



Alaska Economic Update

August 21, 2015

Summary

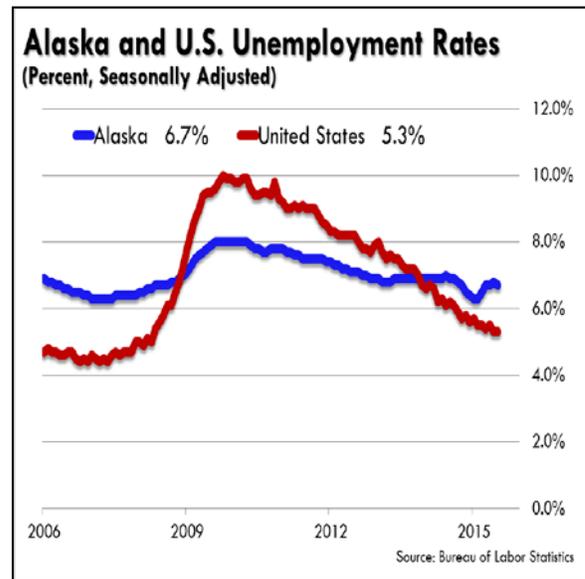
Nonfarm payroll employment in Alaska declined by 200 jobs and the unemployment rate fell to 6.7 percent in July according to data released by the Bureau of Labor Statistics (BLS).

Alaska Unemployment Rate

During July, the unemployment rate in Alaska declined by 0.1 percentage point to 6.7 percent. The number of people counted as unemployed fell by 355 in July to 24,466, while the labor force fell by 1,227 to 363,884. Among the 50 states and the District of Columbia, 47 posted lower unemployment rates for the month than Alaska. A year earlier, the unemployment rate in Alaska stood at 6.9 percent.

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 August 1986 when the unemployment rate reached 11.2 percent. The 10 year low for the unemployment rate was 6.3 percent in February 2015. This also represents the series low for the unemployment rate in Alaska. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.3 percent in July. July's unemployment rate was 0.9 percentage point lower than a year earlier when the rate stood at 6.2 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Alaska Payroll Employment

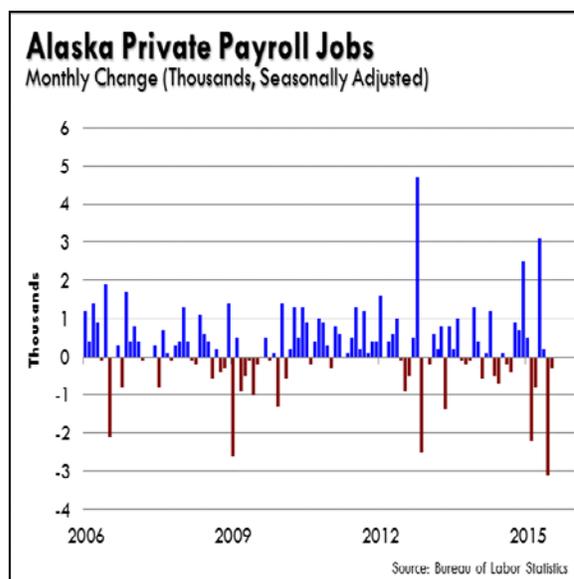
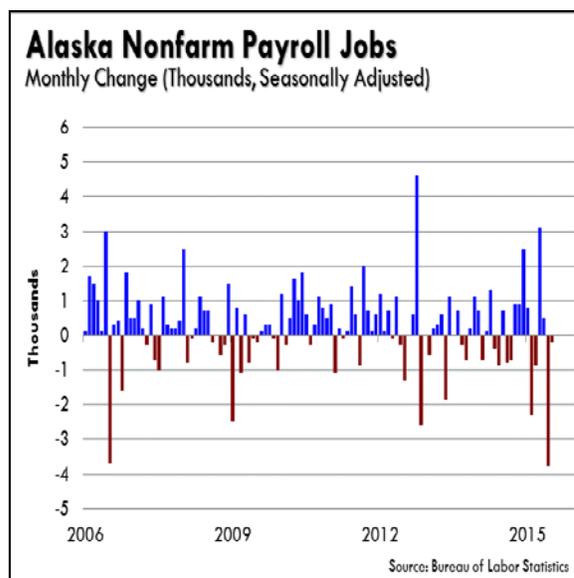
Alaska nonfarm payrolls declined by 200 jobs, or 0.06 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls declined by 3,800. Over the past 12 months nonfarm payrolls in Alaska was unchanged. Alaska nonfarm payroll employment has increased in 6 of the past 12 months.

Nationally nonfarm payrolls increased by 215,000 jobs in July, or 0.15 percent. Over the 12 month period ending in July 2015, nonfarm payrolls grew by 2,915,000 jobs, or 2.09 percent. Alaska ranks 49th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, Alaska private sector payrolls declined by 300, or 0.12 percent. Private sector payrolls declined by 3,100 jobs in the prior month. Over the past 12 months, private sector payrolls in Alaska increased by 900, or 0.35 percent. Alaska private sector payroll employment has increased in 6 of the past 12 months.

Nationally, private sector payroll jobs increased by 210,000 in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,853,000 private sector payroll jobs, an increase of 2.43 percent. Alaska ranks 47th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During July, total government payroll employment in Alaska increased by 100, or 0.12 percent. Federal government payroll employment declined by 100, or 0.66 percent. State government payroll employment declined by 100, or 0.39 percent, while local government payroll employment increased by 300, or 0.73 percent.



Over the past year, total government payroll employment declined by 900, or 1.09 percent. State government payroll employment declined by 800, or 3.04 percent. Local government payroll employment declined by 300, or 0.72 percent.

The best performing sectors on a seasonally adjusted basis during July were Manufacturing (+900) and Construction (+300). The poorest performing sectors during the month were Leisure & Hospitality (-700) and Educational & Health Services (-500).

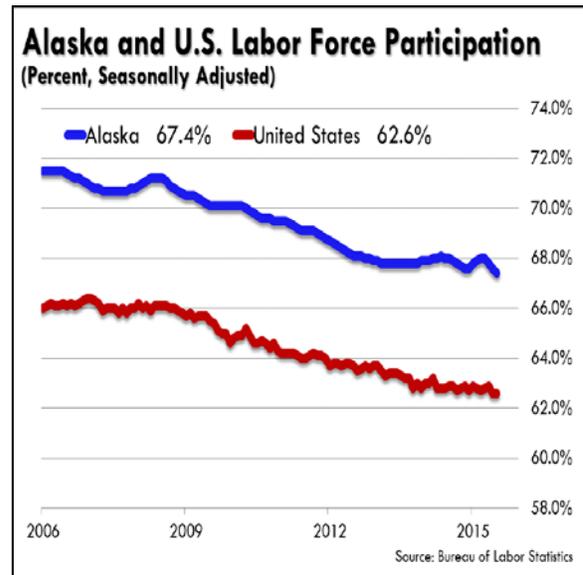
The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+1,700) and Construction (+1,400). The poorest performing sectors for the year were Professional & Business Services (-1,400) and Total Government (-900).



Other Alaska Labor Force Statistics

The labor force participation rate in Alaska declined to 67.4 percent in July from 67.6 percent the prior month. Among the 50 states and the District of Columbia, 10 have a higher labor force participation rate than Alaska. The labor force participation rate in Alaska is unchanged 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 71.8 percent in September 2005. 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 67.4 percent in July 2015. This also represents the series low for the labor force participation rate in Alaska.



The national labor force participation rate remained at 62.6 percent in July. That rate is 0.2 percentage point lower than a year earlier. The rate for June and July are the lowest recorded since October 1977.

The employment-to-population ratio, or the percentage of the Alaska civilian noninstitutionalized population 16 years and older counted as employed, declined to 62.9 percent in July from 63.0 percent the prior month. Among the 50 states and the District of Columbia, 14 have higher employment-to-population ratios than Alaska. The employment-to-population ratio in Alaska is 0.4 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in Alaska was 66.9 percent in August 2005. 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 62.9 percent in July 2015. The series low for the employment-to-population ratio occurred in September 1977 when the employment-to-population ratio hit 62.5 percent.

The national employment-to-population ratio held steady at 59.3 percent in July. At 59.3 percent, the national employment-to-population ratio is below its level of 59.4 percent 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 August is scheduled for release on Friday, September 18. The national employment situation report for August will be released on Friday, September 4.

