

# State of Alaska

## Department of Labor & Workforce Development



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### **Total wages down 3.6 percent in third quarter 2017 from prior year**

JUNEAU, Alaska—Newly released data show Alaska employers paid \$4.5 billion in wages in third quarter 2017, a 3.6 percent decline from the same period in 2016.

Total wages, which are not adjusted for inflation, have been declining since the first quarter of 2016, with the exception of a half-percent increase in first quarter 2017.

Private sector wages fell by 3.8 percent. Wages dropped 8.8 percent in oil and gas and 12.8 percent in construction. Seafood processing wages increased 4.3 percent after falling 10.4 percent in the second quarter. Leisure and hospitality was up slightly (0.4 percent) due to a 3.1 percent rise in accommodation wages. Health care wages continued to rise, but by just 0.7 percent after increasing 9.2 percent in second quarter.

Government wages fell by 3.1 percent across the board: state government wages fell 4.0 percent, federal government declined 2.6 percent, and local government, which includes public schools and tribal government, fell 2.7 percent.

Across the state, total wages decreased in 19 of 29 boroughs and census areas by a combined \$196.9 million while wages in the other 10 grew by a combined \$25.5 million. Areas with wage growth had at least one of three dominant industries: local government, fishing or tourism.

Nearly 90 percent of the state's net wage loss was in three areas: Anchorage, the Fairbanks North Star Borough and the North Slope Borough. Anchorage's wages fell by \$100 million and Fairbanks' by \$21.8 million. North Slope Borough wages decreased by \$31.1 million.

Employment fell 0.8 percent statewide from year-ago levels. Oil and gas employment decreased by 7.4 percent, construction by 5.7 percent and information by 6.5 percent. While losses in oil and gas and construction remain the deepest, they appear to be slowing — in second quarter, oil and gas employment fell 14.9 percent and construction dropped 8.7 percent. Employment rose over the year in manufacturing, transportation and warehousing, health care, accommodation and local government.

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## Alaska Wages by Industry

| Industry                             | Total 2016<br>Q3 wages | Total 2017<br>Q3 wages | Change                | Percent<br>Change |
|--------------------------------------|------------------------|------------------------|-----------------------|-------------------|
| <b>Total, All Industries</b>         | <b>\$4,718,101,736</b> | <b>\$4,546,262,537</b> | <b>-\$171,839,199</b> | <b>-3.6%</b>      |
| Total Private                        | \$3,647,675,801        | \$3,509,024,522        | -\$138,651,279        | -3.8%             |
| Natural Resources and Mining         | \$436,781,757          | \$411,514,628          | -\$25,267,129         | -5.8%             |
| Oil and Gas Industry                 | \$331,041,258          | \$301,762,687          | -\$29,278,571         | -8.8%             |
| Construction                         | \$407,725,234          | \$355,564,155          | -\$52,161,079         | -12.8%            |
| Manufacturing                        | \$252,994,923          | \$258,461,160          | \$5,466,237           | 2.2%              |
| Seafood Product Manufacturing        | \$198,518,053          | \$207,087,746          | \$8,569,693           | 4.3%              |
| Trade, Transportation, and Utilities | \$801,534,224          | \$777,439,296          | -\$24,094,928         | -3.0%             |
| Wholesale Trade                      | \$94,715,325           | \$89,611,211           | -\$5,104,114          | -5.4%             |
| Retail Trade                         | \$300,288,731          | \$291,149,101          | -\$9,139,630          | -3.0%             |
| Transportation and Warehousing       | \$357,864,198          | \$348,597,540          | -\$9,266,658          | -2.6%             |
| Utilities                            | \$48,665,970           | \$48,081,444           | -\$584,526            | -1.2%             |
| Information                          | \$101,967,515          | \$91,780,493           | -\$10,187,022         | -10.0%            |
| Financial Activities                 | \$182,576,777          | \$174,554,895          | -\$8,021,882          | -4.4%             |
| Professional and Business Services   | \$460,484,818          | \$436,181,033          | -\$24,303,785         | -5.3%             |
| Education and Health Services        | \$621,200,126          | \$618,771,850          | -\$2,428,276          | -0.4%             |
| Health Care                          | \$528,141,538          | \$531,795,185          | \$3,653,647           | 0.7%              |
| Leisure and Hospitality              | \$274,535,964          | \$275,592,840          | \$1,056,876           | 0.4%              |
| Accommodation                        | \$96,218,632           | \$99,161,363           | \$2,942,731           | 3.1%              |
| Food Services/Drinking Places        | \$139,737,938          | \$137,851,397          | -\$1,886,541          | -1.4%             |
| Other Services                       | \$102,628,670          | \$102,421,938          | -\$206,732            | -0.2%             |
| Total Government                     | \$1,070,425,935        | \$1,037,238,015        | -\$33,187,920         | -3.1%             |
| Federal Government                   | \$327,437,376          | \$318,867,899          | -\$8,569,477          | -2.6%             |
| State Government                     | \$359,615,767          | \$345,168,053          | -\$14,447,714         | -4.0%             |
| Local Government                     | \$383,372,792          | \$373,202,063          | -\$10,170,729         | -2.7%             |

## Alaska Wages by Area

| Area                              | Total 2016<br>Q3 wages | Total 2017<br>Q3 wages | Change                | Percent<br>Change |
|-----------------------------------|------------------------|------------------------|-----------------------|-------------------|
| <b>Statewide</b>                  | <b>\$4,718,101,736</b> | <b>\$4,546,262,537</b> | <b>-\$171,839,199</b> | <b>-3.6%</b>      |
| Aleutians East Borough            | \$43,949,883           | \$48,742,536           | \$4,792,653           | 10.9%             |
| Aleutians West Census Area        | \$66,123,444           | \$54,391,826           | -\$11,731,618         | -17.7%            |
| Anchorage Municipality            | \$2,194,462,045        | \$2,094,488,417        | -\$99,973,628         | -4.6%             |
| Bethel Census Area                | \$77,841,878           | \$76,685,443           | -\$1,156,435          | -1.5%             |
| Bristol Bay Borough               | \$33,476,700           | \$30,960,628           | -\$2,516,072          | -7.5%             |
| Denali Borough                    | \$39,811,113           | \$40,583,257           | \$772,144             | 1.9%              |
| Dillingham Census Area            | \$36,300,320           | \$37,378,422           | \$1,078,102           | 3.0%              |
| Fairbanks North Star Borough      | \$517,479,886          | \$495,688,218          | -\$21,791,668         | -4.2%             |
| Haines Borough                    | \$11,763,391           | \$13,281,788           | \$1,518,397           | 12.9%             |
| Hoonah-Angoon Census Area         | \$9,599,501            | \$9,394,559            | -\$204,942            | -2.1%             |
| Juneau, City and Borough          | \$247,130,855          | \$242,896,282          | -\$4,234,573          | -1.7%             |
| Kenai Peninsula Borough           | \$256,590,581          | \$247,881,544          | -\$8,709,037          | -3.4%             |
| Ketchikan Gateway Borough         | \$99,022,863           | \$98,239,380           | -\$783,483            | -0.8%             |
| Kodiak Island Borough             | \$77,467,702           | \$81,281,290           | \$3,813,588           | 4.9%              |
| Kusilvak Census Area              | \$16,982,170           | \$16,515,574           | -\$466,596            | -2.7%             |
| Lake and Peninsula Borough        | \$12,426,532           | \$14,965,216           | \$2,538,684           | 20.4%             |
| Matanuska-Susitna Borough         | \$260,635,443          | \$253,026,006          | -\$7,609,437          | -2.9%             |
| Nome Census Area                  | \$46,873,237           | \$47,739,966           | \$866,729             | 1.8%              |
| North Slope Borough               | \$319,169,286          | \$288,079,012          | -\$31,090,274         | -9.7%             |
| Northwest Arctic Borough          | \$48,023,613           | \$47,737,620           | -\$285,993            | -0.6%             |
| Petersburg Borough                | \$18,920,938           | \$18,511,772           | -\$409,166            | -2.2%             |
| Prince of Wales-Hyder Census Area | \$23,592,339           | \$24,817,392           | \$1,225,053           | 5.2%              |
| Sitka, City and Borough           | \$54,330,790           | \$55,088,137           | \$757,347             | 1.4%              |
| Skagway Municipality              | \$17,567,197           | \$17,526,757           | -\$40,440             | -0.2%             |
| Southeast Fairbanks Census Area   | \$44,461,576           | \$41,689,764           | -\$2,771,812          | -6.2%             |
| Valdez-Cordova Census Area        | \$76,563,608           | \$84,657,055           | \$8,093,447           | 10.6%             |
| Wrangell, City and Borough        | \$9,531,513            | \$9,512,298            | -\$19,215             | -0.2%             |
| Yakutat, City and Borough         | \$3,100,665            | \$2,871,756            | -\$228,909            | -7.4%             |
| Yukon-Koyukuk Census Area         | \$23,413,988           | \$20,582,840           | -\$2,831,148          | -12.1%            |

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages