



Alaska Economic Update

June 19, 2015

Summary

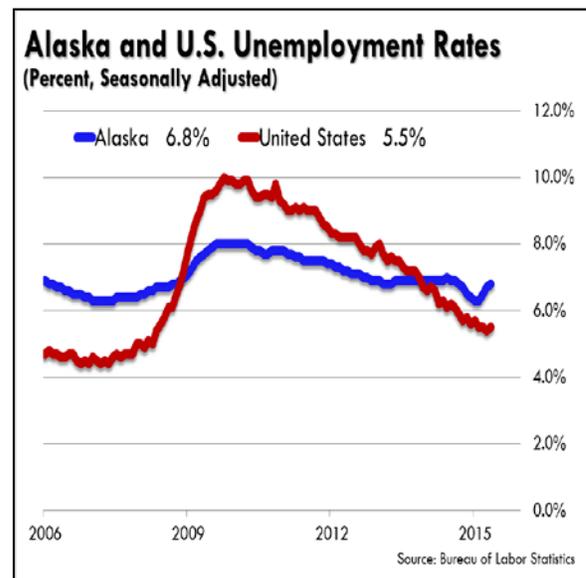
Nonfarm payroll employment in Alaska declined by 100 jobs and the unemployment rate rose to 6.8 percent in May according to data released by the Bureau of Labor Statistics (BLS).

Alaska Unemployment Rate

During May, the unemployment rate in Alaska increased by 0.1 percentage point to 6.8 percent. The number of people counted as unemployed rose by 195 in May to 24,738, while the labor force fell by 998 to 366,328. Among the 50 states and the District of Columbia, 46 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 inched up to 5.5 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.3 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

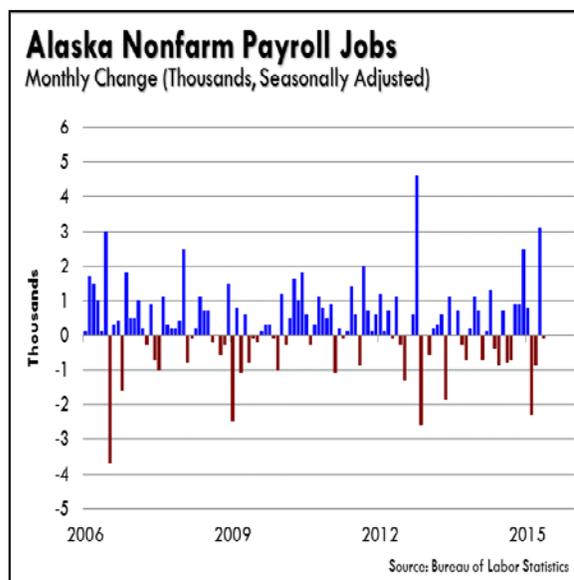
Alaska nonfarm payrolls declined by 100 jobs, or 0.03 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls increased by 3,100. Over the past 12 months nonfarm payrolls in Alaska increased by 3,200, or 0.95 percent. Alaska nonfarm payroll employment has increased in 6 of the past 12 months.

Nationally nonfarm payrolls increased by 280,000 jobs in May, or 0.20 percent. Over the 12 month period ending in May 2015, nonfarm payrolls grew by 3,058,000 jobs, or 2.21 percent. Alaska ranks 41st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, Alaska private sector payrolls declined by 700, or 0.27 percent. Private sector payrolls increased by 3,100 jobs in the prior month. Over the past 12 months, private sector payrolls in Alaska increased by 2,800, or 1.10 percent. Alaska private sector payroll employment has increased in 6 of the past 12 months.

Nationally, private sector payroll jobs increased by 262,000 in May, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,958,000 private sector payroll jobs, an increase of 2.53 percent. Alaska ranks 40th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in Alaska increased by 600, or 0.73 percent. Federal government payroll employment increased by 200, or 1.36 percent. State government payroll employment declined by 200, or 0.77 percent, while local government payroll employment increased by 600, or 1.45 percent.



Over the past year, total government payroll employment increased by 400, or 0.49 percent. State government payroll employment declined by 700, or 2.64 percent. Local government payroll employment increased by 1,100, or 2.69 percent.

The best performing sectors on a seasonally adjusted basis during May were Total Government (+600) and Trade, Transportation & Utilities (+300). The poorest performing sectors during the month were Manufacturing (-500) and Financial Activities (-300).

The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+1,700) and Educational & Health Services (+1,300). The poorest performing sectors for the year were Professional & Business Services (-1,000) and Financial Activities (-300).

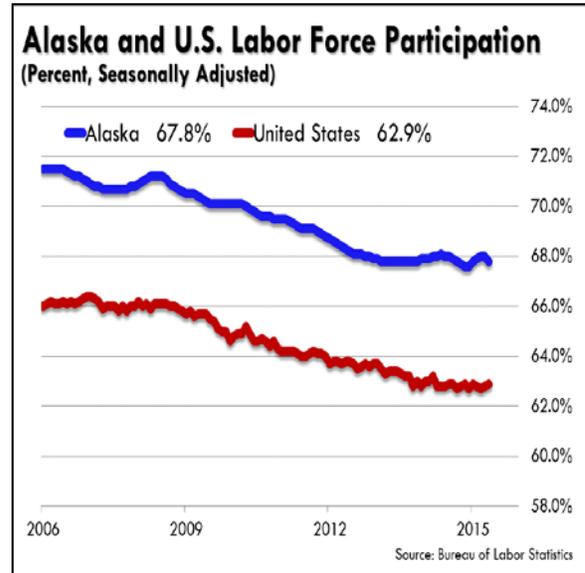


Other Alaska Labor Force Statistics

The labor force participation rate in Alaska declined to 67.8 percent in May from 68.0 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 67.6 percent in December 2014. The series low for the labor force participation rate occurred in March 1976 when the labor force participation rate hit 67.4 percent.

The national labor force participation rate rose by 0.1 percentage point to 62.9 percent in May. That rate is 0.1 percentage point higher than a year earlier.



The employment-to-population ratio, or the percentage of the Alaska civilian noninstitutionalized population 16 years and older counted as employed, declined to 63.3 percent in May from 63.5 percent the prior month. Among the 50 states and the District of Columbia, 13 have higher employment-to-population ratios than Alaska. The employment-to-population ratio in Alaska is unchanged from a year earlier.

The 10 year high for the employment-to-population ratio in Alaska was 67.0 percent in July 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 63.1 percent in November 2013. 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 ticked up to 59.4 percent in May. At 59.4 percent, the national employment-to-population ratio has finally risen back to the level it was at when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in May 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 May is scheduled for release on Tuesday, July 21. The national employment situation report for June is scheduled for release on Thursday, July 2. The national employment report is being released on Thursday instead of Friday due to the Independence Day holiday.

