

Summer New Hires Rebound

by
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1997 up from previous summer quarter

Summer quarter hiring in 1997 rose by 2.8% over the previous summer, as contract work on the North Slope and Kenai Peninsula led to brisk hiring in the oil industry. With the notable exception of seafood processing, which had nearly nine percent fewer new hires, almost all industries increased summer quarter hiring in 1997 compared to 1996. (See Exhibit 2.) Nevertheless, the seafood processing downturn held 1997's third quarter new hires below the peak of 1994 and 1995. (See Exhibit 1.)

Nearly three-fourths of summer '97's new hires were welcomed by four industries. Retail and services provided nearly half of them, while another 23 percent were split almost evenly between seafood processing and construction. Services hiring in the summer quarter continued its upward trend of the last several years, while summer retail new hires outpaced 1996, but fell just short of the stellar levels achieved in 1995.

Compared to 1996, the number of new hires grew in all of Alaska's regions except Southeast. In Southeast, summer new hires fell below 10,000 for the first time since 1993. The most significant factors in slower hiring in the region were the Ketchikan Pulp Mill closure, the seafood industry slowdown, and an absence of the large store start-ups in Juneau that boosted retail hires earlier this decade.

Hire status of summer workforce

For the new hire report, each worker is considered for every employer he or she worked for during the report quarter. Each unique worker-employer relationship is categorized as a new hire, a rehire, or a continuing worker, based on the employee's work history with the employer during the previous four quarters:

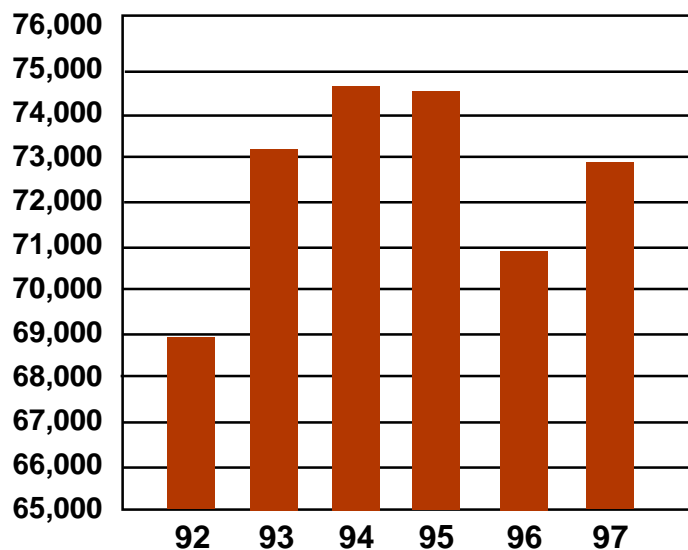
- New hires are those worker-employer relationships in which the worker did not work for the employer in any of the four quarters prior to third quarter 1997.
- Rehires are those that did not work for the employer during the second quarter of 1997, but did work for the employer in at least one of the three quarters prior to the second quarter of 1997. This category includes seasonal hire-backs whose jobs ended in the prior winter, fall, or summer.
- Continuing workers are those who worked for the employer for two or more consecutive quarters ending with third quarter 1997.

The summer (third) quarter includes July, August and September.

New hire data include turnover and do not equate to job growth.

(Continued on page 15.)

New Hires Summer Quarter, 1992-1997



New hires are workers who did not work for their 3rd quarter employer in any of the four previous quarters. New hire figures include turnover, and do not necessarily imply job growth.

Source: Alaska Department of Labor, Research and Analysis Section

2 Alaska New Hires 3rd Quarter 1997

	3rd Qtr 1997	Change from 2nd Qtr 1997	Change from 3rd Qtr 1996
Total New Hires	72,810	1,922	1,978
By Region:			
Northern	4,345	1,201	510
Interior	9,940	-1,028	316
Southwest	6,759	1,060	280
Anchorage	29,473	-843	284
Gulf Coast	11,226	1,611	1,030
Southeast	9,889	-273	-202
Offshore	711	9	-242
Outside	467	211	61
Unknown	0	-26	-59
By Industry:			
Agriculture/Forestry/Fishing	734	-302	6
Mining	2,078	669	416
Oil & Gas Extraction	1,752	767	610
All Other Mining	326	-98	-194
Construction	8,345	1,130	203
Manufacturing	9,678	2,605	-715
Seafood Processing	8,294	2,818	-795
All Other Mfg	1,384	-213	80
Trans/Comm/ Util ¹	4,612	-1,415	429
Tourism-related TCU ²	1,276	-889	48
All Other TCU	3,336	-526	381
Wholesale Trade	2,354	224	289
Retail Trade	17,426	-1,460	427
Finance/Insurance/Real Estate	2,461	96	237
Services	18,727	-715	537
Hotels & Lodging	2,699	-1,306	-32
All Other Services	16,028	591	569
Public Administration	6,395	1,090	149

¹ Transportation, Communications, and Utilities (TCU)

² Includes local passenger, water, and nonscheduled air transportation, travel agencies and other travel arrangers. Not all of the employment in these categories is attributable to tourism, but all are heavily influenced by tourism in most regions.

Source: Alaska Department of Labor, Research and Analysis Section

The New Hire Quarterly Report counts job opportunities created by business expansions, business start-ups, and job turnover. Every firm with employees working in Alaska is required to report social security numbers, occupation, work site location and wages earned for each employee to the Alaska Department of Labor on a quarterly basis. The report assists employment security personnel and the job-seekers they serve in developing strategies for job placement in the Alaska economy.

A new hire is defined as an employee who was not working for the employer in any of the four previous quarters. Since replacements for departing workers are included, readers are cautioned about drawing conclusions about job growth trends solely on quarterly new hire data. A worker can be counted as a new hire for more than one employer during a quarter.

Worker-Employer Relationships 3

by Hire Status-3rd Quarter 1997

	Total Worker- Employer Relationships	Hire Status		
		Percent New Hires	Percent Rehires	Percent Continuing Workers
Total, All Industries	339,168	21.5%	4.1%	74.5%
Agriculture/Forestry/Fishing	2,617	28.0	5.0	67.0
Oil & Gas Extraction	10,614	16.5	4.1	79.4
All Other Mining	2,167	15.0	2.5	82.5
Construction	24,721	33.8	5.7	60.6
Seafood Processing	22,847	36.3	12.5	51.2
All Other Manufacturing	7,773	17.8	2.5	79.7
Tourism-related Transportation ¹	7,106	18.0	3.7	78.4
All Other TCU ²	24,774	13.5	2.7	83.9
Wholesale Trade	11,101	21.2	3.5	75.3
Retail Trade	67,311	25.9	2.9	71.2
Finance/Insurance/Real Estate	14,102	17.5	2.9	79.6
Hotels & Lodging	10,599	21.8	3.4	74.7
All Other Services	73,364	25.5	4.4	70.2
Public Administration	60,072	10.6	3.4	86.0

The three categories are mutually exclusive, meaning a worker can belong to only one category for each employer.

About one in five was a new hire

A little over 21 percent of all worker-employer relationships in summer 1997 were new hires. (See Exhibit 3.) However, this percentage varied greatly by industry. The highly seasonal seafood processing and construction industries had the highest percentage of new hires—36.3% and 33.8% of their total worker-employer relationships, respectively. On the other end of the spectrum, only 10.6% of public administration's worker-employer relationships were new hires.

Nearly two-thirds of seafood processing new hires were new entrants to the Alaska labor force, by far the highest percentage of any

Recent Alaska Work History 4

New Hires-3rd Quarter 1997

	Total New Hires	Percent New Entrants	Changed Employers	
			Percent worked in all 4 previous quarters	Percent worked in 1 to 3 of previous 4 quarters
Total	72,810	41.2%	23.4%	35.4%
Agriculture/Forestry/Fishing	734	49.2	14.7	36.1
Oil & Gas Extraction	1,752	40.3	24.7	35.0
All Other Mining	326	35.3	23.0	41.7
Construction	8,345	28.5	28.5	43.0
Seafood Processing	8,294	65.1	8.9	26.0
All Other Manufacturing	1,384	42.1	22.6	35.3
Tourism-related Transportation ¹	1,276	38.5	25.0	36.5
All Other TCU ²	3,336	34.1	30.5	35.4
Wholesale Trade	2,354	37.6	25.8	36.6
Retail Trade	17,426	40.2	22.4	37.4
Finance/Insurance/Real Estate	2,461	32.5	30.2	37.3
Hotels & Lodging	2,699	44.3	17.6	38.1
All Other Services	16,028	39.5	26.0	34.5
Public Administration	6,395	41.1	27.6	31.3

Definitions:

Worker-employer relationship: workers are counted for each employer they worked for in 3rd quarter '97.

New Hire: worker did not work for current employer in any of the four previous quarters

Rehire: employee did not work for summer quarter 1997 employer during spring quarter '97 but did work for the employer during winter quarter '97, fall quarter '96, and/or summer quarter '96

New Entrants: did not work for any Alaska employer in any of the four previous quarters

Continuing Worker: also worked for current employer in spring quarter '97

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

² Transportation, Communications, and Utilities

May not total to 100% due to rounding.

Source: Alaska Department of Labor, Research and Analysis Section

5 Continuing Workers by Duration

3rd Quarter 1997

	Continuing Workers	Consecutive Quarters with Employer			
		Two	Three	Four	Five or more
Total	252,606	25.8%	7.6%	6.3%	60.4%
Agriculture/Forestry/Fish	1,753	47.3	9.6	3.9	39.2
Oil & Gas Extraction	8,431	16.2	4.9	2.9	76.1
All Other Mining	1,787	26.6	5.9	7.5	60.0
Construction	14,973	46.5	7.6	4.9	41.1
Seafood Processing	11,698	49.9	15.7	1.7	32.7
All Other Manufacturing	6,198	24.3	8.0	3.8	63.9
Tourism-related Transportation ¹	5,568	50.6	7.9	4.3	37.2
All Other Trans/Comm/Util (TCU) ²	20,780	17.3	5.9	5.4	71.4
Wholesale Trade	8,363	21.1	7.8	5.9	65.3
Retail Trade	47,909	32.6	7.9	8.8	50.7
Finance/Insurance/Real Estate	11,227	20.0	7.7	6.1	66.2
Hotels & Lodging	7,436	52.9	6.5	3.5	37.1
All Other Services	54,825	24.3	10.0	8.9	56.7
Public Administration	51,658	9.4	3.8	4.4	82.4

Definitions:

Continuing Worker: employee who worked for employer two or more consecutive quarters, including 3rd quarter 1997

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

² Transportation, Communications, and Utilities (TCU)

Source: Alaska Department of Labor, Research and Analysis Section

industry. (See Exhibit 4.) New entrants are new hires that had no prior employment with any Alaska employer from third quarter 1996 through second quarter 1997. Construction, on the other hand, had the highest percentage of workers with a recent work history in Alaska. Over 71 percent of its new hires had prior employment with one or more Alaska employers at some time during the previous four quarters. This finding emphasizes the project-to-project nature of the construction industry, where workers with specific skills move from employer to employer as one project ends and another begins.

Only one in 25 was a rehire

Only about one of every 25 worker-employer relationships in third quarter 1997 were rehires. However, one out of every eight seafood processing workers let go in the prior winter, fall, or summer, was hired back by the same employer in third quarter 1997. Nearly 70 percent of those seafood processing rehires were returning to an employer they had not worked for since the previous summer. (See Exhibit 6.) Construction also had a relatively high rate of summer rehires, but not nearly as pronounced as the seafood industry. The

Rehires by Last Prior Quarter **6**

3rd Quarter 1997

	Total Rehires	Last Prior Qtr with Employer		
		1st Qtr 1997	4th Qtr 1996	3rd Qtr 1996
Total	13,752	33.2%	25.9%	40.9%
Agriculture/Forestry/Fish	130	23.8	22.3	53.8
Oil & Gas Extraction	431	41.5	31.6	26.9
All Other Mining	54	18.5	59.3	22.2
Construction	1,403	31.7	38.8	29.5
Seafood Processing	2,855	14.7	16.3	68.9
All Other Manufacturing	191	34.6	35.6	29.8
Tourism-related Transportation ¹	262	19.1	46.6	34.4
All Other Trans/Comm/Util (TCU) ²	658	44.8	29.9	25.2
Wholesale Trade	384	25.3	18.8	56.0
Retail Trade	1,976	44.4	25.5	30.1
Finance/Insurance/Real Estate	414	42.0	30.7	27.3
Hotels & Lodging	464	20.0	31.5	48.5
All Other Services	2,511	39.4	22.7	37.9
Public Administration	2,019	41.4	27.6	31.0

Public administration and non-oil mining had the highest percentage of continuing workers, with both exceeding 80 percent.

Almost two-thirds of continuing workers had been with their employer for at least four quarters (including third quarter 1997), while a little over a quarter of them were entering their second straight quarter with the employer. (See Exhibit 5.) Nearly 87 percent of public administration's continuing workers and 79 percent of oil extraction's continuing workers were entering at least their fourth consecutive quarter with their third quarter 1997 employer. These high rates are indicative of industries with a large proportion of year-round jobs. Meanwhile, construction, seafood processing, and tourism-related sectors exhibited high percentages of workers who were entering only their second consecutive quarter with their employer. These industries have large seasonal upswings in employment starting in the spring and continuing into summer.

Definitions:

Rehire: employee did not work for summer quarter 1997 employer during spring quarter 1997 but did work for the employer during winter quarter 1997, fall quarter 1996, and/or summer quarter 1996

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

² Transportation, Communications, and Utilities (TCU)

Source: Alaska Department of Labor, Research and Analysis Section

percentages of rehires may sound low, but it is important to remember that these rehire figures are employer-based. For example, a worker who left one seafood company after the summer of 1996 and then worked for a different seafood company in the summer of 1997 would be a new hire rather than a rehire. Moreover, many seasonal workers, especially those in tourism-related occupations, are rehired during the spring quarter rather than the summer quarter.

Nearly three-fourths were continuing workers

The remaining workers in third quarter 1997 were continuing work with an employer they were employed with in the previous quarter. These continuing workers made up just under three-fourths of all worker-employer relationships. (See Exhibit 3.)

Conclusion

Alaska new hires continued to show improvement over 1996 levels during the summer of 1997, but hits to manufacturing, especially seafood processing, kept total new hires below the more robust years of 1994 and 1995. The service sector continued to show steady year-to-year gains in new hires, mirroring employment gains, while summer retail new hires easily surpassed 1996 and nearly caught up to 1995 levels.

Slightly more than 21 percent of all worker-employer relationships were new hires, while about four percent were rehires that last held employment with the employer in the prior winter, fall, or summer quarter. The remaining three-fourths of worker-employer relationships in third quarter 1997 were continuing workers—those who were carry-overs from the second quarter of 1997. About two-thirds of these continuing workers were entering at least their fourth consecutive quarter of employment with their third quarter 1997 employer. The makeup and distribution of new hires, rehires, and continuing workers vary considerably by industry as demonstrated in Exhibits 3 through 6.