

New Hires Decline During Fall of 1994

by Todd Mosher

The Alaska New Hires Quarterly Report identifies opportunities provided by the combined effect of job turnover and job creation. A new hire is defined as an employee who was not working for the employer during any of the previous four quarters.

New hires decline as peak summer industries wind down

There were 47,948 Alaska new hires during the final quarter of 1994, down 36.6% from 3rd Quarter 1994 and 2.4% from 4th Quarter 1993. (See Table 1.) The decline in new hires coincides with seasonal declines in peak summer industries and the start of the 1994-95 school year. Seafood processing new hires dropped from 8,813 in 3rd Quarter 1994 to only 1,406 in 4th Quarter 1994. Fall construction new hires dropped to barely more than half the summer level. New hires in tourism-related transportation and hotels and lodging declined by 56.4% and 62.2%, respectively. During the fall of 1994, 16.8% of Alaskan wage and salary employees were newly hired by one or more employers. This contrasts to 23.1% in the spring and summer of 1994 and 17.4% in 4th Quarter 1993.

The drop in new hires did not mean higher levels of unemployment in the fall months of 1994. Although there was a decline in lower-skill, entry-level openings, there was also an exodus of many younger, less experienced workers—particularly younger nonresidents and students. For those entry-level job seekers remaining in Alaska after the end of summer, prospects were probably better than a quick glance at the new hires data would indicate.

New-hire seasonal declines occurred in all regions and major industries

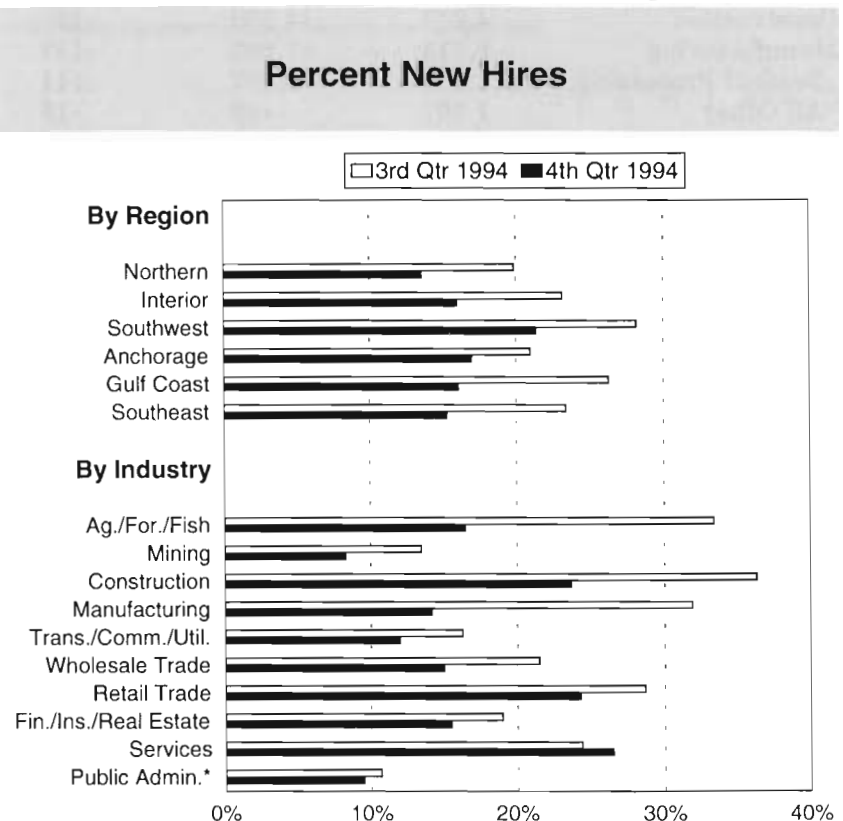
Although the Gulf Coast experienced the greatest percentage decrease in new hires from spring to fall quarter (53.9%) due to the end of the peak seafood processing season,

significant declines occurred in every major region of the state. Southeast, Interior, Southwest, and Northern new hires dropped by about 40-44 percent; Anchorage new hires fell by nearly 23 percent.

New hires were lower in fall than in summer for every major Alaskan industry. The drop was sharpest in manufacturing, which includes seafood processing (74.4%), agriculture/forestry/aquaculture (67.0%), construction (47.2%), and mining (40.3%). Declines were more modest in public administration (10.7%), finance/insurance/real estate (22.8%), and retail trade (24.7%). In 4th Quarter 1994, 55.7% of new hires were em-

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Figure • 1



*Includes all employees of publicly-owned institutions.

An employee's region is determined by his or her actual place of employment. If the place of employment is not reported, the employee's region is determined by the location of the employer.

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

T a b l e • 1

Alaska New Hires¹ 4th Quarter 1994

	4th Qtr 94	Change from 3rd Qtr 94	Change from 4th Qtr 93
Total New Hires:	47,948	-27,680	-1,165
By Region²			
Northern	2,672	-1,771	61
Interior	5,937	-4,301	178
Southwest	4,304	-2,916	544
Anchorage	23,394	-6,959	-427
Gulf Coast	4,956	-5,789	-426
Southeast	6,008	-4,745	-112
Marine	161	-682	-330
Outside	347	-238	-202
Unknown	169	-279	-451
By Industry			
Ag./Forestry/Fishing	283	-575	-50
Mining	996	-673	186
Construction	4,817	-4,309	-432
Manufacturing	2,713	-7,899	-127
Seafood Processing	1,406	-7,407	-111
All Other	1,307	-492	-16
Trans./Comm./Util.	3,313	-1,757	358
Tourism Related	448	-580	-1
All Other	2,865	-1,177	359
Wholesale Trade	1,361	-829	60
Retail Trade	14,008	-4,590	-540
Fin./Ins./Real Estate	2,031	-603	297
Services	12,719	-5,763	-118
Hotels & Lodging	1,059	-1,743	-31
All Other	11,660	-4,020	-87
Public Admin. ³	5,707	-682	-799

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. If the place of employment is not reported, the employee's region is determined by the location of the employer.

³ Includes all employees of publicly-owned institutions.

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

ployed in the retail trade or service industries, up from 49.0% in 3rd Quarter 1994.

In the final quarter of 1994, newly hired workers accounted for 26.5% of the service industry's payroll employees, the highest percent of any industry. (See Figure 1.) About 24 percent of the retail and manufacturing industries' 4th Quarter payrolls were new hires. The service industry was the only one that had a higher percentage of new hires in the final quarter of 1994 than in the preceding quarter.

Top occupations for 4th Quarter new hires

The occupations with the most new hires were sales clerks (1,755) and general office workers (1,739). (See Table 2.) Four occupations appearing in Table 2 were not on the summer top 20 list: teacher aides (774), adult education teachers (597), bookkeepers, accounting and auditing clerks (502), and child care workers (486). However, all of the occupations on the fall top 20 list, with the exception of fast food preparation and service workers, had fewer new hires than in the previous quarter. New hires of adult education teachers, child care workers, and bookkeepers peaked in late summer but continued strong into the final quarter. Retail and service-related occupations received a boost from seasonal holiday hiring, but were generally net losers of new hires compared to the peak tourism months.

Occupations showing 4th Quarter gains in new hires

Of the 194 occupations with 50 or more new hires in the third or fourth quarters of 1994, 22 (or 11.3%) had more new hires in the fourth quarter than in the third. (See Table 3.) Together, these 22 occupations accounted for about 10 percent of all 4th Quarter new hires. Most of the occupations showing 4th

Quarter gains can be tied to the start of the school year or holiday season demand for goods and services.

Top 20 Occupations for New Hires 4th Quarter 1994

Rank	Occupation	New Hires 4th Qtr 94	Change from 3rd Qtr 94
1	Sales Clerks	1,755	-751
2	General Office Workers	1,739	-288
3	Carpenters	1,539	-596
4	Construction Laborers	1,490	-1,216
5	Misc. Manual Occupations	1,401	-1,374
6	Waiters & Waitresses	1,327	-730
7	Janitors & Cleaners	1,287	-320
8	Cashiers	1,029	-465
9	Cannery Workers, Seafood Processing	876	-5,835
10	Misc. Food & Beverage Preparers	818	-507
11	Teacher Aides	774	300
12	Food Counter & Related Cafeteria Occs.	679	-103
13	Fast Food Prep. & Service Workers	676	2
14	Kitchen Workers, Food Prep.	614	-390
15	Adult Education Teachers	597	244
16	Receptionists	524	-198
17	Bookkeepers, Accounting & Auditing Clerks	502	-55
18	Child Care Workers, Except Private Household	486	-90
19	Electricians	482	-346
20	Secretaries	471	-151

Note: Occupations were not reported by the employer for 7,073 out of 47,948 new hires.

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.

Occupations with More New Hires in 4th Quarter 1994 than in 3rd Quarter 1994

Occupation	3rd Qtr 94	4th Qtr 94	Change
Teacher Aides	474	774	300
Adult Education Teachers	353	597	244
Misc. Public Administrators	12	157	145
Communications Equipment Repairers	26	92	66
Driver-Sales Workers	135	180	45
Correctional Institution Officers	49	93	44
Athletes & Related Workers	67	107	40
Apparel Salespersons	274	303	29
Carpet & Soft Tile Installers	46	75	29
Furniture Salespersons	48	74	26
Nursing Aides, Orderlies, & Attendants	225	246	21
Communications Equipment Operators	30	50	20
Elementary School Teachers	228	242	14
Secondary School Teachers	162	172	10
Retail Sales Supervisors	107	117	10
Admin. Support & Clerical Workers	206	213	7
Machine Feeders & Offbearers	44	50	6
Order Clerks	45	50	5
Misc. Services Salespersons	117	121	4
Fast Food Prep. & Service Workers	674	676	2
Health Aides, Except Nursing	94	96	2
Demonstrators, Promoters, & Models	82	83	1

Note: Includes occupations with 50 or more new hires.

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