Nonresidents Working in Alaska - 2002



Nonresidents Working in Alaska 2002

State of Alaska
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Department of Labor and Workforce Development
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Published January 2004

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Highlights

- In November 2003, Governor Murkowski announced a major resident hire initiative with a goal of 90 percent Alaska resident hire rates in construction, oil and gas, mining, seafood, forest products, tourism, and other industries. The resident hire effort to provide "good jobs for Alaskans" includes a variety of targeted training programs, along with recognition of employers that hire more than 90 percent resident workers.
- Resident hire in Alaska in 2002 showed improvement over 2001. In 2002, 18.2% of all workers were nonresidents, a slight decrease from the 18.4% that were nonresidents in 2001.
- While the number of resident wage and salary workers employed in Alaska grew by 4,640 (1.5%) from 2001 to 2002, the number of nonresident workers remained virtually unchanged between those two years.
- Total wage and salary earnings in private sector, state and local government jobs totaled \$9.7 billion in 2002. Nonresidents earned about 11.2% of the total (or \$1.1 billion), a slight increase from the 10.9% of total wages paid to nonresidents in 2001.
- Despite virtually no increase in the number of nonresident workers, total nonresident earnings in Alaska increased by 7.3%, or over \$74 million, from 2001 to 2002. Resident earnings increased 4.2% or \$346 million during the same time period.
- In the oil industry, nonresidents made up 25.6% of all workers in 2002. Total nonresident workers decreased by nearly 22 percent from 4,068 to 3,198. Total earnings paid to nonresidents working in the oil industry decreased from \$239 million in 2001 to \$234 million in 2002. The percent of total earnings paid to nonresident oil workers was 25.9% in 2002, nearly twice the statewide private sector average.
- Alaska's construction industry paid approximately \$709 million to residents in 2002, an increase of \$70 million from 2001. Nonresidents were paid \$111 million, up about \$24.8 million from the 2001 nonresident earnings of \$85.8 million, or an increase of 28.9%. Nearly 13.5% of total earnings in the construction industry was paid to nonresidents, slightly less than the private sector average of 13.6%.
- Alaska's seafood processing industry employed the highest percentage of nonresident workers of any industry sector, 71.0%. Nonresident seafood processing workers earned \$130.8 of the \$217 million paid to seafood processing workers in 2002. More than 12 percent of total wages paid to nonresident workers in Alaska in 2002 were paid to workers in the seafood processing industry.
- Nearly 30 percent of workers employed in the lumber and wood products industry were nonresidents in 2002.
- Alaska industries affected by visitor expenditures have relatively high nonresident hire rates. The hotel industry has a nonresident hire rate about twice that of the total private sector and government average. Nearly 23 percent of all earnings in the hotel/lodging industry went to nonresidents in 2002.
- The highest percentage of nonresident workers is found in the Southwest Region, primarily the Aleutians East, Lake and Peninsula, and Bristol Bay boroughs and Aleutians West census areas. These workers were engaged primarily in seafood processing employment. Other areas with a high percentage of nonresident workers include Denali and Haines boroughs, and Skagway-Hoonah-Angoon and Wrangell-Petersburg census areas.
- Relatively high paying occupations with the largest number of nonresident workers include: general construction workers, carpenters, nurses, operating engineers, pilots, sailors and electricians.

Nonresidents Working in Alaska–2002

Introduction

Throughout its history, Alaska has had a large number of nonresident workers employed in the state. These workers were required to meet the seasonal demands of resource based industries or to meet the needs associated with major project development. The fast paced growth of the early 1980s, particularly in the construction industry, served as a magnet for a large number of nonresident workers, but also served as an impetus for special Alaska resident hire preference legislation.

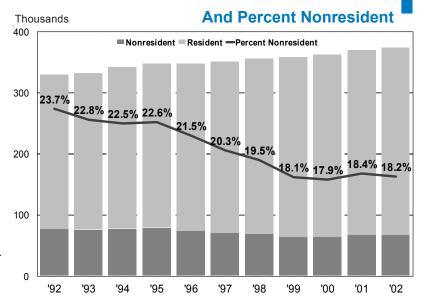
In response to Alaska's rising unemployment rate and growing resident labor force, the Alaska legislature in 1986 established resident hire preference for public funded construction projects and asked the Department of Labor to report annually on the status of resident hire in the state. Using unique administrative data, including unemployment insurance (UI) wage records, worker occupation and place of work information, Alaska Permanent Fund Dividend (PFD) information, and other data series. Alaska can monitor the resident hire status of particular employers, industries, occupations, and regions in a way not available to any other state. These data can be used to identify nonresident "hot spots."

The data generally show that a significant number of high paying jobs are taken by nonresidents for which Alaskans are available or can be trained. Many of these jobs are year-round, rather than one-time, short-term or seasonal employment. Alaska also has many workers that commute from out-of-state on a regular basis to their jobs in Alaska. In the fourth quarter of 2002 (October-December) there were approximately 49,000 newly hired workers in Alaska wage and salary employment. New hires are workers that had not been employed by that firm at any time in the previous four calendar quarters. About 11,000 of these new hires were nonresidents of Alaska

Maximizing resident hire may require a variety of solutions, including improved training, industry education, and regulatory enforcement, depending upon the industry or occupation group. Incentives and recognition of industries that succeed in improving their resident hire rates can also have a positive impact. In November 2003, Governor Murkowski announced a major resident hire initiative with a goal of 90 percent Alaska resident hire rates in construction, oil and gas, mining, seafood, forest products, tourism, and other industries. The resident hire effort to provide "good jobs for Alaskans" includes a variety of targeted training programs, along with recognition of employers that hire more than 90 percent resident workers.

The Alaska Workforce Investment Board and the University of Alaska use resident hire data to identify unmet training needs. They allocate resources to training programs targeted at industries and occupations with relatively high pay and good potential for advancement and a high percentage of nonresident workers.

Resident and Nonresident Workers

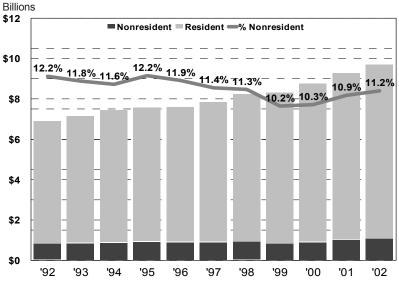


Note: Includes private sector, state and local government workers.

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

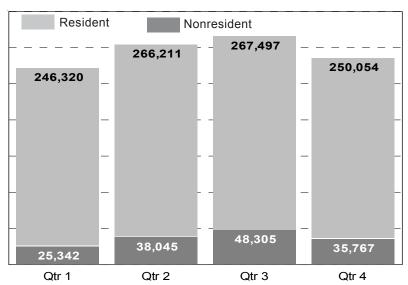
Based upon this information, the department also identifies particular craft occupations that are eligible for a 90 percent resident employment preference based upon provisions and procedures outlined in Alaska statutes and regulations.

Resident and Nonresident Wages And Percent Nonresident



Note: Includes private sector, state and local government workers. Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

3 Alaska Workers by Quarter Resident and Nonresident



Note: Includes private sector, state and local government workers.

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

Measuring Residency

To calculate residency, quarterly Alaska unemployment insurance wage records (which contain industry, occupation, earnings and place of work) for each worker are matched with Alaska PFD data to identify resident and nonresident workers. The two most recent years' PFD data are used to determine residency. Historical analysis of the PFD file shows that this information is an excellent indicator of residency. Although some workers not eligible for a PFD at the time residency reports are generated become residents in the following year, the most recent data show that these workers represent only about 14 percent of total nonresident workers.

Number of Nonresident Workers Stable, Resident Hire Percentage Improves

A total of 67,972 nonresident¹ wage and salary workers² were employed during one or more calendar quarters in Alaska in 2002. This number remained virtually unchanged from 2001, increasing by only 9 nonresident workers, despite a significant increase in the total number of workers employed in the state. Resident workers employed in Alaska in 2002 increased by 4,640 workers to 306,521, a 1.5% increase over 2001.

In 2002, nonresident workers comprised 18.2% of all workers employed during the year, a slight improvement from the 18.4% nonresident workers reported in 2001.

During the last four years, the percent nonresident workers employed in Alaska has ranged from 17.9% to 18.4%. The years with significant oil and construction industry employment growth were the years more nonresident workers were drawn to the state.

The industries with the largest increase in the number of nonresident workers were construction and services, while the mining industry (including oil and gas) showed a significant decline in total and nonresident worker employment.

Total wage and salary earnings in private sector, state and local government jobs totaled \$9.7 billion in 2002. Nonresidents earned about 11.2%

of the total (\$1.09 billion), a modest increase from the 10.9% of total wages paid to nonresidents in 2001. Total resident earnings increased by 4.2% over 2001, growing by \$346 million. Nonresident earnings increased at a slightly quicker pace, but from a much lower base, increasing by 7.3% or \$74 million.

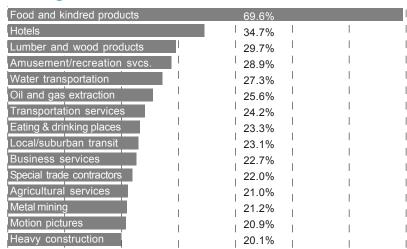
With some significant exceptions, nonresidents typically do not work all four quarters of the year, often working only one or two calendar quarters. Many nonresident workers are employed only during the summer months or in short term or seasonal jobs, including those in the seafood processing and visitor related industry sectors. In 2002, residents earned an annual average of \$28,157 while nonresidents earned about 57 percent as much at \$16,007. Total earnings per quarter worked for nonresidents was \$7,400 in 2002, about 88 percent as much as paid to resident workers (\$8,394).

Nonresident Hire Rates and Earnings by Industry

While 18.2% of workers employed in the private sector in Alaska in 2002 were nonresidents of the state, the nonresident employment rate varied

significantly by industry. Nearly three quarters of Alaska workers in 2002 were employed in industries where more than 10 percent of the workers were nonresidents. (See Appendix A2 for workers and wages by two-digit industry code.)

Private Sector Industries withHighest Percent Nonresident Workers



Note: Industries with 1,000 or more workers.

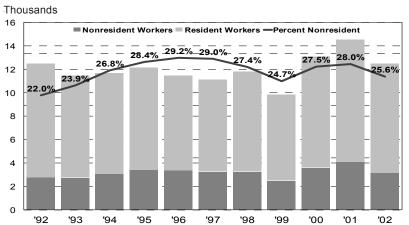
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Workers and Wages Total and Nonresident, by Selected Industries

Alaska 2002	Total				Nonresident	
'	Norkers	Wages (\$Millions)	Workers	Percent	Wages (\$Millions)	Percent
Mining	14,696	\$1,006.30	3.609	24.6	\$250.30	24.9
Metal Mining	1,496	\$78.90	314	21.0	\$15.00	19.0
Oil	3,331	\$401.50	696	20.9	\$100.80	25.1
Oilfield Services	9,184	\$501.60	2,504	27.3	\$132.90	26.5
Construction	27,864	\$819.20	5,682	20.4	\$110.60	13.5
Manufacturing	25,300	\$416.60	14,311	56.6	\$148.40	35.6
Seafood Processing	18,675	\$217.20	13,180	70.6	\$130.80	60.2
Lumber/Logging	1,524	\$36.50	453	29.7	\$9.00	24.5
Trans/Comm/Utilities	34,753	\$1,269.00	5,636	16.2	\$166.40	13.1
Transportation	24,402	\$735.30	4,877	20.0	\$141.70	19.3
Wholesale Trade	10,130	\$295.20	1,423	14.0	\$17.70	6.0
Retail Trade	74,630	\$1,089.70	13,350	17.9	\$92.80	8.5
Finance/Ins/Real Estate	14,336	\$449.00	1,241	8.7	\$18.00	4.0
Services	95,134	\$2,152.00	17,095	18.0	\$209.30	9.7
Hotels	11,879	\$135.70	4,124	34.7	\$30.70	22.6
Health Services	24,268	\$804.10	2,581	10.6	\$56.10	7.0
Leisure & Hospitality*	40,895	\$436.50	10,870	26.6	\$72.10	16.5
Local Government	48,336	\$1,288.10	3,082	6.4	\$37.40	2.9
State Government	26,139	\$885.60	1,667	6.4	\$26.40	3.0
Total	374,493	\$9,692.30	67,972	18.2	\$1,061.60	11.0

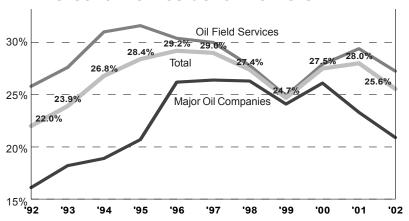
^{*} This is a NAICS based industry category that includes hotels, eating and drinking and related industry sectors Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Oil Industry Number and Percent Nonresident Workers



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

7 Oil IndustryPercent Nonresident Workers



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

8 Oil Industry Top Employers of Nonresident Workers

Alaska 2002	Total	Nonresident	Percent
	Workers	Workers	Nonresident
BP Exploration Alaska Inc.	1,832	516	28.2
Alaska Petroleum Contractors Inc.	1,852	515	27.8
VECO Alaska Inc.	1,923	471	24.5
Peak Oilfield Services Co.	1,311	309	23.6
Nabors Alaska Drilling Inc.	896	292	32.6
Schlumberger Technology Corp.	448	139	31.0
Phillips Petroleum Co.	1,028	130	12.6
Halliburton Energy Svcs. Inc.	447	108	24.2
Houston/NANA JV	691	87	12.6
Norton Inc.	390	77	19.7

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

Nonresident mining workers were paid \$250 million, and \$209 million was paid to nonresident services workers in 2002. The mining industry paid about 23 percent of all nonresident earnings in Alaska in 2002, but this was a smaller dollar amount than paid in 2001, due to overall declines in the industry. The construction, services, and retail trade industries experienced the largest percentage increase in nonresident earnings when comparing 2001 to 2002.

The highest ratios of nonresident to total workers are found in industries with a large number of seasonal jobs (often relatively low paying), industries with faster than average growth, industries with jobs requiring special skills, and industries where the workers may be employed in remote worksites or camps and can commute outside the state to their homes.

In 2002 these industries included seafood processing, hotels, lumber & wood products, amusement & recreation services, water transportation, oil & gas extraction, and transportation services. The leisure & hospitality sector, along with other visitor industry categories, has a very high percentage of nonresident workers. Although some of these industries exhibit a highly seasonal employment pattern, others have high nonresident hire rates for other reasons. These same industries have appeared on the top nonresident industry list for the last several years, with most industries showing change in tandem with the overall nonresident hire rate. In terms of total earnings for the major industry sectors, seafood processing, oil/oilfield services, lumber & wood products, and hotels have nonresident earning rates that exceed 20 percent.

Oil Industry Hires Fewer Nonresident Workers

Alaska's oil industry employed 12,512 workers in 2002, a significant decrease from the 2001 total of 14,548 workers. The sharp decline in total workers went hand-in-hand with a significant improvement in resident hire performance—less oilfield service and construction activity meant fewer new hires and fewer nonresident workers.

Total nonresident workers decreased by 870 workers, or more than 21 percent between 2001 and 2002. Nonresident workers made up 25.6% of total oil industry workers in 2002, a 2.4% decrease from 2001.

Total earnings paid to nonresidents working in the oil industry decreased from \$239 million in 2001 to \$234 million in 2002; however the percent of total earnings paid to nonresidents increased, rising from 25.5% in 2001 to 25.9% in 2002. The oil industry paid nonresidents significantly more than residents on a quarterly basis, with residents earning an average of \$19,248 per quarter, while nonresidents earned \$22,634 per quarter.

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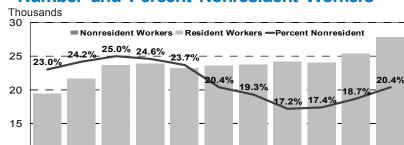
Major oil companies showed a significant decline in percent nonresident workers over 2001, dropping from 23.3% to 20.9%. The share of wages paid to nonresidents by the major oil companies increased slightly from 24.0% in 2001 to 25.1% in 2002.

Oilfield service companies showed a decline in the percent nonresident workers employed in 2002 over 2001, moving from 29.4% to 27.3%. Oilfield service companies' share of wages paid to nonresidents remained virtually unchanged with 26.5% of wages going to nonresident workers.

Construction Industry Nonresident Workers and Earnings Increase

Alaska's construction industry paid approximately \$708.5 million to residents in 2002, an increase of \$70 million from 2001. Nonresidents were paid \$110.6 million, up about \$24.8 million from 2001. Nearly 14 percent of total earnings were paid to nonresidents, slightly higher than the private sector average. The number of resident construction workers increased by 1,531 in 2002 over 2001, while nonresident construction workers increased by 925. A total of 20.4% of all construction workers were nonresident in 2002, a small increase from 2001, but still a large drop from the 1994 peak when 25 percent of all construction workers were nonresident.

Construction Industry Number and Percent Nonresident Workers



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

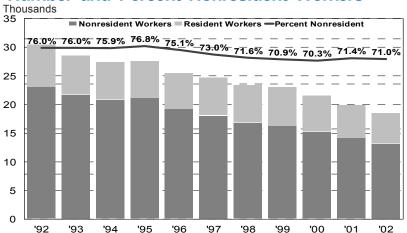
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Construction Industry Top Employers of Nonresident Workers

Alaska 2002	Total	Nonresident	Percent
	Workers	Workers	Nonresident
Conam Construction Co.	366	181	49.5
Udelhoven Oilfield System Svc.	580	158	27.2
Altair Strickland West Inc.	143	137	95.8
Osborne Construction Co.	698	116	16.6
Houston Contracting Co	543	87	16.0
Alaska Interstate Construction	490	75	15.3
Kiewit Construction Co.	343	74	21.6
Colaska Inc.	589	72	12.2
Alaska Mechanical Inc.	320	60	18.8
Fluor Federal Services Inc.	73	60	82.2
GBC LLC Contractors	180	53	29.4
Wilder Construction Co.	499	52	10.4
Harpoon Construction Group Inc.	543	50	9.2

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

Seafood Processing Number and Percent Nonresident Workers



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

2002

12 Seafood Processing Top Employers of Nonresident Workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Trident Seafoods Corp.	3,478	2,895	83.2
Icicle Seafoods Inc.	1,588	1,287	81.0
Unisea Inc.	1,446	1,110	76.8
Peter Pan Seafoods Inc.	1,299	1,082	83.3
Wards Cove Packing Co. Inc.	1,418	996	70.2
Norquest Seafoods Inc.	1,091	811	74.3
Westward Seafood Inc.	954	762	79.9
Ocean Beauty Seafoods Inc.	1,351	752	55.7
North Pacific Processors Inc.	1,213	415	34.2
Alyeska Seafoods Inc.	498	410	82.3

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

1 3 Seafood Processing Workers and Wages by Area

Seafood Processing

In 2002, Alaska's seafood processing industry employed the highest percentage of nonresident workers of any industry sector, 71.0%. Nonresident seafood processing workers earned \$130.5 million of the \$217 million paid to seafood processing workers in 2002. Twelve percent of total wages paid to nonresident workers in Alaska in 2002 was paid to workers in the seafood processing industry.

The number of nonresident workers decreased by 1,041 workers between 2001 and 2002. Resident workers increased by only three workers during this same time period, resulting in an overall improvement in resident hire performance. Resident earnings decreased by 4.7% or about \$4.2 million and nonresident earnings decreased by 2.5% or about \$3.3 million. The seafood processing industry is relatively low paying, with nonresident workers earning on average \$4,698 in each quarter that they worked

Alaska 2002	Total	Total	Nonresident	Nonresident	Nonresident	Nonresident
	Workers	Wages	Workers	Percent	Wages	Percent
Aleutians East	4,583	\$53,706,935	3.970	86.6	\$42,273,574	78.7
Aleutians West	3,055	48.981.639	2,414	79.0	30,907,213	63.1
Anchorage	3,033	5,218,096	2,414 52	13.8	828,542	15.9
•				76.5		
Bristol Bay	1,335	12,015,192	1,021		7,473,304	62.2
Fairbanks	13	ND	3	23.1	ND	ND
Haines	11	36,662	7	63.6	25,036	68.3
Juneau	175	ND	53	30.3	ND	ND
Kenai	1,095	6,090,934	429	39.2	1,693,362	27.8
Ketchikan	1,426	12,583,473	1,131	79.3	8,079,640	64.2
Kodiak	2,290	32,282,854	1,331	58.1	16,369,031	50.7
Lake and Peninsula	230	1,834,010	221	96.1	1,748,850	95.4
Nome	32	295,421	5	15.6	97,225	32.9
Prince of Wales-Outer Ketc	hikan 212	1,247,424	40	18.9	280,019	22.4
Sitka	166	1,987,458	80	48.2	490,131	24.7
Skagway-Hoonah-Angoon	83	ND	30	36.1	ND	ND
Unknown in Alaska	232	1,797,634	229	98.7	1,775,618	98.8
Valdez-Cordova	1,375	14,940,868	655	47.6	4,307,835	28.8
Wade Hampton	23	ND	9	39.1	ND	ND
Wrangell-Petersburg	1,953	21,540,940	1,496	76.6	13,833,296	64.2
Yakutat	9	206,624	4	44.4	112,218	54.3
Total	18,675	217,187,314	13,180	70.6	130,781,906	60.2

ND: Nondisclosable

in 2002, an increase of \$18 from 2001. The seafood processing Industry has declined in total employment from 29,894 workers in 1992 to 18,522 in 2002. (Fish harvesting workers are generally not covered by unemployment insurance and are not included in these numbers.)

Aleutians East and Aleutians West had the largest number of workers and the most wages paid. In both urban and rural areas of the state the percentage of nonresident workers was very high.

Lumber and Wood Products

Nearly 30 percent of workers employed in the lumber and wood products industry were nonresidents in 2002. This rate is comparable to rates seen in the last few years, and actually somewhat less than the 36 percent nonresident worker rates seen in the early 1990s when Alaska's pulp mills were still operating and timber industry (lumber and pulp) payrolls were 3.5 times current levels.

Nonresident workers in lumber & wood products earned nearly \$9 million in Alaska in 2002.

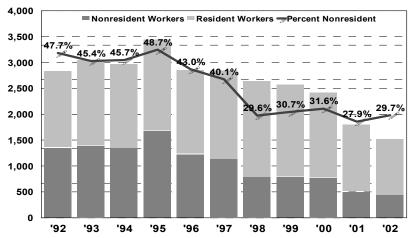
Visitor Related Industries

Although there is no "visitor industry" in the federal industry classification system, several industry sectors in Alaska are significantly impacted by visitor expenditures. These include hotels, air transportation, local and suburban transportation, and eating and drinking places. Exhibit 19 shows the nonresident hire performance of these visitor related industries, as well as the newly defined Leisure & Hospitality industry category which includes hotels and eating and drinking establishments.

Air transportation and hotels were the primary employers of nonresident workers in the visitor industry. \$135 million in wages were paid to nonresident workers in these two industries in 2002 alone.

The air transportation industry sector experienced a slight decrease in the percent nonresident workers, decreasing from 19.2% in 2001 to 18.6% in 2002. More than 40 percent of the workers in

Lumber and Wood Products Number and Percent Nonresident Workers



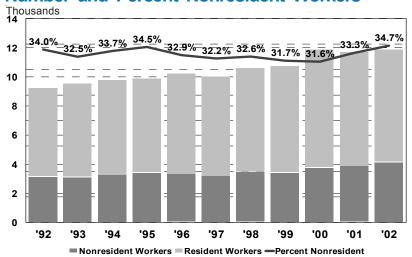
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Lumber and Wood Products Top Employers of Nonresidents

Alaska 2002	Total	Nonresident	Percent
	Workers	Workers	Nonresident
Browning Timber of Alaska Inc.	262	120	45.8
Silver Bay Logging Inc.	247	74	30.0
Phoenix Logging Co.	156	67	42.9
Ben A. Thomas Inc. Alaska Div.	111	52	46.8
Whitestone Logging Inc.	194	40	20.6
Columbia Helicopters Inc.	70	34	48.6
Kake Tribal Logging & Timber	132	28	21.2
Alaska Pacific Logging Inc.	75	15	20.0
Northland Wood Products Inc.	76	14	18.4

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

Hotels and other Lodging Places Number and Percent Nonresident Workers 16



17 Selected Visitor Related Employers Nonresident Workers

Alaska 2002	Total	Nonresident	Percent
	Workers	Workers	Nonresident
Northwest Airlines Inc.	669	432	64.6
CIRI Alaska Tourism Corp.	727	253	34.8
Royal Highway Tours Inc.	838	249	29.7
Westours Motorcoaches	612	211	34.5
Alaska Airlines Inc.	2,204	133	6.0
Alaska Travel Adventures Inc.	246	121	49.2
Holland America Line	284	106	37.3
ERA Aviation Inc.	826	99	12.0
Tour Alaska	217	89	41.0

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

18 Hotel Industry Top Employers of Nonresident Workers

Alaska 2002	Total Workers	Nonresident Workers	Percent Nonresident
Alaska Hotel Properties	1,157	600	51.9
Westmark Hotels	1,020	270	26.5
Alyeska Resort	1,061	232	21.9
Glacier Bay Park Concessions	212	179	84.4
Grande Denali Lodge	197	171	86.8
Waterfall Group Ltd.	94	71	75.5
Fountainhead Development	588	71	12.1
Columbia Sussex Corp.	419	66	15.8
Chena Hot Springs Resort	130	65	50.0

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

19 Visitor Related Industries Workers and Wages

Alaska 2002	То	tal	Nonresident					
	Workers	Wages (Millions)	Workers	Percent	Wages (Millions)	Percent		
Transportation	24,402	\$735.30	4,877	20.0	\$141.70	19.3		
Air Transportation	11,741	\$439.60	2,179	18.6	\$104.20	23.7		
Transportation Services	1,944	\$33.00	470	24.2	\$4.30	11.5		
Local/Suburban Transportation	on 3,193	\$41.20	739	23.1	\$6.40	15.4		
Eating and Drinking Places	28,986	\$301.70	6,744	23.3	\$41.40	13.8		
Hotels	11,879	\$135.70	4,124	34.7	\$30.70	22.6		
Leisure & Hospitality*	40,895	\$436.50	10,870	26.6	\$72.10	16.5		

^{*} This is a NAICS based industry category that includes hotels, eating and drinking and related industry sectors. Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

the airline pilots, copilots & flight engineers, and commercial pilots occupational groups were nonresident workers, and they earned 43.2% of the total \$137.1 million paid to the pilots occupational group in Alaska in 2002.

The hotel industry has a nonresident hire rate about twice that of the total private sector and government industry average. Nearly 23 percent of all earnings in the hotel/lodging industry went to nonresidents in 2002. The percent nonresident workers employed in this industry sector has remained fairly constant over the last ten years, with more than 31 percent nonresident workers in each of those years.

Other Industry Sectors

Detailed resident hire data by industry can be found in Appendix A2. The finance, insurance, & real estate sector has a very low percentage of nonresidents. State and local government continues to have among the lowest percent nonresident workers and wages, with less than 6.4% of workers and 2.9% of wages nonresident. Both state and local government experienced a slight increase in nonresident workers over 2001.

Nonresidents Work in Jobs that Alaskans Can Fill

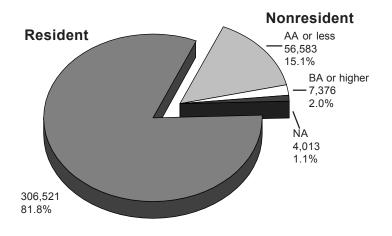
Based upon monthly unemployment estimates, between 16,400 and 26,400 Alaska residents were officially unemployed in 2002. During 2002 the number of nonresident workers employed during each quarter varied from more than 25,000 to more than 48,000. Although

nonresident workers may take jobs that many in the Alaska labor force may be unwilling, unable or unqualified to fill, the data suggest that there are a significant number of unemployed Alaskans that could be employed if given an opportunity, additional training or better information.

In addition, Alaska has underemployed workers—workers that involuntarily worked less than full-time, or workers that had higher skill levels than those required for the position in which they were working. Other workers live where there are few employment opportunities and so have not looked for work, a requirement to be considered unemployed.

In 2002, many nonresident workers filled good paying jobs that require relatively modest education or training. Based upon an analysis of Alaska occupational wage records and occupational information provided by employers, more than 80 percent of all nonresident workers employed in the private sector were employed in jobs requiring education less than or equal to an associate's degree (approximately two years of postsecondary education).

Nonresident Workers By Education Required for Occupation



Note: Private Sector only

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

Alaska Resident and Nonresident Workers and Wages 2001 and 2002

	Resident W	orkers	Nonresident Workers			Resident Wages			Nonresident Wages		
		%			%						%
2001	2002 0	Change	2001	2002	Change	2001	2002	Change	2001	20020	Change
						*** *** ***	*** *** ***				
Ag/Forestry/Fishing 2,095		0.6	675	774	14.7	\$32,609,546	\$33,660,797	3.2	\$7,770,578	\$9,423,871	21.3
Mining 12,258	11,087	-9.6	4,446	3,609	-18.8	788,651,677	755,945,143	-4.1	255,377,658	250,347,968	-2.0
Construction 20,651	22,182	7.4	4,757	5,682	19.4	638,510,745	708,549,795	11.0	85,849,698	110,626,025	28.9
Manufacturing 10,920	10,989	0.6 1	5,410	14,311	-7.1	266,565,153	268,174,174	0.6	152,694,249	148,422,426	-2.8
Trans/Comm/Util 29,661	29,117	-1.8	5,704	5,636	-1.2	1,101,685,737	1,102,686,015	0.1	159,594,475	166,362,720	4.2
Wholesale Trade 9,334	8,707	-6.7	1,593	1,423	-10.7	279,217,658	277,500,775	-0.6	17,080,342	17,723,184	3.8
Retail Trade 60,722	61,280	0.9 13	3,249	13,350	0.8	950,256,808	996,914,841	4.9	81,640,950	92,830,462	13.7
Finance/Ins/R.E. 13,381	13,095	-2.1	1,224	1,241	1.4	420,137,945	430,985,124	2.6	16,451,527	18,021,101	9.5
Services 76,437	78,039	2.1 16	6,478	17,095	3.7	1,810,014,544	1,942,699,312	7.3	183,134,132	209,310,257	14.3
Public Admin. 45	115	155.6	5	12	140.0	617,617	1,888,838	205.8	39,187	114,361	191.8
Nonclassifiable 302	? 76	-74.8	81	90	11.1	5,321,833	1,828,424	-65.6	873,583	1,002,897	14.8
Total Private 235,76	236,795	0.4 63	3,617	63,223	-0.6	6,292,971,646	6,520,833,239	3.6	960,467,192	1,024,185,274	6.6
Local Government 42,517	45,254	6.4	2,750	3,082	12.1	1,174,686,541	1,250,652,282	6.5	29,671,163	\$37,427,333	26.1
State Government 23,603	3 24,472	3.7	1,596	1,667	4.4	816,561,054	859,189,301	5.2	23,698,021	\$26,397,970	11.4
T. I. I	000 504	4 5 0	7 000	07.070	0.0	0.004.040.044	0.000.074.004	4.0.4		4 000 040 577	4 -
Total 301,881	306,521	1.5 6	7,963	67,972	0.0	8,284,219,241	8,630,674,821	4.21	1,013,836,376	1,088,010,577	4.7

22 Employed and Unemployed **Residents and Nonresidents**

Alaska 2002	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Total Resident Workers* Total Nonresident Workers*	,	266,211 38,045	267,497 48,305	250,054 35,767
Est. Avg. AK Unemployed**	27,202	23,970	22,920	25,756

^{*}Includes all workers employed in private sector, state and local government. **Derived from monthly Alaska labor force estimates

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

23 Nonresidents in Occupations With Known Educational Requirement

Alaska 2002			Total	Avg.
	Education	Nonresident	Nonresident	Nonres.
	Required	Workers	Wages	Wages
Anchorage/Mat-Su Reg	<u>ion</u>			
Anchorage	AA or less	17,379	\$229,049,768	\$13,180
Anchorage	BA or higher	2,908	\$141,406,018	\$48,627
Mat-Su	AA or Less	2,147	\$16,969,594	\$7,904
Mat-Su	BA or higher	343	\$4,855,770	\$14,157
Gulf Coast Region				
Kenai	AA or less	4,192	\$37,369,050	\$8,914
Kenai	BA or higher	391	\$7,586,237	\$19,402
Kodiak	AA or less	1,054	\$11,345,426	\$10,764
Kodiak	BA or higher	119	\$2,182,175	\$18,338
Valdez-Cordova	AA or less	1,865	\$19,719,746	\$10,574
Valdez-Cordova	BA or higher	100	\$2,786,532	\$27,865
Interior Region				
Denali Borough	AA or less	682	\$5,272,130	\$7,730
Denali Borough	BA or higher	25	\$530,078	\$21,203
Fairbanks	AA or less	5,016	\$54,315,155	\$10,828
Fairbanks	BA or higher	956	\$16,986,123	\$17,768
Southeast Fairbanks	AA or less	287	\$3,578,830	\$12,470
Southeast Fairbanks	BA or higher	89	\$3,149,325	\$35,386
Yukon-Koyukuk	AA or less	397	\$5,046,507	\$12,712
Yukon-Koyukuk	BA or higher	82	\$2,060,260	\$25,125
Northern Region				
Nome	AA or less	398	\$4,929,588	\$12,386
Nome	BA or higher	176	\$3,698,409	\$21,014
North Slope Borough	AA or less	2,654	\$125,756,469	\$47,384
North Slope Borough	BA or higher	350	\$19,681,434	\$56,233
Northwest Arctic Borough	n AA or less	417	\$12,195,694	\$29,246
Northwest Arctic Borough	n BA or higher	145	\$5,098,488	\$35,162
			(continued	nevt nane)

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NONRESIDENTS WORKING IN ALASKA

In 2002, nonresident workers were employed throughout the state, many in jobs with relatively high average earnings requiring less than a fouryear degree. The North Slope Borough in particular had a large number of nonresident workers earning a significant amount of money (approximately \$125 million) in occupations that required less than a four-year degree.

Nonresident Occupations

Employers provide the department occupational information on workers on a quarterly basis. For this report, workers were assigned an occupation code based upon the occupation in which they earned the most money in 2002. Nonresident workers were found in large numbers in a wide variety of occupations, especially in occupations related to seafood processing, hotels, eating and drinking places, oil, and construction. Many occupations with large numbers of nonresident workers have relatively high pay, and although they may require significant training or education, represent an opportunity for training programs in Alaska or a career path for an unemployed Alaskan. Exhibit 24 lists the top nonresident occupations that had average quarterly earnings in excess of \$5,746 in 2002, the median quarterly earnings for those reporting occupational information.

Exhibit 25 shows occupations with the largest number of nonresident workers, irrespective of earnings. Many of these occupations represent an entry-level employment opportunity for unemployed Alaska workers with less work experience or fewer skills. Top nonresident occupations include seafood processing workers. retail sales workers, food service workers, waiters/ waitresses, general laborers, and cashiers.

Nonresident Occupations by Industry

Although the total number of nonresident workers in an occupation or industry provides a good understanding of where employment and training opportunities exist, training providers and industry groups often want to know where training dollars should be directed within an industry. Exhibit 26 shows the top nonresident occupations for several major Alaska industry sectors with a large number of nonresident workers.

Note: Data is derived from series that are not directly comparable due to differing definitions

Resident Hire Percentages Differ by Geographic Area

The highest percentage nonresident workers is found in the Southwest Region, primarily the Aleutians East, Bristol Bay and Lake and Peninsula boroughs, and Aleutians West census area. These workers were engaged primarily in seafood processing. Other areas with a high percentage of nonresident workers include Yakutat, Denali, and Kodiak Island boroughs, and Skagway-Hoonah-Angoon census area.

The areas with the lowest percent nonresident workers include northern and western rural areas of Alaska (excluding the North Slope Borough). These areas are not a magnet for nonresident workers. The areas that are most urban, economically diverse and offer the most year-round jobs have a moderate or "average" number of nonresident workers. Anchorage/Mat-Su, Fairbanks and Juneau fall into this category.

Geographic Distribution of Local and Non-Local Alaska Residents and Nonresidents

For many areas, filling jobs with local residents is a high priority. Worker employment records showing place of work information are matched with PFD applicant address information to determine the number of local residents, non-local Alaska residents and nonresidents working in each Alaska borough or census area³. Overall, 70 percent of workers were local residents of the area where they worked in 2002, while about 13 percent were residents of Alaska, but did not live in the borough or census area in which they worked. (See Exhibit 29.)

The Aleutians East Borough, with its large number of nonresident seafood processing workers, had the lowest percent local resident private sector workers in 2002. The North Slope Borough also had a very significant number of non-local private sector workers, due to the large number of oil industry workers employed on a rotating basis at work sites in the Prudhoe Bay area. Other areas with low percent local resident workers include those with large seasonal seafood processing

industries. Rural areas with relatively few job opportunities have the highest levels of local resident employment.

Nonresidents in Occupations With Known Educational Requirement (continued)

Alaska 2002			Total	Avg.
	Education N		Nonresident	Nonres.
	Required	Workers	Wages	Wages
Southeast Region				
Haines	AA or less	510	\$3,896,075	\$7,639
Haines	BA or higher	24	\$473,825	\$19,743
Juneau	AA or less	2,354	\$26,376,579	\$11,205
Juneau	BA or higher	414	\$7,360,533	\$17,779
Ketchikan	AA or less	2,062	\$20,166,551	\$9,780
Ketchikan	BA or higher	84	\$1,742,752	\$20,747
POW-Outer Ketchikan	AA or less	543	\$5,417,401	\$9,977
POW-Outer Ketchikan	BA or higher	66	\$1,073,079	\$16,259
Sitka	AA or less	1,010	\$9,236,581	\$9,145
Sitka	BA or higher	132	\$2,027,615	\$15,361
Skagway-Hoonah-Ango	on AA or Less	986	\$8,650,800	\$8,774
Skagway-Hoonah-Ango	onBA or higher	44	\$1,026,703	\$23,334
Wrangell-Petersburg	AA or Less	1,157	\$8,996,072	\$7,775
Wrangell-Petersburg	BA or higher	38	\$777,272	\$20,455
Yakutat	AA or Less	96	\$1,020,179	\$10,627
Yakutat	BA or higher	12	\$365,362	\$30,447
Southwest Region				
Aleutians East	AA or Less	2,435	\$29,118,762	\$11,958
Aleutians East	BA or higher	49	\$1,316,605	\$26,869
Aleutians West	AA or less	2,715	\$39,050,840	\$14,383
Aleutians West	BA or higher	65	\$2,212,428	\$34,037
Bethel	AA or less	644	\$8,352,321	\$12,969
Bethel	BA or higher	256	\$6,342,200	\$24,774
Bristol Bay	AA or less	1,283	\$9,420,145	\$7,342
Bristol Bay	BA or higher	30	\$631,709	\$21,057
Dillingham	AA or less	386	\$3,504,730	\$9,080
Dillingham	BA or higher	72	\$1,849,643	\$25,689
Lake and Peninsula	AA or less	638	\$5,664,160	\$8,878
Lake and Peninsula	BA or higher	27	\$330,118	\$12,227
Wade Hampton	AA or less	159	\$3,061,865	\$19,257
Wade Hampton	BA or higher	84	\$2,179,051	\$25,941

Note: Private sector only

Economic and Social Impact of Nonresident Workers

Nonresident workers can negatively affect the Alaska economy in many ways including:

• Depriving an Alaska resident of a job and income

- Taking their nonresident income outside the state, resulting in significant income leakage and reduced multiplier effect
- Increasing the likelihood that an unemployed Alaska resident will remain on unemployment insurance longer than would otherwise be the case
- The receipt and spending outside the state of unemployment insurance benefits derived from

Private Sector Occupations with the Most Nonresidents Paid More than the All-Occupations Median

Alaska 2002		Average
No	onresident	Earnings
Occupation	Workers	per Qtr
Construction Laborers	1,155	\$6,394
Carpenters	927	7,345
Registered Nurses	747	9,852
Operating Engineers & other Construction Equipment Operators	641	14,400
Airline Pilots, Copilots, and Flight Engineers	585	28,388
Sailors and Marine Oilers	479	7,519
Electricians	459	13,158
Fishers and Related Fishing Workers *	424	8,386
Maintenance and Repair Workers, General	409	6,183
Truck Drivers, Heavy and Tractor-Trailer	407	10,100
Commercial Pilots	387	11,629
General and Operations Managers	386	13,448
Roustabouts, Oil and Gas	380	12,136
Security Guards	373	5,894
Captains, Mates, and Pilots of Water Vessels	319	12,776
Managers, All Other	318	25,540
1st-Line Supv/Mgr of Construction Trades & Extraction Workers	314	19,364
Service Unit Operators, Oil, Gas, and Mining	298	25,548
Plumbers, Pipefitters, and Steamfitters	291	12,076
Office and Administrative Support Workers, All Other	283	6,866
Truck Drivers, Light or Delivery Services	265	6,834
Welders, Cutters, Solderers, and Brazers	253	12,257
Automotive Service Technicians and Mechanics	248	6,587
Engineers, All Other	216	36,080
Aircraft Mechanics and Service Technicians	211	9,772
Material Moving Workers, All Other	190	6,051
Helpers—Installation, Maintenance, and Repair Workers	182	7,151
Installation, Maintenance, & Repair Workers, All Other	175	13,185
Cooks, Institution and Cafeteria	165	6,073
Chefs and Head Cooks	161	7,329
1st-Line Supv/Mgr of Seafood Processing Workers	154	8,792

Median earnings: \$5,746 per quarter worked

^{*} Most seafood harvesters are self-employed, and are excluded from these data and analyses. Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Alaska employment. In 2002, \$21.5 million was paid in regular UI benefit payments to interstate claimants.

In addition, the increase in unemployment and loss of income to Alaskans can lead to a variety of social ills including drug abuse, domestic violence

and a variety of negative health effects. These social ills are documented in an annual review of resident hire conditions used as part of the determination process to identify construction craft occupations eligible for a 90 percent employment preference on public funded construction projects.

Private Sector Occupations with the Largest Number of Nonresidents

Alaska 2002	Resident	Nonres.	Nonres.	Resident	Nonres.	Nonres.
	Workers	Workers	Percent	Earnings	Earnings	Percent
Seafood Processing Workers, exc. Surimi & Fish Roe	3,453	10,123	74.6	\$38,091,430	\$81,107,950	68.0
Retail Salespersons	12,552	2,422	16.2	193,645,707	16,362,642	7.8
Combined Food Prep. & Serving Wkrs, incl. Fast Food	5,892	1,515	20.5	35,520,089	5,794,361	14.0
Waiters and Waitresses	4,008	1,461	26.7	40,775,159	7,689,879	15.9
Laborers & Freight, Stock, & Material Movers, Hand	4,745	1,177	19.9	74,942,375	10,820,520	12.6
Cashiers	6,027	1,162	16.2	59,814,397	5,941,451	9.0
Construction Laborers	5,276	1,155	18.0	113,937,693	14,418,055	11.2
Maids and Housekeeping Cleaners	3,317	956	22.4	36,961,157	6,077,801	14.1
Carpenters	4,186	927	18.1	107,373,778	13,507,071	11.2
Tour Guides and Escorts	708	896	55.9	6,296,053	6,544,937	51.0
Office Clerks, General	5,554	853	13.3	116,454,916	9,531,733	7.6
Cooks, Restaurant	1,847	807	30.4	27,862,422	6,390,776	18.7
Registered Nurses	2,849	747	20.8	130,370,159	16,649,541	11.3
Janitors & Cleaners, exc. Maids & Housekeeping Cleaners	3,624	690	16.0	46,717,471	4,346,549	8.5
Operating Engineers & Other Construction Equipm't Oper.	2,403	641	21.1	105,438,064	24,148,565	18.6
Dishwashers	1,523	617	28.8	10,324,401	2,974,509	22.4
Airline Pilots, Copilots, and Flight Engineers	803	585	42.1	45,728,633	48,884,257	51.7
Customer Service Representatives	3,257	497	13.2	66,304,164	5,402,790	7.5
Sailors and Marine Oilers	500	479	48.9	11,520,684	7,406,367	39.1
Food Preparation Workers	1,802	468	20.6	22,725,461	3,583,613	13.6
Electricians	1,780	459	20.5	78,393,679	14,683,910	15.8
Sales and Related Workers, All Other	2,175	449	17.1	40,419,928	3,307,924	7.6
Fishers and Related Fishing Workers	295	424	59.0	3,056,455	7,127,722	70.0
Child Care Workers	1,729	414	19.3	16,141,044	1,581,029	8.9
Maintenance and Repair Workers, General	2,014	409	16.9	53,708,166	5,459,987	9.2
Receptionists and Information Clerks	2,872	408	12.4	46,620,011	2,970,514	6.0
Truck Drivers, Heavy and Tractor-Trailer	2,341	407	14.8	87,507,335	10,686,252	10.9
Commercial Pilots	633	387	37.9	38,638,630	12,083,001	23.8
General and Operations Managers	3,297	386	10.5	172,935,499	13,528,307	7.3
Roustabouts, Oil and Gas	987	380	27.8	41,680,477	14,296,654	25.5
Security Guards	1,634	373	18.6	41,368,187	5,157,591	11.1
Stock Clerks and Order Fillers	2,177	371	14.6	32,164,740	2,764,018	7.9
Bartenders	1,716	369	17.7	21,902,987	2,453,986	10.1
Counter Attendants, Cafeteria/Food Concession/Coffee Sho	p 1,864	337	15.3	22,372,233	1,521,173	6.4
Bookkeeping, Accounting, and Auditing Clerks	3,448	336	8.9	87,268,402	3,903,143	4.3

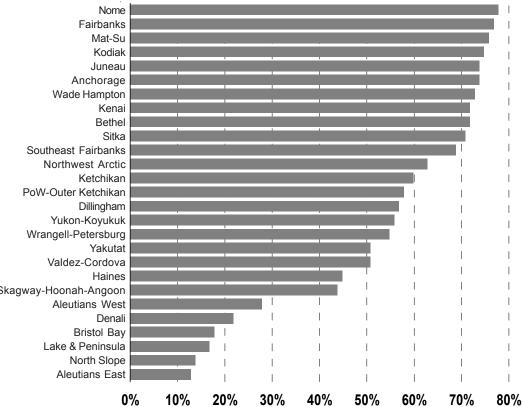
26 Largest Nonresident Occupations In Selected Industries

Alaska 2002			Non-	Percent		Non-	Percent
		Resident	res.	Non-	Resident	resident	Non-
	Occupational Title	Workers	Wkrs	resident	Wages	Wages	resident
Metal mining	Mining Machine Operators, All Other	230	49	17.6	\$9,553,157	\$970,884	9.2
Metal mining	Millwrights	84	26	23.6	5,386,326	1,970,801	26.8
Metal mining	Loading Machine Operators, Underground Mining	82	26	24.1	5,465,651	1,849,268	25.3
Metal mining	Mobile Heavy Equipment Mechanics, Except Engines	63	11	14.9	4,417,190	566,210	11.4
Metal mining	Crushing/Grinding/Polishing Machine Setters, Oper, Tend		7	9.2	2,944,003	293,433	9.1
Oil and gas extraction	Roustabouts, Oil and Gas	955 727	370	27.9	40,716,327	14,214,983	25.9
Oil and gas extraction Oil and gas extraction	Service Unit Operators, Oil, Gas, and Mining Operating Engineers & Other Construction Equipment Operating		298 177	29.1 28.5	68,518,687 24,380,421	28,256,363 9,280,189	29.2 27.6
Oil and gas extraction	Engineers, All Other	430	116	21.2	47,826,850	19,063,109	28.5
Oil and gas extraction	Welders, Cutters, Solderers, and Brazers	219	103	32.0	12,635,626	4,634,621	26.8
Building construction	Carpenters	2,344	474	16.8	67,257,551	7,243,135	9.7
Building construction	Construction Laborers	1,921	403	17.3	36,015,825	3,468,742	8.8
Building construction	Operating Engineers & Other Construction Equip Operat		60	18.2	10,362,519	1,773,803	14.6
Building construction	1st-Line Supvr/Mgr Construction Trades & Extraction Will Construction Managers	krs 231 168	44 40	16.0	15,441,125	1,691,774	9.9
Building construction Heavy construction	Construction Managers Operating Engineers & Other Construction Equip Operation		245	19.2 20.6	13,242,666 43,791,330	2,234,128 9,002,272	14.4 17.1
Heavy construction	Construction Laborers	1,022	166	14.0	25,628,495	2,710,562	9.6
Heavy construction	Truck Drivers, Heavy and Tractor-Trailer	295	45	13.2	10,843,294	1,276,265	10.5
Heavy construction	Carpenters	135	27	16.7	3,566,156	593,253	14.3
Heavy construction	Office Clerks, General	126	19	13.1	2,682,108	134,913	4.8
special trade contractors	Construction Laborers	1,164	360	23.6	21,309,292	3,824,959	15.2
special trade contractors	Carpenters	749	277	27.0	16,417,454	3,482,683	17.5
special trade contractors	Electricians Rejectors Construction and Maintenance	1,310	259	16.5	53,726,208	5,492,505	9.3
special trade contractors special trade contractors	Painters, Construction and Maintenance Plumbers, Pipefitters, and Steamfitters	451 904	170 138	27.4 13.2	8,312,715 39,142,565	1,717,715 2,800,117	17.1 6.7
•	Seafood Processing Workers, Exc Surimi & Fish Roe	3,343	9,962	74.9	37,218,945	80,216,903	68.3
•	Surimi Technicians	12	309	96.3	325,503	4,589,564	93.4
	1st-line Supvr/Mgr of Seafood Processing Workers	110	150	57.7	3,754,748	4,156,427	52.5
	Packaging and Filling Machine Operators and Tenders	142	130	47.8	1,453,786	681,664	31.9
-	Meat, Poultry, and Fish Cutters and Trimmers	109	113	50.9	811,406	568,418	41.2
Lumber and wood products		90	84	48.3	2,612,887	1,361,470	34.3
	Logging Equipment Operators Choker Setters and Chasers	85 49	48 48	36.1 49.5	2,468,240 714,401	990,885 590,577	28.6 45.3
Lumber and wood products		49	42	49.5	1,299,988	681,085	34.4
	Sawing Machine Setters, Operators, and Tenders, Wood		15	14.9	1,582,161	84,692	5.1
Water transportation	Sailors and Marine Oilers	311	157	33.5	9,570,191	3,577,528	27.2
Water transportation	Captains, Mates, and Pilots of Water Vessels	246	152	38.2	9,531,500	5,375,944	36.1
Water transportation	Material Moving Workers, All Other	126	78	38.2	4,207,695	708,172	14.4
Water transportation	Laborers and Freight, Stock, and Material Movers, Hand	344	75	17.9	5,243,791	939,344	15.2
Water transportation	Tank Car, Truck, and Ship Loaders	115	570	2.5	6,777,010	136,375	2.0
Transportation by air Transportation by air	Airline Pilots, Copilots, and Flight Engineers Commercial Pilots	761 564	572 335	42.9 37.3	41,544,353 36,261,284	48,471,494 10,781,076	53.8 22.9
Transportation by air	Aircraft Mechanics and Service Technicians	966	171	15.0	41,000,553	4,333,627	9.6
Transportation by air	Reservation & Trans Ticket Agents and Travel Clerks	992	85	7.9	20,555,650	936,782	4.4
Transportation by air	Air Transportation Workers, All Other	415	65	13.5	8,085,105	1,359,613	14.4
Transportation services	Tour Guides and Escorts	86	76	46.9	807,226	576,180	41.6
Transportation services	Travel Agents	368	35	8.7	8,332,845	347,502	4.0
Transportation services	Customer Service Representatives	64	26	28.9	798,905	142,065	15.1
Transportation services	General and Operations Managers Laborers and Freight, Stock, and Material Movers, Hand	67 53	10 11	13.0 17.2	2,269,347 868,285	128,513 55,084	5.4 6.0
Transportation services Eating & drinking places	Combined Food Prep & Serving Workers, incl Fast Food	5,256	1,342	20.3	29,098,382	4,716,668	13.9
Eating & drinking places	Waiters and Waitresses	3,093	1,050	25.3	30,347,955	5,142,865	14.5
Eating & drinking places	Cooks, Restaurant	1,412	570	28.8	20,579,620	4,371,844	17.5
Eating & drinking places	Dishwashers	1,032	423	29.1	6,227,116	1,981,186	24.1
Eating & drinking places	Food Preparation Workers	1,154	281	19.6	13,031,050	1,813,519	12.2
	Maids and Housekeeping Cleaners	1,837	605	24.8	16,660,185	2,994,388	15.2
Hotels, other lodging places		648	309	32.3	7,611,649	1,834,218	19.4
Hotels, other lodging places Hotels, other lodging places	Hotel, Motel, and Resort Desk Clerks	765 354	245 199	24.3 36.0	9,371,160 6,160,779	1,744,777 1,678,153	15.7 21.4
Hotels, other lodging places		259	112	30.2	2,500,549	582,041	18.9
Health services	Registered Nurses	2,687	480		124,261,275	12,004,512	8.8
Health services	Receptionists and Information Clerks	1,030	133	11.4	20,292,539	1,193,009	5.6
Health services	Nursing Aides, Orderlies, and Attendants	1,175	106	8.3	26,067,799	1,067,580	3.9
Health services	Dental Assistants	806	92	10.2	18,603,910	940,382	4.8
Health services	Healthcare Support Workers, All Other	910	63	6.5	23,678,053	637,129	2.6

Percent of Private Sector Workers who are Local Residents

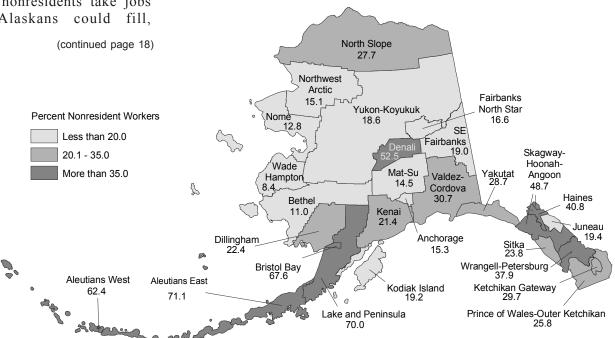
Workers generally spend the bulk of their earnings where they reside. On average, nonresidents take a significant portion of their earnings to their home state, depriving Alaska of the full economic benefits of the employment created in the Alaska economy. This has a direct impact on the total growth rate and income of Alaska. This leakage of income out-of-state results in smaller indirect income and employment than would occur if workers lived in Alaska. Many nonresidents work a relatively short time in Alaska Skagway-Hoonah-Angoon (often for just a quarter or two) and generally do not live, own homes or consume the bulk of their earnings in Alaska.

Nonresidents take direct job opportunities away from Alaskans. In addition, they keep the overall economy, including retail sales, services and housing construction at a level less than would otherwise be the case. When nonresidents take jobs that Alaskans could fill,



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

Nonresident Private Sector Workers By Place of Work 28



29 Workers and Earnings by Place of Work & Alaska Residence Residents and Nonresidents

Alaska 2002		Resident	Resident	Non-	Pct. Non-	Wages	Wages	Non-	Pct. Non-
		Workers	Workers	resident	resident	Local	Non-local	resident	resident
		Local	Non-local	Workers	Workers	Resident	AK Resident	Wages	Wages
Anchorage/Mat-Su R	<u>egion</u>								
Anchorage	State Govt	8,419	1,064	440	4.4	\$308,117,387	\$38,831,394	\$6,801,102	1.9
Anchorage	Local Govt	10,831	719	551	4.6	387,120,370	25,506,659	7,080,549	1.7
Anchorage	Private Sector	100,064	17,616	21,334	15.3	3,005,570,776	508,042,840	397,194,619	10.2
Mat-Su	State Govt	879	129	24	2.3	28,703,185	4,053,274	317,890	1.0
Mat-Su	Local Govt	2,646	140	93	3.2	75,137,606	4,313,295	917,006	1.1
Mat-Su	Private Sector	12,410	1,781	2,402	14.5	241,150,206	39,407,493	20,892,786	6.9
Gulf Coast Region			400						
Kenai	State Govt	1,084	128	63	4.9	35,392,410	4,105,269	1,025,687	2.5
Kenai	Local Govt	3,402	77	189	5.2	104,523,943	1,815,546	2,750,766	2.5
Kenai	Private Sector	14,608	1,567	4,404	21.4	340,857,804	47,091,104	44,491,760	10.3
Kodiak	State Govt	273	26	22	6.9	9,724,847	469,498	426,379	4.0
Kodiak	Local Govt	810	48	103	10.7	21,455,486	877,753	930,814	4.0
Kodiak	Private Sector	4,170	362	1,074	19.2	88,520,832	6,158,004	12,345,903	11.5
Valdez-Cordova	State Govt	287	79	26	6.6	9,623,706	2,501,936	416,540	3.3
Valdez-Cordova	Local Govt	931	95	83	7.5	24,003,826	1,912,988	1,068,509	4.0
Valdez-Cordova	Private Sector	3,262	1,107	1,938	30.7	105,661,384	38,431,666	21,349,889	12.9
Interior Region									
Denali Borough	State Govt	24	4	1	3.4	1,155,659	107,345	12,281	1.0
Denali Borough	Local Govt	81	54	7	4.9	2,053,804	1,079,801	27,390	0.9
Denali Borough	Private Sector	464	719	1,310	52.5	15,332,103	17,497,713	10,774,640	24.7
Fairbanks	State Govt	4,632	274	557	10.2	157,549,090	4,694,295	7,931,801	4.7
Fairbanks	Local Govt	3,541	100	177	4.6	101,567,211	1,169,262	1,307,593	1.3
Fairbanks	Private Sector	24,626	2,747	5,464	16.6	629,219,636	65,387,245	63,263,122	8.3
Southeast Fairbanks	State Govt	139	11	22	12.8	4,805,961	227,945	310,518	5.8
Southeast Fairbanks	Local Govt	417	28	24	5.1	8,130,217	395,999	212,908	2.4
Southeast Fairbanks	Private Sector	1,155	266	334	19	19,127,248	7,913,796	6,230,680	18.7
Yukon-Koyukuk	State Govt	71	60	9	6.4	2,695,770	3,015,697	169,746	2.9
Yukon-Koyukuk	Local Govt	1,398	321	141	7.6	22,504,984	7,650,859	1,585,341	5.0
Yukon-Koyukuk	Private Sector	1,017	442	334	18.6	16,893,555	13,361,710	5,402,488	15.2
		,-				-,,	, , ,	-, - ,	
Northern Region									
Nome	State Govt	219	28	7	2.8	9,787,793	1,190,280	134,914	1.2
Nome	Local Govt	1,637	142	196	9.9	28,070,812	2,284,019	2,344,691	7.2
Nome	Private Sector	2,247	337	379	12.8	54,176,449	8,643,301	6,183,577	9.0
North Slope Borough	State Govt	19	22	2	4.7	929,819	1,174,227	18,728	0.9
North Slope Borough	Local Govt	2,182	188	167	6.6	70,607,328	6,672,126	2,999,921	3.7
North Slope Borough	Private Sector	1,420	6,081	2,869	27.7	42,118,359	321,801,778	143,258,669	28.2
Northwest Arctic Bor.	State Govt	61	9	3	4.1	2,415,294	298,523	35,780	1.3
Northwest Arctic Bor.	Local Govt	1,273	131	185	11.6	23,709,023	3,446,195	2,196,105	7.5
Northwest Arctic Bor.	Private Sector	1,734	557	406	15.1	50,502,022	28,767,047	15,630,716	16.5
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Workers and Earnings by Place of Work & Alaska Residence Residents and Nonresidents (continued)

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Alaska 2002		Resident	Resident	Non-	Pct. Non-	Wages	Wages		Pct. Non-
		Workers	Workers	resident	resident	Local	Non-local		resident
Southeast Region		Local	Non-local	Workers	Workers	Resident	AK Resident	Wages	Wages
Haines	State Govt	48	9	8	12.3	1,406,302	136,270	71,453	4.4
Haines	Local Govt	180	11	12	5.9	3,808,919	390,880	136,839	3.2
Haines	Private Sector	654	97	518	40.8	10,211,357	1,736,317	4,172,635	25.9
Juneau	State Govt	4,287	352	299	6.1	156,133,013	9,360,152	5,236,849	3.1
Juneau	Local Govt	2,174	112	202	8.1	75,341,357	2,132,961	2,387,933	3.0
Juneau	Private Sector	8,767	854	2,312	19.4	212,071,421	19,565,764	26,497,663	10.3
Ketchikan	State Govt	569	78	61	8.6	19,157,697	2,272,569	1,515,567	6.6
Ketchikan	Local Govt	1,143	28	90	7.1	37,590,405	700,915	875,972	2.2
Ketchikan	Private Sector	4,573	479	2,130	29.7	102,394,470	7,282,168	20,086,876	15.5
PoW-Outer Ketchikan	State Govt	33	4	0	0	1,093,429	99,362	0	0.0
PoW-Outer Ketchikan	Local Govt	978	102	115	9.6	18,594,827	2,031,376	1,175,634	5.4
PoW-Outer Ketchikan	Private Sector	1,216	222	500	25.8	23,276,041	4,771,351	5,348,776	16.0
Sitka	State Govt	360	26	45	10.4	10,597,314	502,384	410,089	3.6
Sitka	Local Govt	646	49	72	9.4	20,026,325	530,595	764,903	3.6
Sitka	Private Sector	2,956	335	1,030	23.8	69,552,714	5,848,119	10,115,004	11.8
Skagway-Hoonah-Angoon	State Govt	28	3	0	0	726,761	32,146	0	0.0
Skagway-Hoonah-Angoon	Local Govt	340	42	35	8.4	6,831,486	878,108	364,581	4.5
Skagway-Hoonah-Angoon	Private Sector	834	224	1,005	48.7	14,392,091	3,445,634	9,354,899	34.4
Wrangell-Petersburg	State Govt	82	6	2	2.2	2,418,456	97,848	29,916	1.2
Wrangell-Petersburg	Local Govt	705	27	46	5.9	20,239,783	664,257	736,465	3.4
Wrangell-Petersburg	Private Sector	1,699	182	1,148	37.9	28,885,055	2,513,800	9,012,183	22.3
Yakutat	State Govt	11	2	1	7.1	383,226	34,147	7,250	1.7
Yakutat	Local Govt	104	19	14	10.2	1,688,777	314,720	134,087	6.3
Yakutat	Private Sector	189	54	98	28.7	3,837,786	920,594	1,266,534	21.0
Southwest Region									
Aleutians East	State Govt	14	10	3	11.1	295,617	114,359	33,906	7.6
Aleutians East	Local Govt	237	29	26	8.9	5,000,267	792,832	238,310	4.0
Aleutians East	Private Sector	460	554	2,498	71.1	10,092,500	11,334,375	30,387,374	58.6
Aleutians West	State Govt	35	8	3	6.5	1,279,154	255,976	61,049	3.8
Aleutians West	Local Govt	383	36	31	6.9	14,350,955	1,028,764	456,449	2.9
Aleutians West	Private Sector	1,333	486	3,019	62.4	41,185,800	14,303,834	42,561,160	43.4
Bethel	State Govt	303	47	28	7.4	13,558,528	1,618,876	460,715	2.9
Bethel	Local Govt	3,099	231	250	7	50,711,166	4,502,292	2,953,975	5.1
Bethel	Private Sector	4,099	1,046	634	11	78,076,674	21,350,501	11,352,984	10.2
Bristol Bay Borough	State Govt	24	13	11	22.9	1,097,008	159,713	77,514	5.8
Bristol Bay Borough	Local Govt	119	19	11	7.4	3,441,915	343,032	68,382	1.8
Bristol Bay Borough	Private Sector	322	306	1,308	67.6	8,293,313	4,692,784	9,951,043	43.4
Dillingham	State Govt	81	27	4	3.6	2,965,311	524,539	56,559	1.6
Dillingham	Local Govt	920	90	72	6.7	16,549,415	2,088,322	1,116,478	5.7
Dillingham	Private Sector	1,036	295	385	22.4	25,456,127	7,031,250	4,189,603	11.4
Lake and Peninsula	State Govt	6	6	2	14.3	246,984	74,833	34,720	9.7
Lake and Peninsula	Local Govt	514	130	60	8.5	6,848,645	3,203,773	632,420	5.9
Lake and Peninsula	Private Sector	122	145	622	70	1,881,729	3,090,005	5,606,042	53.0
Wade Hampton	State Govt	42	15	1	1.7	637,619	293,798	7,761	0.8
Wade Hampton	Local Govt	1,464	131	129	7.5	21,297,310	2,718,788	1,906,592	7.4
Wade Hampton	Private Sector	997	272	117	8.4	13,792,010	9,346,216	3,331,045	12.6
Other/Unknown		0	1,230	3,675	74.9	0	48,612,675	84,782,581	63.6
Total		260,619	45,902	67,972	18.2	7,206,632,967	1,424,041,854 1	,088,010,577	11.2

unemployed Alaskans draw upon unemployment Because nonresidents spend the greater portion insurance and other financial aid programs.

Because nonresidents spend the greater portion of their earnings outside Alaska, a significant

Not only is there a direct job loss and a direct loss of the income those jobs provide, the indirect effects associated with the re-spending of those dollars is lost as well. The U.S. Bureau of Economic Analysis estimates that Alaska has an economic multiplier of 1.4 to 1.9, depending on the industry⁴. This means that the \$1.1 billion in nonresident worker earnings in 2002 would generate an additional \$440 to \$990 million if those dollars were spent and respent in Alaska.

Impact of Earnings Flowing out to Nonresidents

Nonresident Earnings in Alaska—2002	\$1.1 billion
Alaska Total Income if earnings	
stay in Alaska	\$1.44 billion to \$1.99 billion
Income lost to Alaska if half of Nonresident	
earnings are spent outside the state	\$720 million to \$995 million

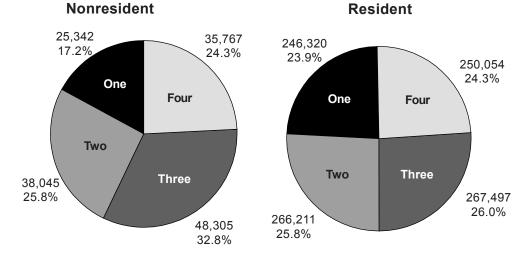
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Because nonresidents spend the greater portion of their earnings outside Alaska, a significant portion of the direct and indirect income amounting to hundreds of millions of dollars and thousands of jobs is lost from the Alaska economy. Typically, only about 14 percent of nonresident workers in private sector, state and local government jobs become eligible for a PFD in the year following this report, showing that most nonresidents do not remain in the state.

Endnotes

- 1 Nonresident workers are defined as those workers who did not receive a Permanent Fund Dividend (PFD) in 2002 or apply for a PFD in 2003. The methodology section of this report provides complete information on workers identified as nonresidents.
- 2 The Alaska Department of Labor and Workforce Development unemployment insurance wage file includes only those workers covered by Alaska unemployment insurance. Therefore, all references to resident and nonresident workers exclude self-employed and federal government workers in Alaska.
- 3 Workers were assigned to a geographic area based upon the place of work where they earned the most money in 2002. If employers did not provide specific place of work information for the worker, the census area of the primary business location was used to determine the place of work. Place of residence for Alaska residents was derived from the zip code of the most recent PFD mailing address. Even though workers may move during the course of a year and employers may not provide complete and accurate information in all cases, the data provide a good indication of those areas that have a stable, local resident employment base.
- 4 A User Handbook for the Regional Input-Output Modeling System (RIMS II), Bureau of Economic Analysis, March 1997.

31 Workers by Number of Quarters Worked Residents and Nonresidents



APPENDIX

Methodology

Alaska residency is determined by matching the Alaska Department of Revenue Permanent Fund Dividend (PFD) file with the Alaska Department of Labor and Workforce Development wage file. The PFD file is a list of Alaskans who either applied for or received a PFD. The wage file contains quarterly earnings and industry information on workers covered by unemployment insurance within Alaska. Workers included in the wage file are considered Alaska residents if they either received a 2002 PFD or applied for a 2003 PFD.

For the purposes of this analysis, Alaska residency is determined by matching the worker's social security number on the wage file with the social security number on the PFD file. For a match to occur, the worker's social security number must appear on both the PFD file and the wage file. The small number of workers with missing social security numbers is excluded from the analysis.

Although most workers would have to be in Alaska all of 2002 in order to be considered residents for purposes of this report, information from both the 2002 and 2003 dividend years is used to improve the accuracy of the residency classification. Resident workers that left Alaska during 2003 would not be eligible for a 2003 PFD unless they had spent the entire year in the state. The 2002 PFD data match identifies these workers and they are counted as

residents. New workers that arrived in Alaska after January 1, 2002 would generally be considered nonresidents in this report.

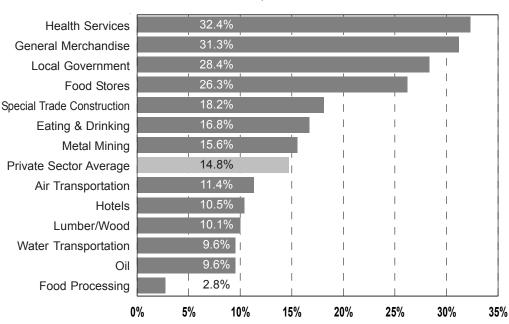
Limitations of the Data

The data have some limitations. Persons who did not provide a social security number on their 2002 or 2003 Permanent Fund Dividend application or who were eligible for a dividend but did not apply were not counted as residents. If industry or occupation codes were missing from the wage file, those records were excluded from the tally for those industry and occupation tabulations. Also excluded were persons who established residency during 2002 but did not meet eligibility requirements for the 2003 PFD.

A long term analysis of 2001 worker information shows that only about 14.8% of private sector workers identified as nonresidents stayed in Alaska and ultimately applied for the 2003 Permanent Fund Dividend. The likelihood that nonresident workers will stay in Alaska and later become eligible for a PFD varies significantly by industry. Nonresident oil and seafood processing industry workers were much less likely to become residents than state and local government workers, health care workers or those working in retail stores.

(continued on page A-6)

Nonresident Workers in 2001 who Became Residents in 2002, Selected Industries



Resident and Nonresident Workers and Earnings Private Sector, State and Local Government Workers – Alaska 2002

Industry	Resident	Nonres.	Percent	Resident	Nonresident	Percent	Resident	Nonres.
Agricultura Forestry Figherica	Workers	Workers	Nonres.	Wages	Wages	Nonres.	Earn/Qtr	Earn/Qtr
Agriculture, Forestry, Fisheries Agricultural production-crops	348	07	20.0	\$2,915,758	\$40E 0E4	12.2	¢2 420	\$2,521
	18	87 3	14.3	118,529	\$405,954 5,834	12.2 4.7	\$3,430 2,963	φ2,521 1,458
Agricultural production-livestock	1,352	363	21.2	19,897,368	•	12.4	2,903 4,873	3,858
Agricultural services	-				2,828,201		*	-
Forestry Fishing hunting and transing	34	45 276	57.0	1,256,513	695,879	35.6	11,423	7,647
Fishing, hunting and trapping	356	276	43.7	9,472,630	5,488,005	36.7	8,428	9,056
Mining								
Metal mining	1,182	314	21.0	63,942,814	14,990,046	19.0	14,689	17,131
Coal mining	122	2	1.6	nd	nd	nd	nd	nd
Oil and gas extraction	9,314	3,198	25.6	669,440,805	233,672,275	25.9	19,248	22,634
Mining & quarrying of nonmetallic minerals	469	95	16.8	15,040,161	1,608,190	9.7	9,921	8,333
Construction	400	33	10.0	13,040,101	1,000,100	5.1	0,021	0,000
Building construction	7,278	1,604	18.1	211,872,638	28,607,545	11.9	9,450	8,846
Heavy construction	4,242	1,065	20.1	161,615,899	33,575,336	17.2	12,010	13,996
Special Trade Contractors	10,662	3,013	22.0	335,061,258	48,443,144	12.6	9,660	8,208
·								
Manufacturing								
Food and kindred products	5,767	13,223	69.6	96,513,720	131,272,162	57.6	5,407	4,700
Textile mill products	6	1	14.3	nd	nd	nd	nd	nd
Apparel	62	10	13.9	1,219,552	62,231	4.9	5,646	3,112
Lumber and wood products, exc. furniture	1,071	453	29.7	27,578,633	8,958,658	24.5	8,152	8,844
Furniture and fixtures	44	7	13.7	839,988	62,672	6.9	5,833	4,178
Paper and allied products	2	0	0.0	nd	nd	nd	nd	nd
Printing, publishing and allied industries	1,653	245	12.9	43,662,031	2,800,902	6.0	7,564	5,235
Chemicals and allied products	332	12	3.5	23,837,004	253,210	1.1	18,579	8,731
Petroleum refining and related industries	555	38	6.4	30,062,781	290,057	1.0	14,860	3,453
Rubber and miscellaneous plastics product	s 126	13	9.4	3,165,093	110,115	3.4	7,758	4,235
Leather and leather products	14	1	6.7	nd	nd	nd	nd	nd
Stone, clay, glass and concrete products	315	57	15.3	9,200,822	696,686	7.0	8,950	5,855
Primary metal industries	9	1	10.0	289,670	22,983	7.4	9,052	5,746
Fabricated metal products	267	62	18.8	8,712,874	917,733	9.5	9,038	6,329
Industrial and commercial machinery	174	44	20.2	7,401,735	1,043,663	12.4	12,016	9,754
Electronic and other electrical equipment	11	5	31.3	240,563	65,756	21.5	6,873	9,394
Transportation equipment	379	111	22.7	9,670,758	1,533,790	13.7	7,920	6,444
Measuring, analyzing & controlling instrume	ents 51	5	8.9	nd	nd	nd	nd	nd
Miscellaneous manufacturing industries	151	23	13.2	3,350,549	170,413	4.8	6,531	4,057
Transportation/Communication/Utilities								
Local & suburban transit	2,454	739	23.1	34,826,109	6,353,973	15.4	4,266	3,516
Motor freight transportation & warehousing	3,616	582	13.9	116,007,644	8,421,090	6.8	9,320	6,192
Water transportation	2,419	907	27.3	74,366,917	18,425,083	19.9	9,515	8,413
Transportation by air	9,562	2,179	18.6	335,382,191	104,248,270	23.7	9,669	18,187
Pipelines, except natural gas	1,053	2,179 77	6.8	109,420,821	6,753,999	5.8	26,819	27,909
Transportation services	1,474	470	24.2	32,960,339	4,265,121	5.6 11.5	6,631	4,001
Communications			6.4					11,370
Electric, gas & sanitary services	5,389 3,150	367 315	9.1	252,929,407 146,792,587	10,346,361 7,548,824	3.9 4.9	12,572 12,994	10,398
Wholesale	3,100	313	ن . ۱	140,182,301	1,540,024	4.5	12,334	10,380
Wholesale trade-durable goods	4,037	484	10.7	141,528,669	8,321,239	5.6	9,781	7,843
Wholesale trade-nondurable goods	4,670	939	16.7	135,972,106	9,401,945	6.5	8,548	5,291
·	•			-	· ·			•

Resident and Nonresident Workers and Earnings Private Sector, State and Local Government Workers – Alaska 2002

(continued)

Industry Resid Work		Nonres. Workers	Percent Nonres.	Resident Wages	Nonresident Wages	Percent Nonres.	Resident Earn/Qtr	Nonres. Earn/Qtr
Retail Trade				J	J			
Building materials, hardware & garden supply 3,	155	503	13.8	72,908,419	5,275,600	6.7	6,853	4,685
General merchandise stores 11,2		1,827	14.0	187,241,484	14,789,768	7.3	5,126	3,915
·	376	977	12.4	120,270,423	5,862,108	4.6	5,345	3,022
Automotive dealers & gasoline service stations 7,		997	12.3	194,828,220	9,609,444	4.7	8,081	4,649
-	777	432	19.6	18,520,927	1,933,378	9.5	3,531	2,387
Home furniture, furnishings & equipment stores 1,7		338	16.1	33,313,279	2,873,725	7.9	5,911	4,348
Eating & drinking places 22,2		6,744	23.3	260,200,157	41,506,823	13.8	3,881	3,030
	152	1,532	17.6	109,631,931	10,979,617	9.1	4,936	3,529
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Finance, Insurance, and Real Estate								
Depository institutions 4,0	000	365	8.4	131,307,158	4,495,864	3.3	8,855	5,483
Nondepository credit institutions	328	33	5.0	38,132,646	720,276	1.9	16,422	10,145
Security & commodity brokers	136	31	6.6	28,720,281	1,119,259	3.8	17,839	13,818
Insurance carriers	918	74	7.5	40,792,866	2,139,393	5.0	12,037	12,585
Insurance agents, brokers & service 1,0	080	112	9.4	40,098,073	1,947,463	4.6	10,159	7,949
Real estate 3,6	372	411	10.1	78,823,648	4,131,374	5.0	6,713	4,960
Holding & other investment offices 2,3	361	215	8.3	73,110,451	3,467,472	4.5	9,401	7,538
<u>Services</u>								
Hotels 7,7	755	4,124	34.7	104,977,581	30,713,790	22.6	4,408	3,615
Personal services 2,4	106	388	13.9	32,222,185	3,016,987	8.6	4,325	3,697
Business services 9,	152	2,683	22.7	187,248,349	30,094,975	13.8	6,574	5,790
Automotive repair, services & parking 3,0	037	583	16.1	64,167,169	5,566,911	8.0	6,571	4,666
Miscellaneous repair services	992	211	17.5	24,677,649	2,767,827	10.1	7,505	6,868
Motion pictures 1,2	269	336	20.9	9,003,579	1,252,951	12.2	2,572	2,011
Amusement & recreation services 4,2	204	1,705	28.9	39,341,055	10,248,616	20.7	3,408	3,336
Health services 21,6	87	2,581	10.6	748,002,978	56,060,706	7.0	9,574	9,669
Legal services 1,7	712	159	8.5	65,227,896	2,551,481	3.8	10,698	7,353
Educational services 1,5	541	336	17.9	38,539,197	4,225,556	9.9	7,708	6,011
Social services 10,5	531	1,493	12.4	193,131,436	12,544,229	6.1	5,537	4,089
Museums, art galleries	388	61	13.6	7,249,382	560,932	7.2	5,971	4,249
Membership organizations 4,8	394	613	11.1	103,885,231	5,411,573	5.0	6,621	4,472
	082	1,712	17.5	316,697,523	43,005,695	12.0	11,406	10,725
Private households	186	43	18.8	2,937,207	261,582	8.2	4,970	3,077
Miscellaneous services	203	67	24.8	5,390,898	1,026,446	16.0	8,639	7,030
Executive, legislative & general government	115	12	9.4	1,888,838	114,361	5.7	5,366	3,465
Nonclassifiable establishments	76	90	54.2	1,828,424	1,002,897	35.4	10,102	9,373
Total Private Sector 236,7	795	63,223	21.1	6,520,833,238	1,024,185,274	13.6	8,302	7,474
State Government 24,4		1,667	6.4	859,189,301	26,397,970	3.0	9,610	6,980
Local Government 45,2	254	3,082	6.4	1,250,652,282	37,427,333	2.9	8,155	6,032
Total Private and Government 306,5	521	67,972	18.2	8,630,674,821	1,088,010,577	11.2	8,394	7,400

Oil Industry Workers, North Slope and Statewide Residency Status and Place of Alaska Residence, Selected Employers

Alaska 2002				Non-	Non- Workers by Region of Residence					
	Work	Total	Resident	resident	Anch/	Gulf				
	Location	Workers	Workers	Workers	Mat-Su	Coast	Interior	Northern	Southeast S	Southwest
Alaska Petroleum Contractors	Statewide	1,852	1,337	515	785	402	72	63	9	6
Alaska Petroleum Contractors	North Slop	•	1,100	497	635	320	70	62	7	6
Alaska Clean Seas	Statewide	76	59	17	43	10	5	1	0	0
Alaska Clean Seas	North Slop		59	17	43	10	5	1	0	0
Alaska Interstate Construction	Statewide	490	415	75	151	45	183	12	22	2
Alaska Interstate Construction	North Slop	e 408	347	61	121	40	154	11	19	2
Alyeska Pipeline Services Co.	Statewide	1,123	1,044	79	417	367	251	1	1	2
Alyeska Pipeline Services Co.	North Slop	· ·	59	17	45	7	7	0	0	0
AMOCO Corp	Statewide	104	76	28	67	7	2	0	0	0
AMOCO Production Co.	Statewide	18	10	8	9	1	0	0	0	0
Arctic Catering Inc.	Statewide	289	254	35	184	48	6	14	1	0
Arctic Catering Inc.	North Slop	e 280	245	35	175	48	6	14	1	0
Arctic Pipe Inspection Inc.	Statewide	34	26	8	4	20	1	0	1	0
Arctic Pipe Inspection Inc.	North Slop		25	7	4	19	1	0	1	0
Arctic Structures	Statewide	409	361	48	288	35	35	0	1	0
Arctic Structures	North Slop		13	1	13	0	0	0	0	0
ASCG Inspection Inc.	Statewide	173	126	47	84	22	17	0	0	1
ASCG Inspection Inc.	North Slop		97	40	69	16	9	0	0	1
Baker Hughes Oilfield Operation		156	92	64	74	15	1	0	0	0
Baker Hughes Oilfield Operation			23	34	18	4	0	0	0	0
BJ Services Company USA	Statewide	15	13	2	1	12	0	0	0	0
BP Exploration Alaska	Statewide	1,832	1,316	516	1031	236	38	1	2	3
CCI Inc.	Statewide	197	186	11	114	45	5	0	2	20
CCI Inc.	North Slop		117	9	77	25	5	0	1	9
Colville Environmental Services	Statewide	78	61	17	37	10	12	1	1	0
Colville Environmental Services	North Slop		58	17	34	10	12	1	1	0
DOYON Drilling Inc.	Statewide	278	232	46	135	29	65	0	1	1
DOYON Drilling Inc.	North Slop		210	45	116	29	62	0	1	1
DOYON Universal Services	Statewide	979	881	98	546	85	234	4	1	8
DOYON Universal Services	North Slop		475	57	292	48	127	2	0	6
EXXON MOBIL Corp.	Statewide	34	27	7	27	0	0	0	0	0
Fairweather E&P Services Inc.	Statewide	184	115	69	85	29	0	0	0	1
Fairweather E&P Services Inc.	North Slop		105	66	75	29	0	0	0	1
Fairweather Geophysical	Statewide	19	10	9	7	2	0	0	0	1
Fairweather Geophysical	North Slop		8	9	5	2	0	0	0	1
First Energy Services Co.	Statewide	28	9	19	6	3	0	0	0	0
First Energy Services Co.	North Slop		9	19	6	3	0	0	0	0
Flowline Alaska Inc.	Statewide	121	116	5	0	1	113	0	0	0
Forest Oil Corp.	Statewide	40	40	0	25	15	0	0	0	0
GBR Equipment Inc.	Statewide	56	44	12	27	14	2	1	0	0
GBR Equipment Inc.	North Slop		38	11	22	13	2	1	0	0
GBR Pumping Co. Inc.	Statewide	28	17	11	15	2	0	0	0	0
GBR Pumping Co. Inc.	North Slop		17	11	15	2	0	0	0	0
GLM Inc.	Statewide	34	23	11	0	23	0	0	0	0
H C Price Co.	Statewide	165	129	36	33	10	81	4	1	0
H C Price Co.	North Slop		118	32	22	10	81	4	1	0
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Oil Industry Workers, North Slope and Statewide Residency Status and Place of Alaska Residence, Selected Employers (continued)



Worker location is based upon information provided by employers. Workers employed in more than one area during the year were counted in the North Slope if they worked there one or more quarters during the year. Alaska region of residence is based upon the most recent zip code provided on the 2002 or 2003 PFD application. Not all residents provided a zip code so regional totals will not equal the total resident worker count.

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

Statewide

Statewide

Statewide

Veritas DGC Land Inc.

XTO Energy Inc.

Western GECO Resources Inc.

The Alaska Department of Labor and Workforce Development wage file includes only those workers covered by Alaska unemployment insurance. Therefore, information is not available for self-employed individuals or federal government employees. Nevertheless, the workers covered by this analysis are representative of the Alaska workforce. The analysis offers a good approximation of the effect of nonresident workers on the Alaska economy.

Other Measures of Residency

The Department, along with industry representatives and other policymakers, has examined alternative measures of residency. Overall, the Alaska Department of Labor and Workforce Development believes that the PFD file provides the most reliable, consistent and comprehensive source of residency indicator data currently available. Voter registration, motor vehicle registration, driver's licenses, and fishing/ hunting licenses all have significant definitional weaknesses in residency eligibility requirements, quality of data or percent of the working population contained on the file. The PFD has a monetary incentive to complete the form and a penalty for providing false information and is, overall, an excellent measure of residency.

Resident Employment Preference

By authority of AS 36.10.150 and 8 AAC 30.064, the Commissioner of Labor and Workforce Development has determined the entire State of Alaska to be a Zone of Underemployment. A Zone of Underemployment requires that qualified Alaska residents who are eligible under AS 36.10.140 be given employment preference. This hiring preference applies on a project-by-project, craft-by-craft or occupational basis, and must be met each workweek. 8 AAC 30.081 (e) and (f) contains a waiver provision for employers having difficulty fulfilling the preference requirement. Waiver forms are available at Regional Wage and Hour Administration offices.

The following classifications qualify for a minimum of 90 percent Alaska resident hire preference:

Equipment Operators Boilermakers Bricklayers Plumbers & Pipefitters Roofers Insulation Workers Carpenters Ironworkers Surveyors Cement Masons Laborers Truck Drivers Culinary Workers Mechanics Welders Electricians

Painters

This determination became effective July 1, 2003 and remains in effect until June 30, 2005.

Please be advised that most public contracts are covered. Funding sources are unique for every project. The inclusion of federal funds does not necessarily remove a project from jurisdiction. If there is any uncertainty about whether or not the law applies to a particular project, the Department requests that the nearest regional office be contacted for a determination.

Northstar Resident Hire Reporting

Alaska hire in the oil industry remains a priority with the administration, the legislature, and the industry. Detailed reporting of residency data for all contractors on the Northstar project is provided to the department quarterly, in accordance with the Northstar legislation. An annual report on the Northstar project is also provided to the department and the Governor.

The Department's broader baseline report on all major oil and gas industry employers in 2002 is included as Appendix A3. Detailed wage records for North Slope oil, oilfield service and construction employers were extracted from the Department of Labor and Workforce Development wage file. The place of work of employees was identified based upon the geographic area in which they had the most earnings for that employer in 2002.

Printed January 2004 at a cost of \$4.53 per copy