to identify, describe and track large job cutbacks. The MLS program is used in conjunction with the Workforce Investment Act, which was signed into law in 1998. The goal of the Workforce Investment Act is to increase employment, retention and earnings among program participants by increasing their occupational skills through educational and training programs. The MLS program supports this process by identifying workers involved in large layoffs. This allows training resources to be directed to workers in need of services.

To identify mass layoffs, the MLS program uses business establishment information, unemployment insurance (UI) claims data from the state benefit system, and information collected through employer interviews. If 50 or more initial UI claims filed during a five-week period specify a particular establishment as the claimants' last employer, that establishment is identified as having a potential mass layoff. Employers with potential mass layoff events are interviewed to determine if 50 or more workers were separated from the business for more than 30 days due to a layoff. If

Alaska Mass Layoffs By industry 1997-1998

	Layoff Events			Worker Separations		
	1997	1998	97-98 Change	1997	1998	97-98 Change
Total	24	24	0	6,078	9,515	3,437
Construction	3	2	-1	432	280	-152
Manufacturing	14	14	0	4,495	3,051	-1,444
Durable	3	3	0	874	549	-325
Nondurable ¹	11	11	0	3,621	2,502	-1,119
Transportation/Comm/Util	2	3	1	620	951	331
Retail Trade	2	0	-2	211	0	-211
Services ²	1	3	2	165	4,749	4,584
Government	1	1	0	83	84	1
Other ³	1	1	0	72	400	328

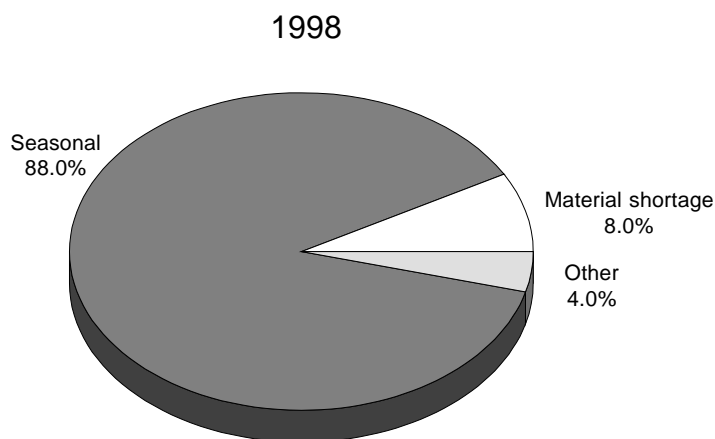
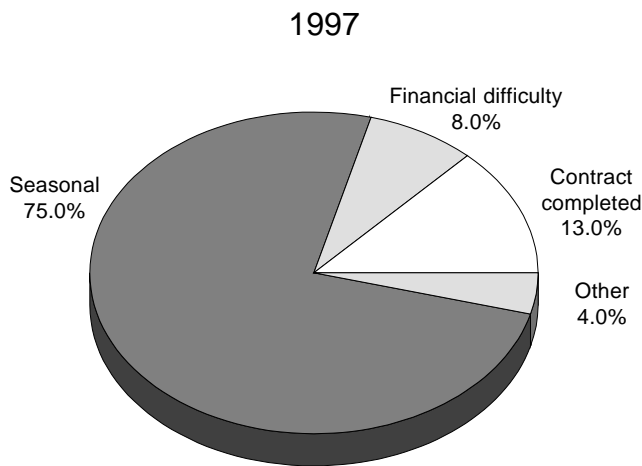
¹Includes seafood processing establishments

²Includes elementary and secondary schools

³Category contains an event not listed by industry due to confidentiality concerns

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

2 Alaska Mass Layoffs By reason



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

the employer meets this condition, more information is gathered, including:

- total number of workers laid off (separations)
- total employment prior to the layoff
- reason for layoff
- operating status of affected worksite
- expectation for recall of workers laid off

UI claims data are processed in the MLS program on a monthly basis to determine the total number of layoff events in Alaska. The data are compiled to report layoff events by industry and reason for layoff.

The MLS program is also useful for tracking individual workers that file for unemployment insurance benefits after losing their jobs in a mass layoff. The program identifies claimants that were involved in a mass layoff and tracks workers that continue to file UI claims until they find employment or exhaust their benefits. The program also tracks claimants in declining industries, which are industry sectors that are experiencing long term decreases in employment.

1998 Alaska MLS data

During 1997, there were 24 mass layoff events in Alaska, and in 1998, there were another 24 mass layoffs. The 1997 mass layoffs resulted in 6,078 worker separations, and the 1998 layoffs brought 9,515 worker separations. (See Exhibit 1.) In 1998, the number of separations was significantly higher, although the number of layoff events for both years was the same. This was primarily due to a seasonal layoff event for school district employees that qualified as a mass layoff event only in 1998.

Most mass layoff events in 1998 were seasonal, and a significant portion of the employers expected to recall more than 50 percent of the laid-off employees within six months. (See Exhibit 2.) Almost 46 percent of the total number of mass layoffs were seasonal events within the seafood

Alaska Mass Layoff Statistics

Claimant characteristics, 1997

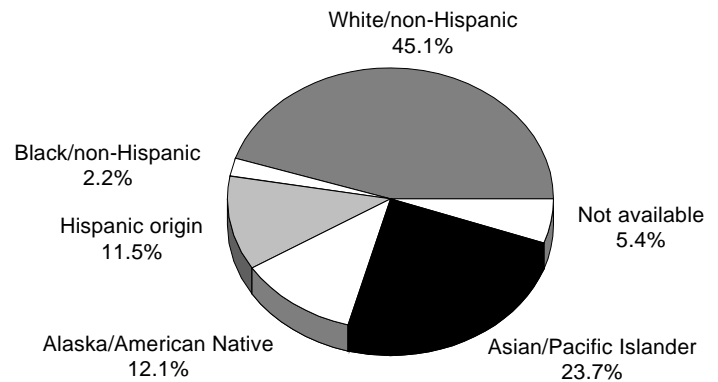


processing industry. Of the 11 layoff events in the seafood processing industry, all but one employer that was contacted for the MLS survey indicated that they would recall more than half of the laid-off employees within six months. Among employers in other industries reporting layoffs, 86 percent indicated that they would recall more than half of the displaced workers within six months. There were 44 workers during 1998 for whom there was no expectation of recall.

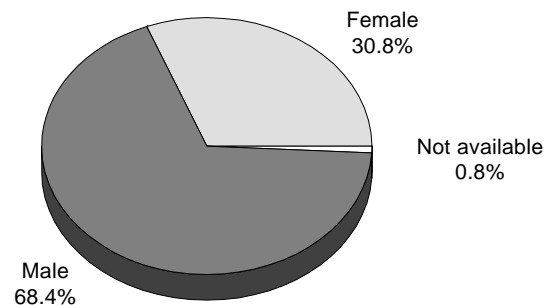
Demographic data were also compiled for claimants laid off in a mass layoff event, including race, gender and age. (See Exhibit 3.) The age data are particularly useful because training programs vary depending on the worker's age and time in the workforce.

There are other types of national and state data available from the MLS program. For more information contact the Alaska Department of Labor and Workforce Development, Research and Analysis Section.

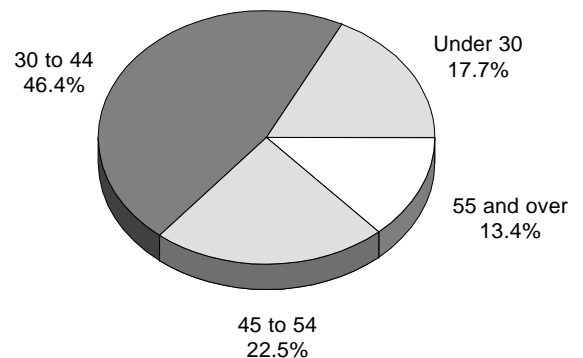
Race/Ethnicity



Gender



Age



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