Population and Employment Trends in Southeast Alaska

Presentation for the City and Borough of Juneau Assembly

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

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• In 2010, the majority (or 53.6%) of Alaska’s population resided in the Anchorage/Matanuska-Susitna region, followed by the Interior (15.8%), Gulf Coast (11.1%), Southeast (10.1%), Southwest (5.7%), and Northern (3.7%) regions.

• The highest population density in Alaska in 2010 was in the Municipality of Anchorage with 171.97 persons per square mile, followed by Fairbanks North Star Borough at 13.25 persons per square mile, and City and Borough of Juneau with 11.51. The lowest density of people was found in the Interior, with the Yukon-Koyukuk Census Area averaging less than 0.04 person per square mile.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
Population change is made up of natural increase (births minus deaths) and migration.

Natural increase is the fairly stable component of population change. In general, birth and death trends do not change quickly.

Migration is the unstable component of population change in the state, often shifting dramatically from one year to the next. There is no typical migration trend for the state.

The largest single numerical increase due to migration, 30,222 persons, occurred during pipeline construction in 1974-75. A severe economic recession led to the largest numerical loss, 19,245 out-migrants, in 1986-87 and was larger than the 13,414-person loss at the end of the pipeline construction in 1977-78.

Alaska tends to have among the highest levels of migration to and from the state, and thus gross migration (total volume), of any state in the union.

Even without counting the seasonal workforce, Alaska’s gross migration was the third-highest of any state in 2008, the latest year of available data.

Changes in migration to or from Alaska are more a result of the decline of migrants to Alaska than changes in out-migration.
Alaska’s Population Change: Natural Increase, 2000 to 2009

- Natural increase is the strongest and most stable component of growth in Alaska.

- Birth rates in the state were lowest along the Aleutian Chain and in Southeast Alaska, where 65 to 67 percent of the population is male, many of whom work in fishing or fish processing.

- The highest birth rates were in areas of the state with greater-than-average Native American populations.

- In Southeast, where the median age is the oldest in the state, lower-than-average birth rates were in Haines Borough (7.4 per 1,000), Skagway Municipality (8.2), Petersburg Census Area (9.4), City and Borough of Wrangell (9.6), City and Borough of Sitka (11.8), Hoonah-Anangou Census Area (12.7), City and Borough of Juneau (13.6), Ketchikan Gateway Borough (13.9), and City and Borough of Yakutat (16.4).

- Alaska’s death rate was 4.9 per 1,000 people in 2008-2009.

- Below-average mortality rates for 2008-2009 were reported for four of Alaska’s five largest urban areas: Fairbanks North Star Borough (3.9), City and Borough of Juneau (4.4), Municipality of Anchorage (4.5), and Matanuska-Susitna Borough (4.6).
People migrate for many reasons:

- Persons between 18 and 30, along with any young children belonging to young families, are universally the most mobile.

- The movement of persons in their late teens and early 20s is most frequently to seek post secondary education, enter military service, seek a first job, or accompany family members.

- Persons working in resource industries and fishing flow to and from the resource.

- “Military rotation” is a relatively constant migration flow that only changes as the Armed Forces are expanded or reduced in the state.

- A different pattern of migration is found in retirement, with flows going to states and counties popular as retirement locations.

- Depending on opportunities elsewhere, the local availability of employment and local environments may or may not compete with employment and communities elsewhere to attract migrants. Similarly, people may remain in a location even when employment opportunities may not exist.

These are some of the reasons population growth or decline may not necessarily match employment growth.

- Between 2000 and 2009, Matanuska-Susitna Borough (18,571), Municipality of Anchorage (1,203), Kenai Peninsula Borough (831), and Southeast Fairbanks Census Area (471) grew through migration.

- The greatest numerical losses due to migration were in the City and Borough of Juneau (-2,399), Bethel Census Area (-2,159), Ketchikan Gateway Borough (-1,936), and North Slope Borough (-1,824).
Population Change in Southeast Alaska, 2000 to 2010

With net out-migration and an older population yielding lower-than-average birth rates, growth has varied for Southeast boroughs/census areas between 2000 and 2010.

Losses through out-migration are expected to continue for City and Borough of Yakutat as well as Hoonah-Angoon, Petersburg, and Prince of Wales-Hyder census areas. The Municipality of Skagway, City and Borough of Juneau, and Haines Borough populations are expected to remain relatively stable in the future.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
Juneau’s Population and Resident Workers by Age and Sex, 2000 and 2009

The pyramids above show Juneau’s population and resident workers by age (older is higher) and sex (male on left, female on right).

- A population in the shape of a pyramid shows a younger population with a higher fertility rate. A population in the shape of a rectangle shows an older population with a replacement fertility rate. A population in the shape of an upside down pyramid denotes an older population with a low fertility rate.

- Juneau’s fertility has been at replacement level (2.1 children per woman), leading to a more rectangular population pyramid.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
Juneau’s Population by Race, 2000 and 2010

- Race reported by the 2000 and 2010 Census is self-defined. Starting in 2000, respondents could choose more than one race, resulting in the “2+ Races” category.

- Trending with the nation, Juneau’s majority (white) declined as a proportion of the population while the minority populations increased from 2000 to 2010.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
• The Anchorage/Matanuska-Susitna region’s population is projected to grow by more than 38.0 percent by 2034. Anchorage is expected to continue growing, following the state’s rural-to-urban migration trend. The Matanuska-Susitna Borough has grown dramatically throughout Alaska’s history, and is expected to continue.

• The Gulf Coast region’s population growth has moderated in recent years. The projections yield an increase, but trends could change significantly with future resource development.

• Alaska’s Interior region has grown steadily in recent years. However, the future of the populations in Fairbanks North Star Borough and Southeast Fairbanks Census Area may greatly depend on the military. Assuming current trends continue, the predicted increase for the Interior is 14.9 percent between 2009 and 2034.

• High birth rates in the Northern and Southwest regions are anticipated to outpace the projected out-migration, resulting in net growth in those regions. Projections show the Northern region gaining about 5,908 residents (a 25.0 percent increase), and the Southwest region adding 10,433 (a 26.6 percent increase).

• The only regional population expected to decline over the projection period is Southeast. Due to particularly low birth rates and the highest median age in the state, growth would require a sharp rise in net-migration. The future of Southeast is uncertain because of its dependence on future social and economic developments.
Juneau’s Population, 2000 to 2034

<table>
<thead>
<tr>
<th>City and Borough of Juneau DOLWD Estimate</th>
<th>2000</th>
<th>2009</th>
<th>2014*</th>
<th>2019*</th>
<th>2024*</th>
<th>2029*</th>
<th>2034*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>30,711</td>
<td>30,661</td>
<td>29,403</td>
<td>27,972</td>
<td>26,647</td>
<td>25,209</td>
<td>23,739</td>
</tr>
<tr>
<td>Median</td>
<td>30,884</td>
<td>31,051</td>
<td>31,040</td>
<td>30,710</td>
<td>30,191</td>
<td>-1.5%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>High</td>
<td>32,330</td>
<td>33,999</td>
<td>35,303</td>
<td>36,295</td>
<td>36,777</td>
<td>19.9%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

Percentage Change 2009 - 2034

- Average Annual Growth Rate 2009-2034

- Projected

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

- Population change is likely to vary greatly across the state, following paths similar to the last decade. Regions and boroughs/census areas are more susceptible to the impact of migration than any other component of change because it includes intrastate and interstate migration.

- Although applying recent trends of migration to regions and boroughs/census areas can predict growth or decline, it is possible these trends will change significantly across the state in the future. Migration depends on economic and social factors, making it less predictable.

- Research and Analysis continuously works to improve the projections, and we appreciate feedback. As more data become available, we will update the projections. Check our Web site for updates at: http://laborstats.alaska.gov/.
Southeast Alaska’s Wage and Salary Employment, 1990 to 2009

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

- Employment data come from the Quarterly Census of Employment and Wages (QCEW). This program counts the number of jobs, not workers. For example, if a person works in Juneau in the winter and in Anchorage in the summer, both of those jobs will show up in the respective regions’ data during different months.

- The QCEW does not distinguish between full-time and part-time jobs.

- These data exclude uniformed military personnel, business owners, the self-employed (including fishermen), unpaid volunteers, unpaid family-member workers, and private household workers.

- The population in Southeast peaked in 1997, but the employment trend in subsequent years didn’t mimic the population decline. Employment was up and down over the next several years, but the overall trend was flat.
Southeast Alaska’s Wage and Salary Employment, 2001 to 2010

The 2010 preliminary estimated employment growth in Southeast was a slight recovery from 2009. After a 2.2 percent employment decline, or about 750 jobs, 2010 employment grew by 0.4 percent, or about 150 jobs.

Southeast is forecasted to lose roughly 400 jobs in 2011, or just over 1 percent. The first factor is forecasted losses in government, leisure, hospitality, trade, and transportation sectors. The second factor is slow or no growth in other sectors that have grown in recent history. (See the table on the next page.)

- A negative employment forecast doesn’t necessarily indicate a prolonged downward trend. It is consistent with the variable pattern of employment growth in the last ten years.

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

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## Southeast Alaska’s Wage and Salary Employment, 2011 Forecast

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Nonfarm Wage and Salary²</td>
<td>36,050</td>
<td>36,200</td>
<td>150</td>
<td>0.4%</td>
<td>35,800</td>
<td>-400</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Mining and Logging</td>
<td>600</td>
<td>700</td>
<td>100</td>
<td>16.6%</td>
<td>700</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Construction</td>
<td>1,450</td>
<td>1,400</td>
<td>-50</td>
<td>-3.4%</td>
<td>1,400</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1,800</td>
<td>1,800</td>
<td>0</td>
<td>0.0%</td>
<td>1,800</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Seafood Processing</td>
<td>1,350</td>
<td>1,300</td>
<td>-50</td>
<td>-3.7%</td>
<td>1,300</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Trade, Transportation, and Utilities</td>
<td>7,150</td>
<td>7,050</td>
<td>-100</td>
<td>-1.4%</td>
<td>6,850</td>
<td>-200</td>
<td>-2.8%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>4,450</td>
<td>4,350</td>
<td>-100</td>
<td>-2.2%</td>
<td>4,300</td>
<td>-50</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Information</td>
<td>550</td>
<td>450</td>
<td>-100</td>
<td>-18.2%</td>
<td>450</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>1,300</td>
<td>1,300</td>
<td>0</td>
<td>0.0%</td>
<td>1,300</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>1,300</td>
<td>1,450</td>
<td>150</td>
<td>11.5%</td>
<td>1,450</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Educational² and Health Services</td>
<td>3,650</td>
<td>3,800</td>
<td>150</td>
<td>4.1%</td>
<td>3,800</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>3,550</td>
<td>3,500</td>
<td>-50</td>
<td>-1.4%</td>
<td>3,400</td>
<td>-100</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Other Services</td>
<td>1,200</td>
<td>1,200</td>
<td>0</td>
<td>0.0%</td>
<td>1,200</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Government</td>
<td>13,500</td>
<td>13,550</td>
<td>50</td>
<td>0.4%</td>
<td>13,450</td>
<td>-100</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Federal Government⁴</td>
<td>1,750</td>
<td>1,800</td>
<td>50</td>
<td>2.9%</td>
<td>1,750</td>
<td>-50</td>
<td>-2.8%</td>
</tr>
<tr>
<td>State Government⁵</td>
<td>5,500</td>
<td>5,550</td>
<td>50</td>
<td>0.9%</td>
<td>5,550</td>
<td>0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Local Government⁶</td>
<td>6,250</td>
<td>6,200</td>
<td>-50</td>
<td>-0.8%</td>
<td>6,150</td>
<td>-50</td>
<td>-0.8%</td>
</tr>
</tbody>
</table>

¹ Preliminary estimate
² Excludes self-employed workers, fishermen, domestic workers, unpaid family workers and nonprofit volunteers
³ Private education only
⁴ Excludes uniformed military
⁵ Includes the University of Alaska
⁶ Includes public school systems

*Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section*
• Government plays a larger role in Southeast employment than in the state as a whole, and not just because the capital is in Juneau. Local and regional government — including school districts and city, borough, and tribal government — make up 17 percent of regional employment compared to 13 percent statewide.

• Goods-producing sectors include construction, manufacturing, and natural resources and mining. The “all other” category of employment includes professional, finance, real estate, and other service sectors.

• This figure uses 2009 data because they are the most accurate and finalized data available.
Southeast Alaska’s Average Weekly Earnings by Industry, 2009

- The above graph shows how employment will affect the overall economy.
- Higher-earning sectors such as natural resources and mining are growing in Southeast.
- Although natural resources and mining are high-earning industries, they have less than 800 total jobs in Southeast Alaska. Government jobs will have a greater impact on regional economic health even though the average earnings are lower, because employment is so high at more than 13,000 jobs.
• The method for the unemployment rate is different from counting employment in the other slides. It measures people over age 16 who are available and have sought employment recently, and it is calculated using a household survey rather than an employer survey. For more details on measuring employment, visit: laborstats.alaska.gov or www.bls.gov.

• Although Juneau’s unemployment reached an all-time high in 2009, the city’s employment has largely escaped the recession’s downturn.

• Because Juneau has the largest and most stable employment base in the region, the not seasonally adjusted rate for December in Southeast was 8.6 percent. Other areas with more seasonal employment have a much higher rate in the winter. (See table at right.)

Unemployment Rates, December 2010, Not Seasonally Adjusted

<table>
<thead>
<tr>
<th>Area</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alaska Statewide</td>
<td>8.1</td>
</tr>
<tr>
<td>Anchorage/Mat-Su MSA</td>
<td>7.1</td>
</tr>
<tr>
<td>Southeast Region</td>
<td>8.6</td>
</tr>
<tr>
<td>Haines Borough</td>
<td>12.1</td>
</tr>
<tr>
<td>Hoonah-Anagoon Census Area</td>
<td>21.4</td>
</tr>
<tr>
<td>Juneau, City and Borough of</td>
<td>5.8</td>
</tr>
<tr>
<td>Prince of Wales-Outer Ketchikan Census Area</td>
<td>16.2</td>
</tr>
<tr>
<td>Sitka, City and Borough of</td>
<td>7.4</td>
</tr>
<tr>
<td>Skagway, Municipality of</td>
<td>27.8</td>
</tr>
<tr>
<td>Wrangell-Petersburg Census Area</td>
<td>11.9</td>
</tr>
<tr>
<td>Yakutat, City and Borough of</td>
<td>14.1</td>
</tr>
</tbody>
</table>

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section
Wage and Salary Employment by Industry: Southeast and Juneau, 2009

Southeast Alaska Industry Employment 2009

- Natural Resources and Mining: 2.1%
- Construction: 4.0%
- Other Manufacturing: 1.4%
- Seafood Processing: 3.7%
- Trade, Transportation, and Utilities: 19.8%
- Education and Health: 10.1%
- Leisure and Hospitality: 9.8%
- Federal Government: 4.8%
- State Government: 15.2%
- Local Government: 17.3%
- All Other: 11.9%
- Total Government: 37.5%

City and Borough of Juneau Industry Employment 2009

- Trade, Transportation, and Utilities: 18.9%
- Education and Health: 9.7%
- Leisure and Hospitality: 8.2%
- Federal Government: 4.7%
- State Government: 24.1%
- Local Government: 12.7%
- All Other: 13.3%
- Total Government: 41.5%

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

- A more detailed breakdown of industry employment in Juneau versus Southeast Alaska reinforces the trends in the unemployment rates. More of the Juneau pie is employment in government, and more of the Southeast pie is employment in typically seasonal industries including seafood processing, leisure and hospitality, trade, and transportation services.
- More detailed employment information for specific industries or locations is available at Research and Analysis’ QCEW Web site. For databases with the most recent years, visit: http://laborstats.alaska.gov/?pageId=229.
In 2009, the Southeast fisheries workforce was estimated at 10,150, with gross earnings of $173 million.

The workforce number indicates the number of individual permits in the region plus the estimated number of crew members needed to fish the permit.

These employment numbers don’t count self-employed fishery workers, but we know they are an important source of income.