

ALASKA ECONOMIC **TRENDS**

JULY 2009



The Trends 100: Alaska's 100 largest private employers in 2008

WHAT'S INSIDE

Valdez

A story that mirrors Alaska's

Employment Scene

Unemployment rate rises to 8.4 percent



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Sarah Palin, Governor
Commissioner Click Bishop

ALASKA ECONOMIC TRENDS



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Sarah Palin, Governor of Alaska
Commissioner Click Bishop

July 2009
Volume 29
Number 7
ISSN 0160-3345

Brynn Keith, Chief
Research and Analysis

Susan Erben, Editor
Sam Dapcevich, Graphic Artist

To contact us for more information, a free subscription, mailing list changes or back copies, email Trends@alaska.gov or call (907) 465-4500.

Alaska Economic Trends is a monthly publication dealing with a wide variety of economic-related issues in the state. Its purpose is to inform the public about those issues.

Alaska Economic Trends is funded by the Employment Security Division and is published by the Alaska Department of Labor and Workforce Development.

Alaska Economic Trends is printed and distributed by Assets, Inc., a vocational training and employment program, at a cost of \$1.16 per copy.

Material in this publication is public information, and, with appropriate credit, may be reproduced without permission.

Cover: A photo of Juneau's Wal-Mart taken at 11 a.m. July 6. (Photo by Sam Dapcevich)

To contact *Trends* authors or request a free subscription, email trends@alaska.gov or call (907) 465-4500. *Trends* is on the Web at laborstats.alaska.gov.

The <i>Trends</i> 100	4
Alaska's 100 largest private employers in 2008: Wal-mart becomes the state's second-largest	
Valdez	13
A story that mirrors Alaska's	
Employment Scene	17
Unemployment rate rises to 8.4 percent	

Trends Authors



Neal Fried, an Alaska Department of Labor and Workforce Development economist in Anchorage, specializes in the Anchorage/Mat-Su region's employment, wages and the cost of living. To reach him, call (907) 269-4861 or email him at [Neal.Fried@alaska.gov](mailto:Fried@alaska.gov).



Dan Robinson, a Department of Labor economist in Juneau, specializes in state-wide employment and wages. To reach him, call (907) 465-6036 or email him at Dan.Robinson@alaska.gov.



Health care, retail top the 100 largest employers

By Governor Sarah Palin

Alaska is a good place to do business.

That's as true today as it was the day we celebrated statehood a half century ago.

It's gratifying and humbling, as we take our annual look at the largest private-sector employers in Alaska, that we can still celebrate the strength and opportunities for our state's business community.

The list of top employers in Alaska reflects our state's continued economic diversity, and also strength. While energy-related and health care companies remain among our biggest employers, they're joined by retail, seafood, communications and financial companies.

There has been a shift in the list of Alaska's largest employers. And yet, the changes we see in these top companies reflect the changes in a very challenging economy. Consolidation is occurring throughout our economy, as competitors find they need to join forces to thrive in current conditions.

The good news for Alaskans is that these companies are continuing to expand their work force here.

Our efforts to move forward with an Alaska natural gas pipeline are in step with the energy industry's commitment to Alaska, and our need to move beyond oil to the incredible natural gas reserves on the North Slope.

It's very encouraging to see the prominence on the *Trends* 100 of our state's Native companies and organizations. They would be even more dominant if the subsidiaries of Native regional corporations were counted as a whole. It's a success story of blending traditional values and good business sense to provide a solid future for shareholders. It was just a generation ago that our wise leaders and the federal government came together to create this strong financial foundation for Alaska Natives.

The rest of the country is also recognizing that Alaska is a good place to do business today. *Business Week* magazine recently named Anchorage the top city in America for businesses and business people to "start over." The magazine cited continued strength in construction, manufacturing, retail, information, financial, health and leisure industries, including almost 30 percent of Anchorage companies saying they planned to hire additional employees in the next quarter.

One reason businesses are able to expand is with a trained work force. Through programs like the State Training and Employment Program and the Denali Training Fund – a partnership with the federally funded Denali Commission – thousands of Alaska workers are able to increase their skills and incomes.

The Alaska Department of Labor and Workforce Development recently announced that it has renewed the resident-hire determination for 21 out of 23 occupational categories for publicly funded construction projects, ensuring that companies will look to our Alaska work force first.

As we look forward to the next 50 years, we are committed to helping Alaskans get good, high-paying jobs here in Alaska.

Alaska's 100 largest private employers in 2008: Wal-Mart becomes the state's second-largest

For the second year in a row, Providence Health & Services in 2008 topped the list as Alaska's only private-sector employer with more than 4,000 employees.¹ (See Exhibit 1.) They're likely to remain at the top of the list and alone in the 4,000-plus category for many years to come.

Wal-Mart/Sam's Club joined Carrs/Safeway as an Alaska employer with a work force larger than 3,000. In fact, Wal-Mart snuck by Carrs/Safeway to become Alaska's second-largest employer in 2008. Wal-Mart got there by expanding existing stores into supercenters – in Fairbanks, Mat-Su and Anchorage – rather than by opening new stores.

Trends 100 companies employ 76,400 and often pay well

Nearly a third of Alaska's private-sector employees – 76,399 wage and salary employees – worked for an employer on the top 100 list in 2008. Employment for the companies and organizations grew by 2.8 percent from 2007, which was double the growth for Alaska's overall private sector.

The payroll for the top 100 employers was \$4.2 billion in 2008, which was 38 percent of all private-sector payroll.

The average annual wage of the *Trends* 100 companies and organizations was \$54,377,

¹ Each reference in this article to the number of employees a company or organization has, or the employment range the company or organization's employment falls into, is the average monthly employment in 2008 based on the quarterly employer reports of wages and employment that nearly all Alaska's employers submit to the Alaska Department of Labor and Workforce Development, as required by state unemployment insurance laws. This excludes the self-employed, fishermen and other agricultural workers, and private household workers; for estimates of fish harvesting employment, and other fisheries data, go to labor.alaska.gov/research/seafood/seafood.htm.

compared to the overall private sector's \$44,874.

The strong presence of the high-wage oil industry explains most of the wage advantage. The oil industry companies in the top 100 paid out \$1.2 billion in payroll in 2008 and their average annual wage was \$113,215. Eighty-six percent of all oil industry employment in the state is represented by oil industry employers in the top 100.

Yet the payrolls of the *Trends* 100 employers vary dramatically. Some have annual payrolls that exceed \$300 million; others pay out less than \$5 million a year.

The 1,000-plus club grows by one

Nineteen of Alaska's employers had more than 1,000 workers in 2008, compared to 18 the year before, 13 in 1998 and five in 1988. Alaska USA Federal Credit Union's 2008 employment increased by 53, pushing it into the 1,000-plus group.

Five newcomers make the list

Despite the relative stability of the *Trends* 100, five newcomers made it onto the list in 2008, replacing five others. (See Exhibit 3.) Most of the new arrivals, representing a broad range of industries, have been around for a long time and finally grew large enough to make the list. Some have been on the list in past years.

The newcomers include Norcon, a general contractor with a big presence on the North Slope. Its increase in employment isn't surprising given

the North Slope's record employment levels in 2008.

Harpoon Construction, Everts Air Alaska and the Association of Village Council Presidents all grew enough in 2008 to make the top 100. The merger of Frontier Flying Service and Hageland Aviation Services boosted Frontier's employment levels enough to make the list.²

The five employers that were on the 2007 *Trends* 100 but dropped off were Royal Highway Tours, Frontier Community Services, Immediate Care, the Athletic Club and AES-Houston Contracting Company. Four of the five are still in business; their employment numbers just fell too low for them to stay in the top 100. The fifth, the Athletic Club, was bought out by the Alaska Club, which is No. 21 on the 2008 list.

Oil dominates the fast movers

Every year there's a dynamic group of employers that surpass their earlier ranking. To make the list of fast movers, an employer's ranking has to increase by at least 10 spots in a year – usually a pretty big feat. (See Exhibit 4.) Some of the employers soared because of aggressive growth; others merged or bought out existing businesses.

The rapid growth in oil industry employment over the past three years helps explain why five of the eight fast movers are tied to the oil industry. The five are Udelhoven Oilfield System Services, Halliburton Energy Services, NANA WorelyParsons, Nabors Alaska Drilling and Chevron. Nabors, a true mover and shaker, has been a fast mover for two years in a row. It moved from 65th place in 2006 to 35th in 2008.

The Alaska Club continues to move up on the *Trends* 100 as it expands its existing facilities and acquires others around the state.

Ocean Beauty's story is similar. The Bristol Bay Economic Development Corporation invested a 50 percent equity stake in the company in 2007, allowing it to hire and train more Bristol Bay residents for shore-based processing jobs.

² Frontier and Hageland bought Era Aviation early this year. That employment increase will show up in Frontier's 2009 employment.

The rapid rise of UPS, the world's largest package delivery company, is a little different and may be a mixture of accounting and actual employment growth. In 2008, UPS chose to base a larger number of pilots in Anchorage, which meant it transferred the pilots' payroll records to Alaska. (Most of the pilots had already been operating out of Anchorage, yet they were counted as employees outside Alaska.) It's common in the transportation industry that when pilots are based in an area, some choose to live there.

Native organizations always have a big presence

Seventeen of the 100 largest employers in 2008 are either Native nonprofit organizations or subsidiaries of one of Alaska's 13 Native regional corporations. (See Exhibit 5.) The number of Native employers in the top 100 has hovered at 16 or 17 since 2000; the number had grown from 12 in 1996 to 15 in 1999.

The *Trends* 100 represents individual companies or organizations regardless of ownership,

Counting the Workers

Providing employment ranges rather than specific employment

Trends 100, the list of companies and organizations with the highest average monthly employment, was first published as the top 50 employers in *Trends*' July 1987 issue.

Since then, confidentiality restrictions for releasing individual company employment numbers have come full circle. Initially, employers had to give permission before their employment could be released. That restriction was eventually eased, until recently when federal regulations were promulgated that employment for individual private-sector employers couldn't be publicly released without each employer's consent.

Due to the time it would take to obtain each company's permission, the *Trends* 100 now gives a range that a company's exact employment falls into, rather than the specific employment number. The ranking system hasn't changed, though. It's still based on the specific employment number.

1 Alaska's 100 Largest Private-Sector Employers

Employment in 2008

Rank ¹	Firm Name	Average Monthly Employment in 2008 ²	Business Activity	Headquarters or Largest Work Site	Web Site
1	Providence Health & Services	4,000+	Hospital/medical center	Anchorage	providence.org/alaska
2	Wal-Mart/Sam's Club	3,000 to 3,249	Grocery/general merchandise	Anchorage	walmartstores.com
3	Carrs/Safeway	"	Grocery	Anchorage	carrsqc.com
4	Fred Meyer	2,750 to 2,999	Grocery/general merchandise	Anchorage	www.fredmeyer.com
5	ASRC Energy Services	2,250 to 2,499	Oil field services	Anchorage	www.asrcenergy.com
6	Trident Seafoods	"	Seafood processing	Akutan	tridentseafoods.com
7	NANA Management Services	1,750 to 1,999	Catering/lodging/security	Anchorage	www.nmsusa.com
8	CH2MHill (formerly Veco)	"	Oil field services	Anchorage	ch2m.com
9	BP Exploration Alaska	"	Oil and gas extraction	Anchorage	bp.com
10	Alaska Airlines	"	Air carrier	Anchorage	alaskaair.com
11	Alaska Native Tribal Health Consortium (ANTHC) ³	1,250 to 1,499	Hospital/medical center	Anchorage	anthc.org
12	GCI Communications	"	Communications	Anchorage	gci.com
13	Banner Health (includes Fairbanks Memorial Hospital)	"	Hospital/medical center	Fairbanks	bannerhealth.com
14	FedEx	"	Airfreight/courier service	Anchorage	fedex.com
15	Southcentral Foundation ⁴	1,000 to 1,249	Hospital/medical center	Anchorage	southcentralfoundation.com
16	Yukon-Kuskokwim Health Corporation	"	Hospital/medical center	Bethel	www.ykhc.org
17	ConocoPhillips	"	Oil and gas extraction	Anchorage	conocophillips.com
18	Alaska USA Federal Credit Union	"	Financial services	Anchorage	alaskausa.com
19	Wells Fargo	"	Financial services	Anchorage	wellsfargo.com
20	Doyon/Universal Ogden, Joint Venture	750 to 999	Catering/security	Anchorage	doyon.com
21	The Alaska Club	"	Health club	Anchorage	thealaskaclub.com
22	Alaska Communication Systems (ACS)	"	Communications	Anchorage	acsalaska.com
23	Spenard Builders Supply	"	Building products	Anchorage	sbsalaska.com
24	UPS	"	Airfreight/courier service	Anchorage	ups.com
25	Home Depot	"	Building products	Anchorage	homedepot.com
26	McDonald's Restaurants of Alaska	"	Eating establishment	Anchorage	mcdonalds.com
27	Alaska Regional Hospital	"	Hospital/medical center	Anchorage	alaskaregional.com
28	Alyeska Pipeline Service Company	"	Transportation	Anchorage	alyeska-pipe.com
29	Alaska Commercial Company	"	Grocery/general merchandise	Anchorage	www.alaskacommercial.com
30	UniSea	"	Seafood processing	Dutch Harbor	unisea.com
31	SouthEast Alaska Regional Health Consortium (SEARHC)	"	Social services/health care	Sitka	searhc.org
32	Icicle Seafoods	"	Seafood processing	Petersburg	icicleseafoods.com
33	Costco	"	Grocery/general merchandise	Anchorage	costco.com
34	First National Bank Alaska	500 to 749	Financial services	Anchorage	fnbalaska.com
35	Mat-Su Regional Medical Center	"	Hospital/medical center	Mat-Su	matsuregional.com
36	Nabors Alaska Drilling	"	Oil field services	Anchorage	nabors.com
37	Westward Seafoods	"	Seafood processing	Dutch Harbor	www.westwardseafoods.com
38	Hope Community Resources	"	Social services	Anchorage	hopealaska.org
39	Laidlaw Transit Services	"	Transportation	Mat-Su	laidlawtransit.com
40	Peter Pan Seafoods	"	Seafood processing	King Cove	www.ppsf.com
41	Lowe's	"	Building products	Anchorage	lowes.com
42	Aramark	"	Catering/concessionaire	Denali Park	www.aramark.com
43	Schlumberger Technologies	"	Oil field services	Anchorage	slb.com
44	Alaska Hotel Properties (Princess Hotels)	"	Hotels	Denali Park	www.princesslodges.com
45	Ocean Beauty Seafoods	"	Seafood processing	Kodiak	oceanbeauty.com
46	Maniilaq Association	"	Social services/health care	Kotzebue	www.manilaq.org
47	Alyeska Resort (includes O'Malley's on the Green)	"	Hotel/resort	Girdwood	alyeskaresort.com
48	PenAir	"	Air carrier	Anchorage	www.penair.com
49	Udelhoven Oilfield System Services	"	Oil field services	Anchorage	udelhoven.com
50	Chugach Management Services	250 to 499	Facilities support services	Anchorage	chugach-ak.com

(Continued on next page)

Alaska's 100 Largest Private-Sector Employers

Employment in 2008 (Continued)



Rank ¹	Firm Name	Average Monthly Employment in 2008 ²	Business Activity	Headquarters or Largest Work Site	Web Site
51	Job Ready	250 to 499	Vocat. rehabilitation services	Anchorage	www.readycareak.com
52	Peak Oilfield Service Company	"	Oil field services	Anchorage	www.peakalaska.com
53	Colaska (includes QAP, SECON and Exclusive Paving)	"	Construction	Anchorage	colaska.com
54	Horizon Lines of Alaska	"	Water transportation	Anchorage	horizonlines.com
55	Carlile Enterprises	"	Trucking/warehousing	Anchorage	www.carlile.biz
56	Tanana Chiefs Conference	"	Social services/health care	Fairbanks	www.tananachiefs.org
57	Northwest Airlines	"	Air carrier	Anchorage	nwa.com
58	Alaska Consumer Direct Personal Care	"	Home health	Anchorage	consumerdirectonline.net/alaska
59	Anchorage Daily News	"	Newspaper	Anchorage	adn.com
60	Teck Cominco Alaska (Red Dog Mine)	"	Mining	Red Dog Mine	teckcominco.com
61	Fairbanks Gold Mining Company (Fort Knox)	"	Mining	Fairbanks	kinross.com
62	Westmark Hotels	"	Hotels	Anchorage	westmarkhotels.com
63	Norton Sound Health Corporation	"	Health care	Kotzebue	nortonsoundhealth.org
64	SMG of Alaska (Sullivan Arena, others)	"	Facilities support services	Anchorage	smgworld.com
65	Denali Foods (Taco Bell)	"	Eating establishments	Anchorage	tacobell.com
66	NANA WorelyParsons (formerly NANA/Colt Engineering)	"	Engineering services	Anchorage	www.nana-colt.com
67	Assets	"	Social services	Anchorage	assetsinc.org
68	Sears	"	General merchandise	Anchorage	sears.com
69	Norcon	"	Oil field services	Anchorage	www.norcon.com
70	Columbia Sussex (Anchorage Marriott, Hilton Anchorage)	"	Hotels	Anchorage	columbiasussex.com
71	North Pacific Seafoods	"	Seafood processing	Kodiak	northpacificseafoods.com
72	Ketchikan General Hospital	"	Hospital/medical center	Ketchikan	peacehealth.org
73	Chevron	"	Oil and gas extraction	Anchorage	chevron.com
74	Bristol Bay Area Health Corporation	"	Health care	Dillingham	bbahc.org
75	Crowley Marine	"	Coastal freight transport	Anchorage	crowley.com
76	Tesoro Northstore Company	"	Retail/gas stations	Anchorage	tsocorp.com
77	Hickel Investment Company (Hotel Captain Cook)	"	Hotel/real estate	Anchorage	captaincook.com
78	Halliburton Energy Services	"	Oil field services	Anchorage	halliburton.com
79	North Star Behavioral Health System	"	Health care	Anchorage	northstarbehavioral.com
80	Pizza Hut	"	Eating establishment	Anchorage	pizzahut.com
81	Lithia Motors	"	Car dealerships	Anchorage	lithia.com
82	Chugach Electric Association	"	Utility	Anchorage	chugachelectric.com
83	Rural Alaska Community Action Program	"	Social services	Anchorage	ruralcap.com
84	Greens Creek Mining Company	"	Mining	Juneau	greenscreek.com
85	Nordstrom	"	Apparel	Anchorage	nordstrom.com
86	Holiday Stationstores	"	Retail/gas stations	Anchorage	holidaystationstores.com
87	Harpoon Construction	"	Construction	Anchorage	harpoonconstruction.com
88	AT&T Alascom	"	Communications	Anchorage	attalasc.com
89	Northrim Bank	"	Financial services	Anchorage	northrim.com
90	Frontier Flying Service	"	Air carrier	Fairbanks	www.frontierflying.com
91	The Arc of Anchorage	"	Social services	Anchorage	arc-anchorage.org
92	Odom Corporation	"	Wholesale trade	Anchorage	odomcorp.com
93	Salvation Army-Alaska	"	Social services	Anchorage	salvationarmyusa.org
94	Matanuska Telephone Association	"	Communications	Palmer	mta-telco.com
95	Doyon Drilling	"	Oil field services	Anchorage	doyondrilling.com
96	JCPenney	"	Apparel	Anchorage	jcp.com
97	Alaska Interstate Construction	"	Construction	Anchorage	aicllc.com
98	Everts Air Alaska	"	Air cargo	Fairbanks	evertsair.com
99	Association of Village Council Presidents	"	Social services	Bethel	www.avcp.org
100	Alaska Sales and Service	"	Car dealership	Anchorage	alaskasalesandservice.com

Note: This excludes the self-employed, fishermen and other agricultural workers, and private household workers; for estimates of fish harvesting employment, and other fisheries data, go to labor.alaska.gov/research/seafood/seafood.htm.

¹ When two or more employers had the same number of employees, they were ranked by unrounded employment.

² These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.

³ This count excludes ANTHC's 500 federal employees.

⁴ This count excludes Southcentral Foundation's 129 federal employees.

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

2 Trends 100 by Industry

Employment in 2008

	Average Monthly Employment in 2008 ¹	Average Monthly Employment in 2008 ¹
NATURAL RESOURCES AND MINING		
Mining (except oil and gas)		
Teck Cominco Alaska (Red Dog Mine)	250 to 499	
Fairbanks Gold Mining Company (Fort Knox)	"	
Greens Creek Mining Company	"	
Oil and Gas Extraction and Oilfield Services		
ASRC Energy Services	2,250 to 2,499	
CH2MHill (formerly Veco)	1,750 to 1,999	
BP Exploration Alaska	"	
ConocoPhillips	1,000 to 1,249	
Nabors Alaska Drilling	500 to 749	
Schlumberger Technologies	"	
Udelhoven Oilfield System Services	"	
Peak Oilfield Service Company	250 to 499	
Norcon	"	
Chevron	"	
Halliburton Energy Services	"	
Doyon Drilling	"	
CONSTRUCTION		
Colaska	250 to 499	
Harpoon Construction	"	
Alaska Interstate Construction	"	
MANUFACTURING		
Seafood Processing		
Trident Seafoods	2,250 to 2,499	
UniSea	750 to 999	
Icicle Seafoods	"	
Westward Seafoods	500 to 749	
Peter Pan Seafoods	"	
Ocean Beauty Seafoods	"	
North Pacific Seafoods	250 to 499	
TRADE, TRANSPORTATION AND UTILITIES		
Trade		
Wholesale		
Odom Corporation	250 to 499	
Retail		
Wal-Mart/Sam's Club	3,000 to 3,249	
Carrs/Safeway	"	
Fred Meyer	2,750 to 2,999	
Alaska Commerical Company	750 to 999	
Spensard Builders Supply	"	
Home Depot	"	
Costco	"	
Lowe's	500 to 749	
Sears	250 to 499	
Tesoro Northstore Company	"	
Lithia Motors	"	
Nordstrom	"	
Holiday Stationstores	"	
JCPenney	"	
Alaska Sales and Service	"	
Transportation		
Alaska Airlines	1,750 to 1,999	
FedEx	1,250 to 1,499	
UPS	750 to 999	
Transportation		
Alyeska Pipeline Service Company		750 to 999
Laidlaw Transit Services		500 to 749
PenAir		"
Horizon Lines of Alaska		250 to 499
Carlile Enterprises		"
Northwest Airlines		"
Crowley Marine		"
Frontier Flying Service		"
Everts Air Alaska		"
Utilities		
Chugach Electric Association		250 to 499
INFORMATION		
Publishing		
Anchorage Daily News		250 to 499
Telecommunications		
GCI Communications		1,250 to 1,499
Alaska Communications Systems (ACS)		750 to 999
AT&T Alascom		250 to 499
Matanuska Telephone Association		"
FINANCIAL ACTIVITIES		
Finance and Insurance		
Alaska USA Federal Credit Union		1,000 to 1,249
Wells Fargo		"
First National Bank Alaska		500 to 749
Northrim Bank		250 to 499
PROFESSIONAL AND BUSINESS SERVICES		
Administrative and Support Services		
Chugach Management Services		250 to 499
SMG of Alaska (Sullivan Arena, others)		"
NANA WorleyParsons (formerly NANA/Colt Engineering)		"
EDUCATIONAL AND HEALTH SERVICES		
Health Services and Social Assistance		
Providence Health & Services		4,000+
Alaska Native Tribal Health Consortium (ANTHC)		1,250 to 1,499
Banner Health (includes Fairbanks Memorial Hospital)		"
Southcentral Foundation		1,000 to 1,249
Yukon-Kuskokwim Health Corporation		"
Alaska Regional Hospital		750 to 999
SouthEast Alaska Regional Health Consortium (SEARHC)		"
Mat-Su Regional Medical Center		500 to 749
Hope Community Resources		"
Maniilaq Association		"
Job Ready		250 to 499
Tanana Chiefs Conference		"
Alaska Consumer Direct Personal Care		"
Norton Sound Health Corporation		"
Assets		"
Ketchikan General Hospital		"
Bristol Bay Area Health Corporation		"
North Star Behavioral Health System		"
Rural Alaska Community Action Program		"
The Arc of Anchorage		"
Salvation Army-Alaska		"

(Continued on next page)

The Trends 100 by Industry Employment in 2008 (Continued) **2**

so subsidiaries are counted as individual companies. That means the dynamic role Alaska's Native regional corporations – through their many subsidiaries – is often masked. If the regional corporations' subsidiaries were combined, most of their parent corporations would be in the top 100.

AES-Houston Contracting Company fell off the top 100 in 2008, but the Association of Village Council Presidents and Harpoon Construction rejoined the list.³

ASRC Energy Services, with just over 2,250 employees, is the state's largest Native-owned subsidiary, and more impressively, is the fifth-largest overall private-sector employer in Alaska. It's an oil service company that's a wholly owned subsidiary of Arctic Slope Regional Corporation. The company, or an earlier version of it, has been the perennial No. 1 among the Native employers on the *Trends* 100.

Other Native oil services companies in the top 100 include Peak Oilfield Service Company and Doyon Drilling. NANA Management Services, Doyon/Universal Ogden JV, Chugach Management Services, and NANA WorelyParsons also provide support to the oil fields, but not exclusively. The other Native employers in the top 100 are health care or social services providers.⁴

Nonprofits play a big role

Twenty-one of the *Trends* 100 are nonprofit organizations; they represent slightly more than one in five jobs for the top 100 employers. (See Exhibit 6.) Just a decade ago, there were only 15 nonprofits on the list.

Today, most of the nonprofits are tied to health care or social services. One is in the financial

³ The two were last on the top 100 list in 2005. The Bethel-based Association of Village Council Presidents, a social services provider, isn't a subsidiary of another company. Harpoon Construction is a subsidiary of Barrow's village corporation.

⁴ Peak Oilfield Service Company is partially owned by Cook Inlet Region Inc., or CIRI. Doyon Drilling is a wholly owned subsidiary of Doyon Ltd., which is also a partial owner of Doyon/Universal Ogden JV. NANA Management Services and NANA WorelyParsons are partially owned by NANA Regional Corporation. Chugach Management Services is owned by the Chugach Alaska Corporation.

Average Monthly
Employment
in 2008¹

EDUCATIONAL AND HEALTH SERVICES (Continued)

Health Services and Social Assistance

Association of Village Council Presidents	250 to 499
---	------------

LEISURE AND HOSPITALITY

Accommodations

Alaska Hotel Properties (Princess Hotels)	500 to 749
Alyeska Resort (includes O'Malley's on the Green)	"
Westmark Hotels	250 to 499
Columbia Sussex (Anchorage Marriott, Hilton Anchorage)	"
Hickel Investment Company (Hotel Captain Cook)	"

Food Services and Drinking Places

NANA Management Services	1,750 to 1,999
Doyon/Universal Ogden, Joint Venture	750 to 999
McDonald's Restaurants of Alaska	"
Aramark	500 to 749
Denali Foods (Taco Bell)	250 to 499
Pizza Hut	"

Recreation

The Alaska Club	750 to 999
-----------------	------------

¹ These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Five New Players Make the List An average number of newcomers **3**

Average Monthly
Employment
in 2008¹

Norcon	250 to 499
Harpoon Construction	"
Frontier Flying Service	"
Everts Air Alaska	"
Association of Village Council Presidents	"

¹ These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

The Big Movers in 2008 Ranking up by at least 10 since 2007 **4**

Change in
Top 100 Rank
from 2007 to 2008 Jump in
Places

UPS	48th to 24th	24
Ocean Beauty Seafoods	63rd to 45th	18
Udelhoven Oilfield System Services	65th to 49th	16
Halliburton Energy Services	94th to 78th	16
The Alaska Club	35th to 21st	14
NANA WorelyParsons (formerly NANA\Colt Engineering)	80th to 66th	14
Nabors Alaska Drilling	46th to 36th	10
Chevron	83rd to 73rd	10

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

5 Alaska Native Employers Employment in 2008

	Average Monthly Employment in 2008 ¹
1 ASRC Energy Services	2,250 to 2,499
2 NANA Management Services	1,750 to 1,999
3 Alaska Native Tribal Health Consortium (ANTHC)	1,250 to 1,499
4 Southcentral Foundation	1,000 to 1,249
5 Yukon-Kuskokwim Health Corporation	"
6 Doyon/Universal Ogden, Joint Venture	750 to 999
7 SouthEast Alaska Regional Health Consortium (SEARHC)	"
8 Maniilaq Association	500 to 749
9 Chugach Management Services	250 to 499
10 Tanana Chiefs Conference	"
11 Peak Oilfield Service Company	"
12 Norton Sound Health Corporation	"
13 Bristol Bay Area Health Corporation	"
14 NANA WorelyParsons (formerly NANA\Colt Engineering)	"
15 Harpoon Construction	"
16 Doyon Drilling	"
17 Association of Village Council Presidents	"

¹ These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.

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

6 The Biggest Nonprofits in 2008 Nonprofits are almost a fourth of Trends 100

	Average Monthly Employment in 2008 ¹
1 Providence Health & Services	4,000+
2 Alaska Native Tribal Health Consortium (ANTHC)	1,250 to 1,499
3 Banner Health (includes Fairbanks Memorial Hospital)	"
4 Southcentral Foundation	1,000 to 1,249
5 Yukon-Kuskokwim Health Corporation	"
6 Alaska USA Federal Credit Union	"
7 SouthEast Alaska Regional Health Consortium (SEARHC)	750 to 999
8 Mat-Su Regional Medical Center	500 to 749
9 Hope Community Resources	"
10 Maniilaq Association	"
11 Tanana Chiefs Conference	250 to 499
12 Norton Sound Health Corporation	"
13 Assets	"
14 Ketchikan General Hospital	"
15 Bristol Bay Area Health Corporation	"
16 Chugach Electric Association	"
17 Rural Alaska Community Action Program	"
18 The Arc of Anchorage	"
19 Salvation Army-Alaska	"
20 Matanuska Telephone Association	"
21 Association of Village Council Presidents	"

¹ These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.

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

arena – Alaska USA Federal Credit Union – and a few others are membership-owned utilities, such as Chugach Electric Association.

The large presence of the health care industry in Alaska helps explain why so many nonprofits are in the top 100. Many of the health care nonprofits are either the largest or second-largest employers in their communities. For example, Providence Health & Services is the largest private-sector employer in Anchorage, and the Bristol Bay Health Corporation and Yukon-Kuskokwim Health Corporation are the largest employers in Dillingham and Bethel, respectively. Health care's labor-intensive nature and the fact that many health care employers are providing services around the clock explain the large number of jobs they provide.

A concentration of oil and health care employers

The oil industry is clearly prominent in the *Trends* 100. As mentioned earlier, 86 percent of all oil industry workers in Alaska were employed by one of the state's 100 largest employers in 2008. (See Exhibit 2.) There's no other industry in the state where the vast majority of employment comes from *Trends* 100 companies and organizations.

Two other industries that are heavily represented in the top 100 are health care and social assistance, and seafood processing. More than half the state's employment for both industries is for a top 100 employer.

The retail trade and transportation industries also have a strong presence on the *Trends* 100, but the *Trends* 100 employment in those industries represents a smaller share of the industries' statewide employment – 41 percent for retail and 42 percent for transportation.

The top 10 – different than a decade ago

Six of the top 10 employers in 2008 were on the list a decade earlier. (See Exhibit 7.) The four newcomers are NANA Management Services, CH2MHill (formerly Veco), BP Exploration Alas-

ka and Trident Seafoods. (Trident just missed the top 10 in 1998; it was No. 11 that year.)

Some of the top 10 have changed since 1998 because of buyouts, mergers or name changes. Those include Carrs/Safeway – Safeway bought out Carrs in 1998 – and Alaska Petroleum Contractors, which is now ASRC Energy Services.

All 10 on 2008's top 10, though, were on the *Trends* 100 in 1998.

Adding in government

The top 10 for 2008 changes quickly when government is included. (See Exhibit 8.) Only four of the top 10 are in the private sector. By nature, government employers tend to be large – even the Anchorage School District has more employees than any private employer in the state. It's doubtful that this top 10 lineup (with government included) will change much in the foreseeable future.

Seafood is often the largest employer in smaller areas

In leaving the *Trends* 100 list for a moment to drill down to look at the largest private-sector employers in Alaska's boroughs and census areas, seafood processing has a strong presence. (See Exhibit 9.) That's not surprising, given the small size of many of the areas and the importance fishing plays in most of the state's coastal communities.

Trident Seafoods is the largest private-sector employer in three of the 29 boroughs and census areas and Icicle Seafoods is the largest in two.

There are also employers that have the largest employment in their borough or census area, but they don't show up on the *Trends* 100. For example, Yakutat Seafoods in Yakutat and the Annette Island Packing Company in Metlakatla (in the Prince of Wales-Hyder Census Area) are small processors, but they're important employers in those communities.

Similarly, two small tourism employers, Icy Strait Point in Hoonah and Alaska Excursions in Skag-

What's Happened in 10 Years

Some interesting reshuffling



Top 10 Employers in 2008

	Average Monthly Employment ¹
1 Providence Health & Services	4,000+
2 Wal-Mart/Sam's Club	3,000 to 3,249
3 Carrs/Safeway	"
4 Fred Meyer	2,750 to 2,999
5 ASRC Energy Services	2,250 to 2,499
6 Trident Seafoods	"
7 NANA Management Services	1,750 to 1,999
8 CH2MHill (formerly Veco)	"
9 BP Exploration Alaska	"
10 Alaska Airlines	"

Top 10 Employers in 1998

	Average Monthly Employment
1 Carr Gottstein Foods	3,132
2 Providence Alaska Medical Center	2,971
3 Fred Meyer	1,933
4 Alaska Airlines	1,556
5 ARCO Alaska	1,483
6 Wal-Mart/Sam's Club	1,434
7 National Bank of Alaska	1,178
8 Alaska Petroleum Contractors	1,110
9 Lutheran Health System (now Banner Health)	1,090
10 Safeway Stores	1,083

¹ These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.

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

Adding in Government

The top 10 in 2008



Average Monthly Employment in 2008¹

1 Uniformed military	20,955
2 State of Alaska	17,826
3 Federal civilians	16,891
4 University of Alaska	7,140
5 Anchorage School District	6,834
6 Providence Health & Services	4,000 to 4,149
7 Anchorage, Municipality of	3,152
8 Wal-Mart/Sam's Club	3,000 to 3,149
9 Carrs/Safeway	"
10 Fred Meyer	2,800 to 2,949

¹ The employment ranges listed here are those that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.

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

9

The Largest Private-Sector Employers by Area Alaska, 2008

Average Monthly
Employment
in 2008¹

Area	Employer	Average Monthly Employment in 2008 ¹
Statewide	Providence Health & Services	4,000+
Aleutians West Census Area	UniSea	750 to 999
Aleutians East Borough	Trident Seafoods	"
Anchorage, Municipality of	Providence Health & Services ²	3,500 to 3,749
Bethel Census Area	Yukon-Kuskokwim Health Corporation	1,000 to 1,249
Bristol Bay Borough	Trident Seafoods	250 to 499
Denali Borough	Aramark	500 to 749
Dillingham Census Area	Icicle Seafoods	250 to 499
Fairbanks North Star Borough	Banner Health (includes Fairbanks Memorial Hospital)	1,250 to 1,499
Haines Borough	Ocean Beauty Seafoods	1 to 99
Hoonah-Angoon Census Area	Icy Strait Point	"
Juneau Borough	Greens Creek Mining Company	250 to 499
Kenai Peninsula Borough	ASRC Energy Services	"
Ketchikan-Gateway Borough	Ketchikan General Hospital	"
Kodiak Island Borough	Trident Seafoods	"
Lake and Peninsula Borough	Quest America Drilling Inc.	1 to 99
Matanuska-Susitna Borough	Mat-Su Regional Medical Center	500 to 749
Nome Census Borough	Norton Sound Health Corporation	250 to 499
North Slope Borough	ASRC Energy Services	2,000 to 2,249
Northwest Arctic Borough	Teck Cominco Alaska (Red Dog Mine)	250 to 499
Petersburg Census Area	Icicle Seafoods	100 to 249
Prince of Wales-Hyder Census Area	Annette Island Packing Company	1 to 99
Sitka Borough	SouthEast Alaska Regional Health Consortium (SEARHC)	250 to 499
Skagway, Municipality of	Alaska Excursions	1 to 99
Southeast Fairbanks Census Area	Teck-Pogo Inc.	250 to 499
Valdez-Cordova Census Area	Alyeska Pipeline Service Company	"
Wade Hampton Census Area	Yukon-Kuskokwim Health Corporation	100 to 249
Wrangell City and Borough	Alaska Island Community Services	"
Yakutat Borough	Yakutat Seafoods LLC	"
Yukon-Koyukuk Census Area	Tanana Chiefs Conference	"

¹ These are ranges that a company's or organization's specific employment number falls into; the ranking is based on the specific employment number.

² Providence's Anchorage employment only

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

way, are important employers in those areas as well.

They're everywhere

Although most of the *Trends* 100 employers have their headquarters or largest work site in Anchorage, fewer than 20 are exclusively in Anchorage. First National Bank Alaska, for instance, has an Anchorage headquarters, as well as branches in 15 Alaska communities.

Even so, at least a quarter of the *Trends* 100 employers have no presence in the state's largest city.

A Safety Minute

Take a Minute for Some Risk Assessment

Alaska's long summer days are a welcome change from short, cold winter days. The pace quickens as many seasonal industries, particularly construction, fishing and tourism, kick into high gear. Alaskans are also busy at home with various projects and recreational activities.

But our action-packed schedules produce additional risks at work and home. It only takes a short time – sometimes only a few minutes – to assess hazards and take action to reduce the risks and avoid a serious accident.

Let's commit to an injury-free summer.

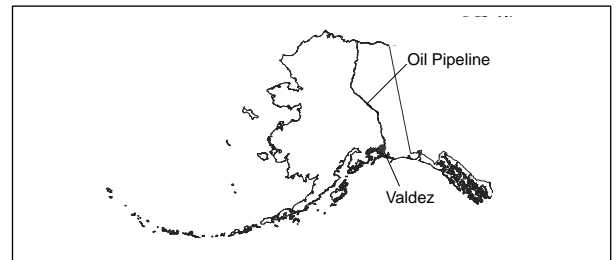
For help assessing possible work site hazards, contact the Alaska Department of Labor and Workforce Development's Alaska Occupational Safety and Health Consultation and Training Section at (800) 656-4972, or in Anchorage at (907) 269-4955. AKOSH is within the Labor Standards and Safety Division.

A story that mirrors Alaska's

The city of Valdez, like the state of Alaska, was transformed by oil. The area has a rich and colorful pre-oil history, similar in many ways to the history of other coastal Alaska communities, but billions of barrels of oil, hundreds of high paying oil-related jobs, and hundreds of millions of dollars in tax revenue have made Valdez unique.

One of many Alaska cities created by gold

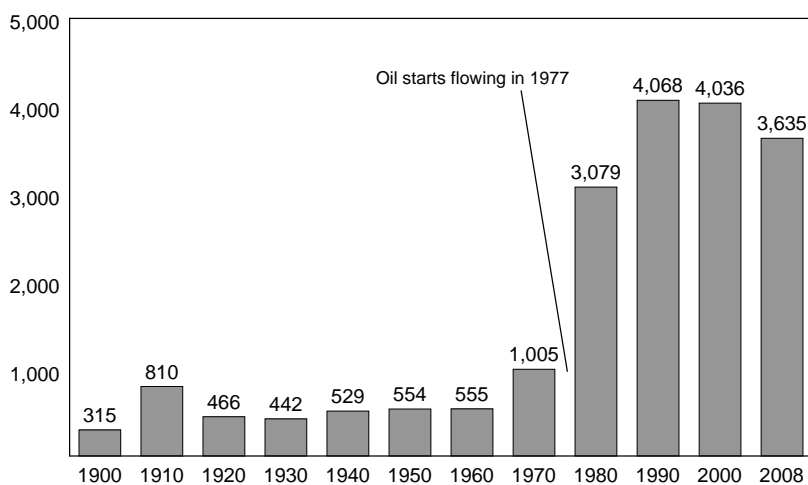
Valdez is located in Prince William Sound, where Chugach Eskimos had hunted, fished and traded for thousands of years before European powers began arriving in the 1700s. An estimated Native population of 500 to 700 people inhabited the area when the Russian, English and Spanish explorers first visited.



The region's bounty of furs, fish and minerals, in addition to its strategic location and natural beauty, attracted varying degrees of interest over the next two centuries until gold seekers created a tent city in the winter of 1897-1898 on their way to the Yukon and Interior Alaska. Three years later Valdez residents voted to incorporate and the city was born.

Valdez prospered during the next two decades as a point of departure for prospectors headed north and also as the center of lucrative gold, copper and silver mining activity in and around Prince William Sound itself. The U.S. Army built a military trail and mail route between Valdez and Fairbanks that eventually became the Richardson Highway in 1919. That connection between Valdez and the Interior established a vital transportation link for the early development of Alaska and an important economic driver for the city.

1 The Impact of an Oil Pipeline Valdez population, 1900 to 2008



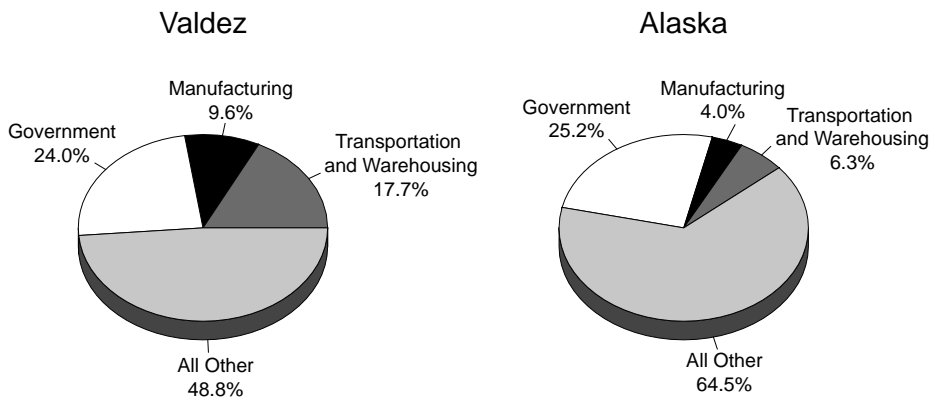
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Location, location, location

As the state's northernmost year-round ice-free port, Valdez was the largest, most important town in Southcentral Alaska during the early 1900s, but a narrow miss for greater growth occurred when a campaign was unsuccessfully waged to build a railroad from Valdez to the Interior. The push for an "All-American" rail route would be echoed a century later by advo-

2 An Extra Dose of Transportation Jobs

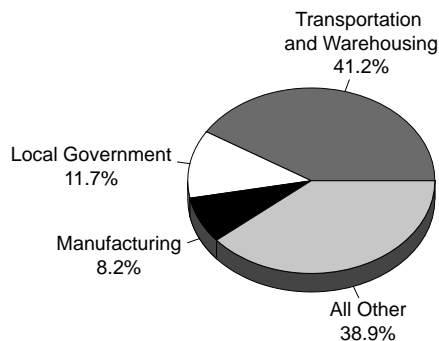
Employment by selected categories, 2008



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

3 Transportation Wages Dominate

Valdez wages, 2008



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

cates of an “All American” gas line to Valdez as an alternative to a natural gas pipeline through Canada.

Seward, rather than Valdez or its Prince William Sound neighbor Cordova, was chosen as the railhead for the Alaska Railroad to Fairbanks. That decision would eventually result in Anchorage displacing the two Prince William Sound communities as the commercial center of South-central Alaska.

Wars, fishing and the 1964 earthquake

World War I created a temporary mining boom for Valdez and the Prince William Sound mines, but then a fall in demand after the war and an increased supply from new mines de-

pressed prices and began a gradual decline in area mining. A thriving fishing industry picked up the slack during the 1920s and 1930s, generating most of the area’s cash economy before fish stocks crashed in the late 1940s and 1950s.

World War II and the Japanese invasion of Alaska’s Aleutian Islands in 1942 shook the nation’s sense of security and resulted in an increase of Alaska’s troop strength from 1,000 in 1942 to 152,000 in 1943. Federal funds poured into the state for everything from military bases to roads, bridges and airfields. Valdez was an

important staging area for construction of the Alaska Highway and was home to about 1,000 new military personnel during the war.

In 1964, Valdez was rocked by the Good Friday earthquake that killed 33 people and damaged many of the town’s buildings beyond repair. It was rebuilt on a different site, about 5 miles to the west, and millions of dollars in federal disaster aid created a temporary construction boom.

Then came oil

Despite all the drama of gold rushes, wars and earthquakes, Valdez’s population in the decennial census showed only modest variation over the city’s first 70 years. (See Exhibit 1.) There were a number of temporary spikes in population – during the short-lived gold rush and the buildup of forces during World War II, to give two examples – but over the longer term, the town supported around 500 people for most of those years.

That all changed when Valdez was selected as the terminus of the 800-mile trans-Alaska oil pipeline system in the early 1970s. A fee that the city charged the oil company owners of the pipeline, in exchange for letting the companies use the city’s bonding authority to issue tax-exempt bonds, created a \$13.5 million windfall. The money was used to create the Valdez permanent fund, whose principal is protected from

use but whose earnings help fund local government.

What's more, Valdez's population swelled with construction of the marine terminal and the city suddenly had an enormously large property tax base. Post-construction, the city's population settled down to levels six to eight times what it had generally been before the pipeline came to town.

Current mix of employment

Almost four decades later, Valdez's heavy reliance on the pipeline terminal is still very obvious in its job counts. About 18 percent of the city's jobs are in the transportation and warehousing sector. Statewide, the share of transportation jobs is just a third that size. (See Exhibit 2.)

The other notable difference between Valdez's mix of jobs and the state's is manufacturing. One of Peter Pan Seafoods' four main seafood processing facilities is in Valdez. As a result, Valdez has a significantly higher share of manufacturing jobs than the state.

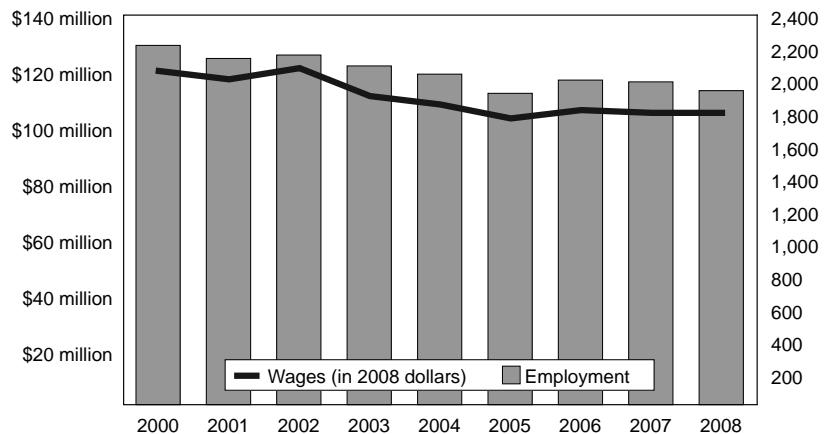
Before the fish can be processed, they must be caught, of course, and fishing is an important source of employment in the area. Those jobs aren't counted in the Alaska Department of Labor and Workforce Development's main data sets, however, so it's harder to quantify the importance of fishing definitively. In 2008, 341 fishermen who lived in the Valdez-Cordova Census Area fished commercial fishing permits and hundreds more likely worked as crew members.

Pipeline jobs are high-wage jobs

Oil-related transportation jobs are particularly high-paying, like most jobs associated with the oil industry. So, while a large percentage of jobs are connected to the transport of oil, an even higher percentage of total wages come from the transportation sector. A dominant 41.2 percent of all Valdez wages come from transportation. (See Exhibit 3.) Statewide the comparable share is just 7.5 percent.

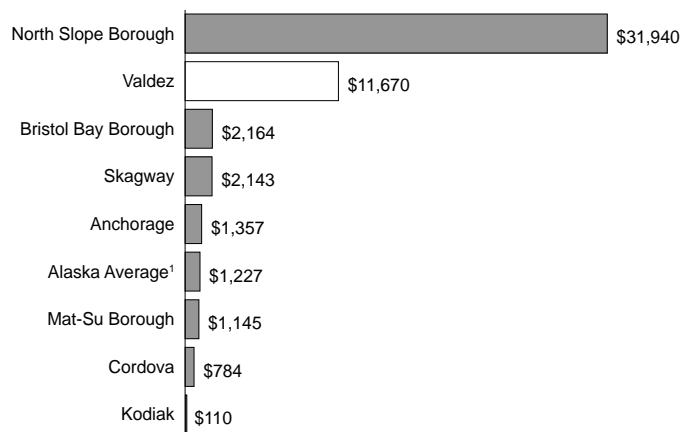
One interesting note is that despite the large tax base the pipeline and marine terminal provide

Small Declines in Jobs and Wages 4 Employment and wages, 2000 to 2008



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

Only the North Slope Gets More 5 Per capita property tax revenue, 2008



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

to Valdez, the city's local government hasn't grown disproportionately large. The share of wages that go to city workers is just slightly higher, at 11.7 percent, than for the state as a whole.

Oil prices' volatile recent history haven't shown up in employment and wage trends

Both employment and wages show a very modest declining trend since 2000. (See Exhibit 4.) Until 2006, oil property tax revenues had gradually declined as oil production consistently fell and the marine terminal and related pipeline facilities depreciated.

6 How is Valdez Different?

Selected demographic characteristics, 2000

2000 Census		
	Valdez	Alaska
Median age	35.4	32.4
Race		
White	83.6%	69.3%
Black or African American	0.4%	3.5%
American Indian and Alaska Native	7.2%	15.6%
Asian	2.2%	4.0%
Median household income	\$66,532	\$51,571
Percent of housing units that are mobile homes	34.3%	6.8%
Percent of housing units built from 1970 to 1979	47.6%	28.8%
Percent of housing units heated with oil	81.7%	35.8%

Source: U.S. Census Bureau

Then the dramatic surge in oil prices pushed the assessed value of oil property way up again from 2006 to 2008. The increases have been a boon in terms of revenue, but they haven't translated into more jobs or more total wages being paid.

Only in Alaska

Just as the state has a tax base and per-capita revenues that put it in a class by itself among states, Valdez stands out among Alaska cities for similar reasons. (See Exhibit 5.) The city of less than 4,000 people has a 2009 budget of about \$40 million. Compare that to Anchorage, with a population 80 times as big and a city budget just 10 times as big. Only the North Slope Borough has higher per-capita property tax revenue.

Unfavorable tanker tax ruling and a pending decision on the pipeline's value

There are more questions than answers, however, about the future of Valdez's tax base as a result of a recent U.S. Supreme Court decision that invalidated a city tax on oil tankers. Millions of dollars in revenue already collected will have to be returned and an important revenue stream – \$8 million was budgeted in 2009 – appears to have dried up for good.

Another important dispute that will soon be tried in state court is the value of the roughly 30-year-old pipeline system. The state assessed the value at \$9 billion, but the oil companies

argue that it should be valued at less than \$1 billion. About one-fifth of the value of the entire pipeline is within Valdez city limits so the city has a lot at stake in the dispute.

How is the Valdez population different?

In many ways, Valdez's demographics mirror those of the state's. Among the differences, the median age of Valdez residents is slightly higher than for the state. Racially, about 84 percent of the population is white, compared to 69 percent of Alaska's population. Valdez also has about half the share of Alaska Natives and Asians.

High-paying oil jobs push the median household income noticeably higher than for the state. The effects of pipeline construction are also visible in the high percentage of houses that were built from 1970 to 1979 and perhaps in the especially high percentage of housing units that are mobile homes.

It seems only fitting that oil is also the source of heat for a much higher percentage of houses in Valdez than for the state, although that's explained more by the availability of natural gas to Anchorage and Southcentral Alaska than to any special availability of heating oil to Valdez.

You want snow?

And finally, no discussion of Valdez would be complete without mentioning the city's prodigious snowfall. In an average year, the city gets 326 inches and nearby Thompson Pass gets 600 inches. Those 50 feet of snow turn the area into a winter paradise for snowmachiners, skiers and snowboarders, not to mention extreme snow sport filmmakers. In a state full of extremes – cold, rich and beautiful – Valdez both stands out and fits right in.

Unemployment rate rises to 8.4 percent

Alaska's seasonally adjusted unemployment rate rose five-tenths of a percentage point in May to 8.4 percent. April's rate was revised down one-tenth of a percentage point to 7.9 percent.

Where is the rate headed?

The unemployment rate has bounced around in the last few months, leaving questions about the underlying trend. In April, the rate fell from 8.4 percent to 8.0 percent (it was later revised to 7.9 percent). May's rate then bounced back to the March level of 8.4 percent.

The rates are calculated with inputs that include a relatively small sample of Alaska households, so the rates can be volatile from month to month. Consequently, several consecutive months of movement in one direction are required before solid conclusions can be drawn about a trend.

National rate continues to climb

The unemployment rate for the U.S. is sending clearer signals. Since March, the U.S. rate has

climbed nearly a full percentage point and sat at 9.4 percent in May. The U.S. rate has risen by 4.5 percentage points since the beginning of the U.S. recession in December 2007. Over that same period, Alaska's rate has increased by a relatively mild 2.1 percentage points.

Alaska falls below year-ago levels for payroll jobs

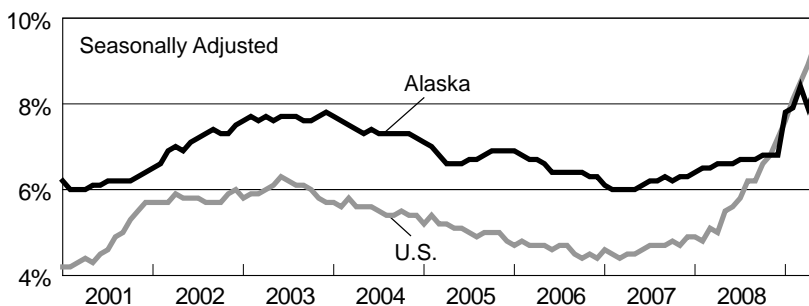
In 2008, the nation consistently shed payroll jobs and Alaska mostly held to its course of mild job growth. But the U.S. recession and international economic downturn have been severe enough to affect Alaska noticeably in 2009.

From January to May, Alaska's job count grew by 23,000, an impressive number to be sure, but a markedly smaller increase than the 28,000 the state has averaged over those months in the previous three years.

As a result, over-the-year growth has been shrinking, and by May the state's job count was down 1,200 from May 2008's level. That's an unusual situation for the state to be in after 21 consecutive years of job growth.

Once again, however, Alaska's numbers point to a significantly watered down version of the nation's economic downturn. The state's over-the-year decline of 1,200 jobs is a drop of 0.4 percentage points. The U.S. shed a full 4 percent of its May 2008 job total over that same period.

1 Unemployment Rates, Alaska and U.S. January 2001 to May 2009



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Department of Labor, Bureau of Labor Statistics

2 Nonfarm Wage and Salary Employment

	Preliminary	Revised	Revised	Changes from:	
	5/09	4/09	5/08	4/09	5/08
Alaska					
Total Nonfarm Wage and Salary¹	327,600	314,100	328,800	13,500	-1,200
Goods-Producing ²	43,200	40,800	43,800	2,400	-600
Service-Providing ³	284,400	273,300	285,000	11,100	-600
Natural Resources and Mining	15,500	15,400	15,100	100	400
Logging	300	200	300	100	0
Mining	15,200	15,200	14,800	0	400
Oil and Gas	13,100	13,100	12,500	0	600
Construction	16,800	15,000	17,800	1,800	-1,000
Manufacturing	10,900	10,400	10,900	500	0
Wood Product Manufacturing	300	400	400	-100	-100
Seafood Processing	6,600	6,400	6,800	200	-200
Trade, Transportation, Utilities	65,300	61,800	66,900	3,500	-1,600
Wholesale Trade	6,400	6,400	6,600	0	-200
Retail Trade	36,100	34,900	36,700	1,200	-600
Food and Beverage Stores	6,300	6,100	6,400	200	-100
General Merchandise Stores	9,600	9,500	9,500	100	100
Transportation, Warehousing, Utilities	22,800	20,500	23,600	2,300	-800
Air Transportation	6,100	6,000	6,700	100	-600
Truck Transportation	3,200	3,100	3,200	100	0
Information	7,100	7,000	7,100	100	0
Telecommunications	4,600	4,600	4,400	0	200
Financial Activities	14,800	14,500	15,000	300	-200
Professional and Business Services	27,700	25,600	26,800	2,100	900
Educational⁴ and Health Services	38,700	38,600	37,700	100	1,000
Health Care	27,900	27,800	27,100	100	800
Leisure and Hospitality	33,500	28,800	34,700	4,700	-1,200
Accommodations	8,500	6,800	9,000	1,700	-500
Food Services and Drinking Places	20,300	17,900	20,500	2,400	-200
Other Services	11,500	11,200	11,600	300	-100
Government	85,800	85,800	85,200	0	600
Federal Government ⁵	17,100	16,400	17,400	700	-300
State Government	26,000	26,200	25,600	-200	400
State Government Education ⁶	7,800	8,100	7,700	-300	100
Local Government	42,700	43,200	42,200	-500	500
Local Government Education ⁷	23,500	24,700	23,800	-1,200	-300
Tribal Government	3,600	3,500	3,600	100	0

Notes for Exhibits 2 and 4:

¹ Excludes the self-employed, fishermen and other agricultural workers, and private household workers; for estimates of fish harvesting employment, and other fisheries data, go to labor.alaska.gov/research/seafood/seafood.htm

² Goods-producing sectors include natural resources and mining, construction and manufacturing.

³ Service-providing sectors include all others not listed as goods-producing sectors.

⁴ Private education only

⁵ Excludes uniformed military

⁶ Includes the University of Alaska

⁷ Includes public school systems

⁸ Fairbanks North Star Borough

Sources for Exhibits 2 and 3: Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Department of Labor, Bureau of Labor Statistics

Sources for Exhibit 4: Alaska Department of Labor and Workforce Development, Research and Analysis Section; also the U.S. Department of Labor, Bureau of Labor Statistics, for Anchorage/Mat-Su

3 Unemployment Rates By borough and census area

SEASONALLY ADJUSTED	Prelim.	Revised	Revised
	5/09	4/09	5/08
United States	9.4	8.9	5.5
Alaska Statewide	8.4	7.9	6.6
NOT SEASONALLY ADJUSTED			
United States	9.1	8.6	5.2
Alaska Statewide	8.1	8.3	6.4
Anchorage/Mat-Su Region	7.4	7.2	5.6
Municipality of Anchorage	6.9	6.6	5.2
Mat-Su Borough	9.3	9.7	7.0
Gulf Coast Region	9.4	10.4	7.6
Kenai Peninsula Borough	10.0	11.1	7.2
Kodiak Island Borough	7.8	7.2	9.2
Valdez-Cordova Census Area	8.6	10.8	7.4
Interior Region	7.7	8.0	6.0
Denali Borough	4.1	12.5	2.6
Fairbanks North Star Borough	7.2	7.2	5.6
Southeast Fairbanks Census Area	9.7	10.8	7.9
Yukon-Koyukuk Census Area	15.6	16.3	13.2
Northern Region	9.9	9.4	8.6
Nome Census Area	12.9	12.8	10.6
North Slope Borough	5.2	4.6	4.5
Northwest Arctic Borough	14.2	13.3	12.9
Southeast Region	7.4	8.4	5.8
Haines Borough	8.8	12.8	8.0
Juneau Borough	5.8	6.1	4.3
Ketchikan Gateway Borough ¹	7.0	8.3	5.1
Prince of Wales-Outer Ketchikan CA ¹	15.2	17.5	12.6
Sitka Borough	6.6	6.2	5.6
Skagway-Hoonah-Angoon CA ¹	9.5	19.5	7.5
Wrangell-Petersburg Census Area ¹	11.4	12.1	10.4
Yakutat Borough	8.5	9.3	5.2
Southwest Region	15.8	15.2	13.6
Aleutians East Borough	13.2	8.5	13.1
Aleutians West Census Area	12.7	9.6	13.8
Bethel Census Area	16.6	16.5	14.2
Bristol Bay Borough	5.3	11.7	4.2
Dillingham Census Area	13.4	12.9	10.3
Lake and Peninsula Borough	9.3	11.7	6.9
Wade Hampton Census Area	25.3	24.0	21.2

¹ Because of the creation of new boroughs, this borough or census area has been changed or no longer exists. Data for the new borough and census areas will be available in 2010. Until then, data will continue to be published for the old areas.

4 Nonfarm Wage and Salary Employment By region

	Preliminary	Revised	Revised	Changes from:		Percent Change:	
	5/09	4/09	5/08	4/09	5/08	4/09	5/08
Anch/Mat-Su	173,100	169,200	173,400	3,900	-300	2.3%	-0.2%
Anchorage	153,000	150,900	153,600	2,100	-600	1.4%	-0.4%
Gulf Coast	30,200	27,250	30,450	2,950	-250	10.8%	-0.8%
Interior	48,700	44,300	48,700	4,400	0	9.9%	0.0%
Fairbanks ⁸	39,600	37,600	40,200	2,000	-600	5.3%	-1.5%
Northern	20,400	20,350	19,700	50	700	0.2%	3.6%
Southeast	38,300	34,950	39,050	3,350	-750	9.6%	-1.9%
Southwest	17,700	17,750	17,700	-50	0	-0.3%	0.0%

For more current state and regional employment and unemployment data, visit our Web site:

laborstats.alaska.gov

Employer Resources

Recent Changes to Alaska's Unemployment Insurance Program

Senate Bill 170, signed into law May 25, allows employers owned by federally recognized tribes the option of paying their unemployment insurance taxes by reimbursing the state for the actual benefits paid out to unemployed workers. That option is a break from the more traditional method of making quarterly tax contributions based on a predetermined rate for each employer.

In the past, the reimbursement option was only available to government and nonprofits; extending the option to tribal employers brings Alaska law in line with federal requirements. The option is particularly beneficial to employers whose workers have little risk of becoming unemployed.

Staff in the Alaska Department of Labor and Workforce Development's Employment Security Tax office can help employers explore whether the reimbursement option would benefit them.

SB 170 also has a provision approving an alternate base period, which allows workers' most recent wages to be included when the Department of Labor determines whether the workers are eligible for unemployment insurance benefits. Congress encouraged the change in the stimulus bill it passed recently.

Before SB 170 was passed, unemployed workers who applied for benefits had to have minimum qualifying wages in the first four of the previous five completed quarters – called the regular base period. The most recent completed quarter, called the lag quarter, wasn't considered.

Now, for benefit years effective on or after Jan. 1, 2010, if the workers aren't eligible using the regular base period, their more recent wages will be considered.

House Bill 152, signed into law June 20, is a "reviser bill" that corrects and removes deficiencies, conflicts and obsolete provisions.

One change affects adults who sell or distribute newspapers on the street or from house to house. Before HB 152, their employers didn't have to report their wages to the Department of Labor and those wages weren't considered when they applied for unemployment insurance benefits. Now, employers do have to report those wages and the Department of Labor considers the wages when determining benefits.

That change also aligns Alaska law with federal law.

Alaska's unemployed workers can now receive their unemployment insurance benefit payments via debit card. Alaska joined states across the country when it began offering the option April 30. Workers can still opt to have their benefits direct deposited into their bank account; they can get paper checks only when the two electronic options would cause a hardship.

For more information, go to labor.alaska.gov/estax on the Web or call (888) 448-3527. In Juneau, call (907) 465-2757. Employment Security Tax is within the Department of Labor's Employment Security Division.