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## Occupational Employment and Wages in Fairbanks — May 2018

Workers in the Fairbanks Metropolitan Statistical Area had an average (mean) hourly wage of \$27.68 in May 2018, about 11 percent above the nationwide average of \$24.98, according to the U.S. Bureau of Labor Statistics. Assistant Commissioner for Regional Operations Richard Holden noted that, after testing for statistical significance, wages in the local area were higher than their respective national averages in 13 of the 22 major occupational groups, including production; healthcare practitioners and technical; and transportation and material moving. Six groups had significantly lower wages than their respective national averages, including management; legal; and computer and mathematical.

When compared to the nationwide distribution, local employment was more highly concentrated in 8 of the 22 occupational groups, including life, physical, and social science; construction and extraction; and office and administrative support. Conversely, nine groups had employment shares significantly below their national representation, including production; business and financial operations; and computer and mathematical. (See [table A](#) and [box note](#) at end of release.)

**Table A. Occupational employment and wages by major occupational group, United States and the Fairbanks Metropolitan Statistical Area, and measures of statistical significance, May 2018**

Major occupational group	Percent of total employment		Mean hourly wage		
	United States	Fairbanks	United States	Fairbanks	Percent difference <sup>(1)</sup>
Total, all occupations .....	100.0	100.0	\$24.98	\$27.68*	11
Management .....	5.3	5.9*	58.44	47.45*	-19
Business and financial operations.....	5.3	3.8*	36.98	37.67	2
Computer and mathematical .....	3.0	1.6*	44.01	36.80*	-16
Architecture and engineering .....	1.8	2.4*	42.01	44.31	5
Life, physical, and social science .....	0.8	3.4*	36.62	33.32*	-9
Community and social service.....	1.5	2.4*	23.69	24.88*	5
Legal.....	0.8	0.6*	52.25	42.66*	-18
Education, training, and library.....	6.1	7.8*	27.22	33.40*	23
Arts, design, entertainment, sports, and media.....	1.3	0.9*	28.74	24.44*	-15
Healthcare practitioners and technical .....	6.0	6.0	39.42	46.85*	19
Healthcare support .....	2.8	2.3*	15.57	19.99*	28
Protective service .....	2.4	2.3	23.36	27.16*	16
Food preparation and serving related .....	9.2	8.7	12.30	13.54*	10
Building and grounds cleaning and maintenance ...	3.1	3.6	14.43	17.13*	19
Personal care and service.....	3.8	2.9*	13.51	16.75*	24
Sales and related .....	10.0	8.8*	20.09	17.11*	-15
Office and administrative support.....	15.1	16.9*	18.75	21.40*	14
Farming, fishing, and forestry .....	0.3	0.1*	14.49	14.76	2
Construction and extraction.....	4.1	6.0*	24.62	31.34*	27
Installation, maintenance, and repair .....	3.9	5.3*	23.54	30.12*	28

Note: See footnotes at end of table.

**Table A. Occupational employment and wages by major occupational group, United States and the Fairbanks Metropolitan Statistical Area, and measures of statistical significance, May 2018 - Continued**

Major occupational group	Percent of total employment		Mean hourly wage		
	United States	Fairbanks	United States	Fairbanks	Percent difference <sup>(1)</sup>
Production .....	6.3	2.1*	18.84	26.87*	43
Transportation and material moving .....	7.1	6.4	18.41	25.77*	40

Footnotes:

(1) A positive percent difference measures how much the mean wage in the Fairbanks Metropolitan Statistical Area is above the national mean wage, while a negative difference reflects a lower wage.

\* The mean hourly wage or percent share of employment is significantly different from the national average of all areas at the 90-percent confidence level.

One occupational group—construction and extraction—was chosen to illustrate the diversity of data available for any of the 22 major occupational categories. Fairbanks had 2,110 jobs in construction and extraction, accounting for 6.0 percent of local area employment, significantly higher than the 4.1-percent share nationally. The average hourly wage for this occupational group locally was \$31.34, significantly above the national wage of \$24.62.

Some of the larger detailed occupations within the construction and extraction group included construction laborers (450), operating engineers and other construction equipment operators (350), and plumbers, pipefitters, and steamfitters (180). Among the higher-paying jobs in this group were first-line supervisors of construction trades and extraction workers and plumbers, pipefitters, and steamfitters, with mean hourly wages of \$40.11 and \$36.05, respectively. At the lower end of the wage scale were septic tank servicers and sewer pipe cleaners (\$23.82) and construction laborers (\$23.86). (Detailed data for the construction and extraction occupations are presented in [table 1](#); for a complete listing of detailed occupations available go to [www.bls.gov/oes/current/oes\\_21820.htm](http://www.bls.gov/oes/current/oes_21820.htm) .)

Location quotients allow us to explore the occupational make-up of a metropolitan area by comparing the composition of jobs in an area relative to the national average. (See [table 1](#).) For example, a location quotient of 2.0 indicates that an occupation accounts for twice the share of employment in the area than it does nationally. In the Fairbanks Metropolitan Statistical Area, above-average concentrations of employment were found in many of the occupations within the construction and extraction group. For instance, operating engineers and other construction equipment operators were employed at 3.8 times the national rate in Fairbanks, and construction laborers, at 1.8 times the U.S. average.

These statistics are from the Occupational Employment Statistics (OES) survey, a federal-state cooperative program between BLS and State Workforce Agencies, in this case, the Alaska Department of Labor & Workforce Development.

## **Area Changes to the May 2018 Occupational Employment Statistics (OES)**

OES continues to publish data for metropolitan and nonmetropolitan areas that cover the full geography of the United States. However, the level of detail available has decreased.

OES no longer publishes data for metropolitan divisions. Data for the 11 large metropolitan areas that contain divisions are now available at the Metropolitan Statistical Area (MSA) or New England City and Town Area (NECTA) level only.

In addition, some smaller nonmetropolitan areas have been combined to form larger nonmetropolitan areas. The May 2018 OES estimates contain data for 134 nonmetropolitan areas, compared with 167 nonmetropolitan areas in the May 2017 estimates.

More information on these area changes is available at [www.bls.gov/oes/areas\\_2018.htm](http://www.bls.gov/oes/areas_2018.htm).

## **Implementing the 2018 Standard Occupational Classification (SOC) System**

The OES program plans to begin implementing the 2018 Standard Occupational Classification (SOC) system with the May 2019 estimates, to be released by early April of 2020. Because each set of OES estimates is produced by combining three years of survey data, estimates for May 2019 and May 2020 will be based on a combination of survey data collected under the 2010 SOC and data collected under the 2018 SOC, and will use a hybrid of the two classification systems. The May 2021 OES estimates, to be released by early April of 2022, will be the first set of estimates based fully on the 2018 SOC. For more information, please see [www.bls.gov/oes/soc\\_2018.htm](http://www.bls.gov/oes/soc_2018.htm).

## **Technical Note**

The Occupational Employment Statistics (OES) survey is a semiannual survey measuring occupational employment and wage rates for wage and salary workers in nonfarm establishments in the United States. The OES data available from BLS include cross-industry occupational employment and wage estimates for the nation; over 580 areas, including states and the District of Columbia, metropolitan statistical areas (MSAs), nonmetropolitan areas, and territories; national industry-specific estimates at the NAICS sector, 3-digit, most 4-digit, and selected 5- and 6-digit industry levels, and national estimates by ownership across all industries and for schools and hospitals. OES data are available at [www.bls.gov/oes/tables.htm](http://www.bls.gov/oes/tables.htm).

The OES survey is a cooperative effort between BLS and the State Workforce Agencies (SWAs). BLS funds the survey and provides the procedures and technical support, while the State Workforce Agencies collect most of the data. OES estimates are constructed from a sample of about 1.2 million establishments. Each year, two semiannual panels of approximately 180,000 to 200,000 sampled establishments are contacted, one panel in May and the other in November. Responses are obtained by mail, Internet or other electronic means, email, telephone, or personal visit. The May 2018 estimates are based on responses from six semiannual panels collected over a 3-year period: May 2018, November 2017, May 2017, November 2016, May 2016, and November 2015. The unweighted sample employment of 83 million across all six semiannual panels represents approximately 58 percent of total national employment. The overall national response rate for the six panels, based on the 50 states and the District of Columbia, is 71 percent based on establishments and 68

percent based on weighted sampled employment. The sample in the Fairbanks Metropolitan Statistical Area included 695 establishments with a response rate of 72 percent. For more information about OES concepts and methodology, go to [www.bls.gov/oes/current/oes\\_tec.htm](http://www.bls.gov/oes/current/oes_tec.htm).

A value that is statistically different from another does not necessarily mean that the difference has economic or practical significance. Statistical significance is concerned with the ability to make confident statements about a universe based on a sample. It is entirely possible that a large difference between two values is not significantly different statistically, while a small difference is, since both the size and heterogeneity of the sample affect the relative error of the data being tested.

The May 2018 OES estimates are based on the 2010 Standard Occupational Classification (SOC) system and the 2017 North American Industry Classification System (NAICS). Information about the 2010 SOC is available on the BLS website at [www.bls.gov/soc](http://www.bls.gov/soc) and information about the 2017 NAICS is available at [www.bls.gov/bls/naics.htm](http://www.bls.gov/bls/naics.htm).

### **Metropolitan area definitions**

The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget.

The **Fairbanks, Alaska Metropolitan Statistical Area** includes Fairbanks North Star Borough.

### **Additional information**

OES data are available on our regional web page at [www.bls.gov/regions/west](http://www.bls.gov/regions/west). Answers to frequently asked questions about the OES data are available at [www.bls.gov/oes/oes\\_ques.htm](http://www.bls.gov/oes/oes_ques.htm). Detailed technical information about the OES survey is available in our Survey Methods and Reliability Statement on the BLS website at [www.bls.gov/oes/current/methods\\_statement.pdf](http://www.bls.gov/oes/current/methods_statement.pdf).

Information in this release will be made available to sensory impaired individuals upon request . Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

**Table 1. Employment and wage data from the Occupational Employment Statistics survey, by occupation, Fairbanks Metropolitan Statistical Area, May 2018**

Occupation <sup>(1)</sup>	Employment		Mean wages	
	Level <sup>(2)</sup>	Location quotient <sup>(3)</sup>	Hourly	Annual <sup>(4)</sup>
Construction and extraction occupations .....	2,110	1.5	\$31.34	\$65,180
First-line supervisors of construction trades and extraction workers .....	160	1.1	40.11	83,440
Carpenters.....	170	1.0	30.41	63,250
Construction laborers .....	450	1.8	23.86	49,630
Operating engineers and other construction equipment operators .....	350	3.8	36.04	74,970
Electricians .....	170	1.1	35.76	74,370
Painters, construction and maintenance .....	40	0.7	29.31	60,960
Plumbers, pipefitters, and steamfitters .....	180	1.6	36.05	74,980
Roofers.....	50	1.6	28.13	58,510
Sheet metal workers.....	70	2.3	30.87	64,210
Septic tank servicers and sewer pipe cleaners .....	(5)	(5)	23.82	49,540

Footnotes:

- (1) For a complete listing of all detailed occupations in the Fairbanks, AK Metropolitan Statistical Area, see [www.bls.gov/oes/current/oes\\_21820.htm](http://www.bls.gov/oes/current/oes_21820.htm)
- (2) Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown separately. Estimates do not include self-employed workers.
- (3) The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.
- (4) Annual wages have been calculated by multiplying the hourly mean wage by a "year-round, full-time" hours figure of 2,080 hours; for those occupations where there is not an hourly mean wage published, the annual wage has been directly calculated from the reported survey data.
- (5) Estimate not released.