



Alaska Economic Update

January 28, 2016

Summary

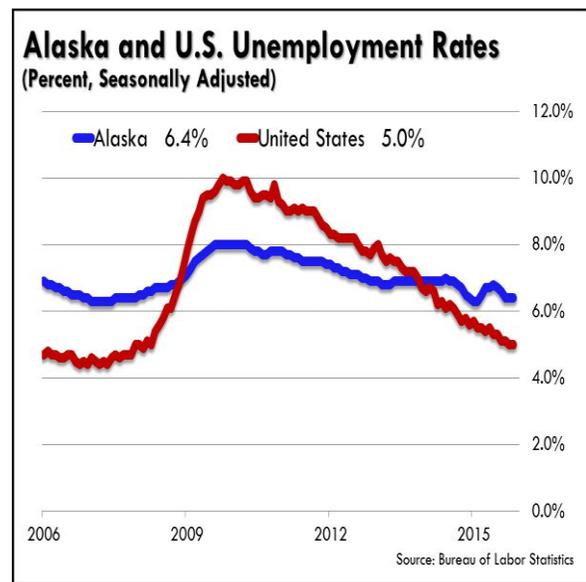
Nonfarm payroll employment in Alaska increased by 2,600 jobs and the unemployment rate increased to 6.5 percent in December according to data released by the Bureau of Labor Statistics (BLS).

Alaska Unemployment Rate

During December, the unemployment rate in Alaska increased to 6.5 percent. The number of people counted as unemployed increased by 400 in December to 23,700, while the labor force increased by 100 to 362,700.

The 10-year peak for the unemployment rate in Alaska was 8.0 percent in April 2010. The series high for the unemployment rate in Alaska occurred in December 1986 when the unemployment rate reached 11.2 percent. The 10-year low for the unemployment rate in Alaska was 6.3 percent in February 2015. The series low for the unemployment rate in Alaska occurred in February 2015 when the unemployment rate reached 6.3 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



Alaska Payroll Employment

Alaska nonfarm payrolls increased by 2,600 jobs, or 0.8 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls decreased by 1,700. Over the past 12 months nonfarm payrolls in Alaska decreased by 300, or 0.1 percent. Alaska nonfarm payroll employment has increased in 6 of the past 12 months.

Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

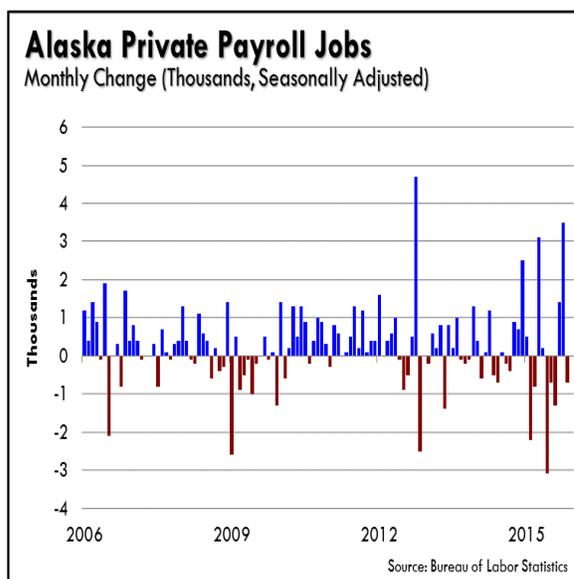
During December, Alaska private-sector payrolls increased by 2,400, or 0.9 percent. Private-sector payrolls decreased by 1,600 jobs in the prior month. Over the past 12 months, private-sector payrolls in Alaska increased by 1,400, or 0.5 percent. Alaska private-sector payroll employment has increased in 6 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Alaska increased by 200, or 0.2 percent. Federal government payroll employment remained unchanged. State government payroll employment also remained unchanged as well, while local government payroll employment increased by 200, or 0.5 percent.

Over the past year, total government payroll employment decreased by 1,700, or 2.1 percent. State government payroll employment decreased by 1,600, or 6.1 percent. Local government payroll employment increased by 200, or 0.5 percent.

The best performing sectors on a seasonally adjusted basis during December were Manufacturing (+1,200) and Trade, Transportation, and Utilities (+700). The poorest



performing sectors during the month were Leisure and Hospitality (-700) and Financial Activities (-200).

The best performing sectors during the last twelve months were Trade, Transportation, and Utilities (+2,700) and Education and Health Services (+1,100). The poorest performing sectors for the year were Government (-1,700) and Professional and Business Services (-1,500).

Other Alaska Labor Force Statistics

The labor force participation rate in Alaska held steady at 67.2 percent in December. The labor force participation rate in Alaska is down from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Alaska was 71.5 percent in June 2006. The series high for the labor force participation rate in Alaska occurred in December 1989, when the labor force participation rate hit 74.4 percent. The 10-year low for the labor force participation rate was 67.1 percent in September 2015.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Alaska civilian noninstitutionalized population 16 years and older counted as employed, decreased to 62.8 percent in December.

The series high for the employment-to-population ratio in Alaska occurred in March 1998 when the employment-to-population ratio hit 69.5 percent. The 10-year low for the employment-to-population ratio was 62.8 percent in December 2015. The series low for the employment-to-population ratio occurred in August 1977 when the employment-to-



population ratio hit 62.5 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.