

# AEDC February 2011 Employment Report

## Executive Summary

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The unemployment rate in Anchorage was down 1.3 percentage points in February 2011 from its recent high of 7.8 percent in March 2010. Overall unemployment is averaging 6.6 percent in Anchorage in 2011, which is a little higher than 2009's 6.5 percent, but below 2010's 7.6 percent. The labor force in Anchorage continues to grow and is averaging about 650 more workers in 2011, compared to 2010. This is particularly impressive when realizing that Anchorage unemployment continues to drop while the labor force continues to grow.<sup>1</sup>

Overall, in Anchorage, jobs are also up for the year by an average of 1,300 when compared to 2010. The sectors seeing the most growth are professional services (up 400), and education and healthcare (up 900 jobs with 550 of those in the healthcare sector).

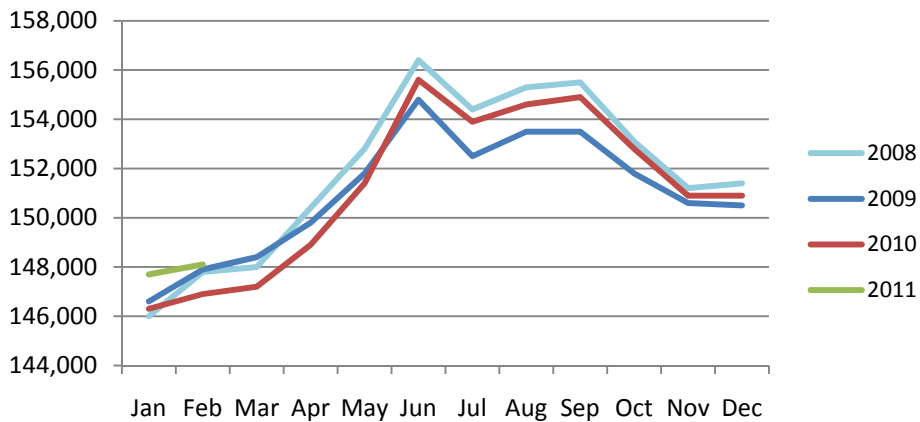
The overall picture is that services producing jobs in Anchorage (engineering, retail, tourism, healthcare, etc.) are up 2011 over 2010 by 1,100 jobs or 0.81 percent. The big news however, is that goods producing jobs which are construction work, mining, oil & gas (those jobs that are specifically tied to production, not those that support the production or maintenance of the production jobs) are up 150 jobs or 1.30 percent. The interesting point is that neither construction nor oil & gas have had an increase in jobs over 2010 numbers for the first two months of this year and mining is only up 50 jobs on average for this year so we are a little unsure what is driving this increase.

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<sup>1</sup> Unemployment rate and labor force only count jobs and people that live and work in the same city, but the Industry Employment Estimates count all jobs within a specified city or region regardless of where a person lives.

## Anchorage Employment

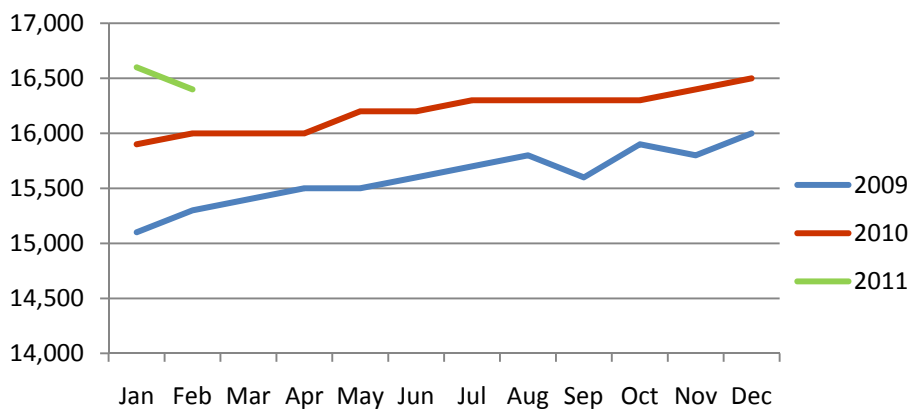
Municipality of Anchorage 2008-Present



Preliminary numbers for Anchorage's employment show an average increase of 1,300 jobs for 2011 vs. 2010, with a month-to-month (Feb. 11 vs. Feb. 10) comparison showing an increase of 1,200 jobs. This is the first time Anchorage has shown a growth in employment over the highs of 2008.

## Health Care Employment

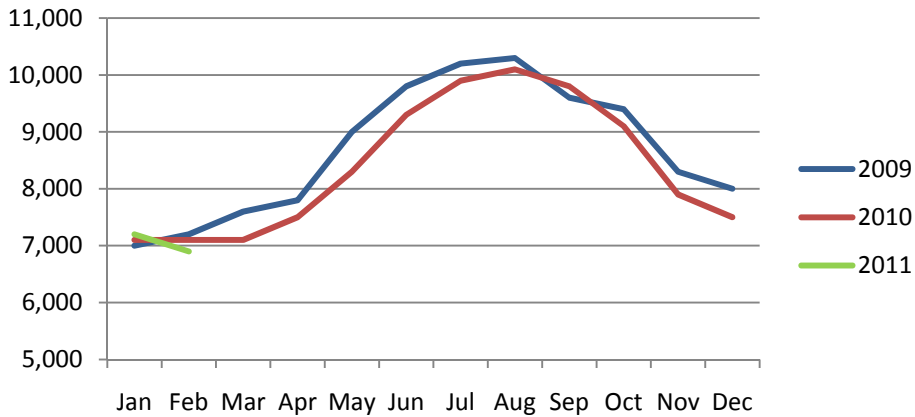
Municipality of Anchorage 2009-Present



According to preliminary numbers for health care and related employment there is a decrease of 200 jobs from Jan. to Feb. 2011. On average for 2011 vs. 2010 health care is up 550 jobs. This is the first big decrease in month-to-month healthcare employment that we have seen since 2009. We do not, however, expect health care to end the year, or even the quarter in a loss of jobs; we expect growth from this sector throughout 2011.

## Construction Employment

Municipality of Anchorage 2009-Present

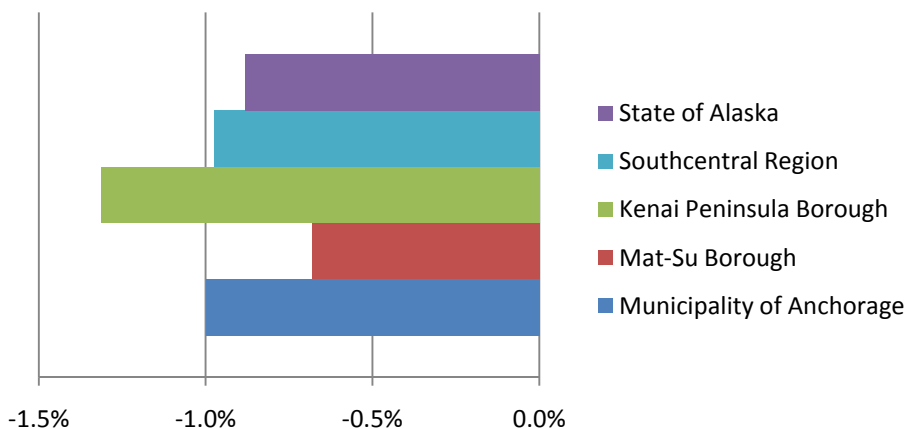


Construction employment is a naturally cyclical industry. On average year-to-date this sector is down 50 jobs. January to February showed a decrease of 300 jobs.

2010 proved to be a tough year for construction with the only new major Anchorage project being the Generations Project at Providence Hospital. 2011 is expected to be a better year with the passage of Prop B in 2010 giving the ability to bond up to \$379 million for projects around the state.

## Unemployment Rates

YTD Average 2011 vs 2010



Year-to-date 2011 vs. 2010 average unemployment rates are down for the state overall. Each of the regions tracked saw a least a 0.7% decrease in their YTD average unemployment rates.

This is particularly exciting news for Anchorage whose labor force grew by an average of 652 workers. The Mat-Su also experienced an increase in its workforce by an average of 318. The Kenai Peninsula saw a loss of an average of 74 workers.



## Unemployment Analysis (Year-To-Date, 2011)

• Anchorage • Mat-Su Borough • Kenai Peninsula Borough •

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	11 YTD Avg	10 YTD Avg	11 vs 10
	revised	preliminary													
<b>Municipality of Anchorage</b>															
Labor Force	156,242	155,415											155,829	155,177	652
Employment	145,940	145,240											145,590	143,433	2,158
Unemployment	10,302	10,175											10,239	11,745	(1,506)
Unemployment Rate	6.6	6.5											6.6%	7.6%	-1.0%
<b>Mat-Su Borough</b>															
Labor Force	43,892	43,609											43,751	43,433	318
Employment	39,289	39,100											39,195	38,614	581
Unemployment	4,603	4,509											4,556	4,819	(263)
Unemployment Rate	10.5	10.3											10.4%	11.1%	-0.7%
<b>Kenai Peninsula Borough</b>															
Labor Force	26,172	26,236											26,204	26,278	(74)
Employment	23,108	23,219											23,164	22,884	280
Unemployment	3,064	3,017											3,041	3,394	(354)
Unemployment Rate	11.7	11.5											11.6%	12.9%	-1.3%
<b>Southcentral Region</b>															
Labor Force	226,306	225,260	-	-	-	-	-	-	-	-	-	-	225,783	224,887	896
Employment	208,337	207,559	-	-	-	-	-	-	-	-	-	-	207,948	204,930	3,018
Unemployment	17,969	17,701	-	-	-	-	-	-	-	-	-	-	17,835	19,957	(2,122)
Unemployment Rate	7.9%	7.9%											7.9%	8.9%	-1.0%
<b>State of Alaska</b>															
Labor Force	359,660	360,516											360,088	357,870	2,218
Employment	328,621	330,036											329,329	324,147	5,182
Unemployment	31,039	30,480											30,760	33,724	(2,964)
Unemployment Rate	8.6	8.5											8.5%	9.4%	-0.9%

**\*Note:** These numbers reflect employment, unemployment, etc. for only those people that are residence of the specified City/Region, thus are not inclusive of people who commute to another city for their jobs. (Ex: Someone lives in Wasilla but works in Anchorage. They would be counted in the Mat-Su Borough's labor force and employment numbers, not the Municipality of Anchorage numbers)



## Industry Employment Estimates 2011 Municipality of Anchorage

Industry	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 YTD Avg.	2010 YTD Avg.	2011 vs 2010 Monthly Avg	% Change
	revised	preliminary														
<b>Total Nonfarm</b>	147,700	148,100											147,900	146,600	1,300	0.89%
Goods Producing	11,800	11,500											11,650	11,500	150	1.30%
Services Providing	135,800	136,600											136,200	135,100	1,100	0.81%
Mining and Logging <sup>2</sup>	2,800	2,700											2,750	2,700	50	1.85%
Mining	2,700	2,700											2,700	2,700	0	0.00%
Oil & Gas	2,500	2,500											2,500	2,600	-100	-3.85%
Construction	7,200	6,900											7,050	7,100	-50	-0.70%
Manufacturing	1,900	1,900											1,900	1,800	100	5.56%
Trade/Transportation/Utilities	31,000	30,600											30,800	31,350	-550	-1.75%
Wholesale Trade	4,300	4,300											4,300	4,400	-100	-2.27%
Retail Trade	16,700	16,400											16,550	16,800	-250	-1.49%
Trans/Warehouse/Utilities	10,000	9,900											9,950	10,150	-200	-1.97%
Air Transportation	2,800	2,700											2,750	2,800	-50	-1.79%
Information	4,000	4,000											4,000	4,050	-50	-1.23%
Financial Activities	8,800	8,800											8,800	8,700	100	1.15%
Professional & Business Svcs	17,800	18,100											17,950	17,550	400	2.28%
Educational & Health Services	22,200	22,300											22,250	21,350	900	4.22%
Health Care	16,600	16,400											16,500	15,950	550	3.45%
Leisure & Hospitality	15,100	15,400											15,250	15,000	250	1.67%
Accommodation	3,100	3,100											3,100	3,100	0	0.00%
Food Svcs & Drinking Places	10,000	10,200											10,100	9,900	200	2.02%
Other Services	5,500	5,500											5,500	5,400	100	1.85%
<b>Government</b>	31,500	31,900											31,700	31,600	100	0.32%
Federal Government	9,500	9,500											9,500	9,400	100	1.06%
State Government	10,500	10,800											10,650	10,600	50	0.47%
State Education	2,600	2,900											2,750	2,700	50	1.85%
Local Government	11,400	11,600											11,500	11,600	-100	-0.86%
Local Education	8,400	8,600											8,500	8,600	-100	-1.16%
Tribal Government <sup>1</sup>	-	-											-	-		

- Nonfarm Wage & Salary excludes self-employed workers, fishers, domestics, and unpaid family workers.

- Government includes employees of public school systems and the University of Alaska.

- Beginning January 2001, wage and salary employment estimates were published under a new classification system. The Standard Industrial Classification system (SIC) has been replaced by the North American Industry Classification System (NAICS). Data prior to 2001 are comparable only at the Total Nonfarm and Government levels.

<sup>1/</sup> As of January 2001, certain federally-recognized tribal entities were moved to Local Government, which created a series break for Total Government and Local Government. [Please see the April 2002 Alaska Economic Trends publication for a detailed explanation.](#)

<sup>2/</sup> This category was called "Natural Resources and Mining" in previous years. The change is in name only; the industries it includes remain the same.

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

Quick Comparisons		
11 vs 10		
February	1,200	0.82%
11 vs 10		
1st Qtr YTD	1,300	0.89%
11 vs 10 2nd		
Qtr.	N/A	N/A
11 vs 10 3rd		
Qtr.	N/A	N/A
11 vs 10 4th		
Qtr.	N/A	N/A

\* **Note:** The above numbers are representative of all people employed in the Municipality of Anchorage, this is inclusive of workers who claim residence outside of the Municipality of Anchorage. (Ex: someone who lives in the Mat-Su, but works in Anchorage would be included in these number)





## Industry Employment Estimates 2011 State of Alaska

Industry	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2011 YTD Avg.	2010 YTD Avg.	2011 vs 2010 Monthly Avg	% Change
	revised	preliminary														
<b>Total Nonfarm</b>	310,500	315,800											313,150	305,050	8,100	2.66%
Goods Producing	38,600	39,700											39,150	37,850	1,300	3.43%
Services Providing	271,900	276,100											274,000	267,200	6,800	2.54%
Mining and Logging <sup>2</sup>	15,100	15,300											15,200	14,100	1,100	7.80%
Mining	14,900	15,100											15,000	13,950	1,050	7.53%
Oil & Gas	13,000	12,900											12,950	12,000	950	7.92%
Construction	12,300	12,200											12,250	12,750	-500	-3.92%
Manufacturing	11,200	12,200											11,700	11,000	700	6.36%
Seafood Processing	7,500	8,700											8,100	7,700	400	5.19%
Trade/Transportation/Utilities	60,600	60,600											60,600	58,750	1,850	3.15%
Wholesale Trade	5,900	5,900											5,900	5,900	0	0.00%
Retail Trade	34,200	34,000											34,100	33,850	250	0.74%
Food & Beverage Stores	5,900	6,000											5,950	6,050	-100	-1.65%
General Merchandise Stores	9,800	9,900											9,850	9,800	50	0.51%
Trans/Warehouse/Utilities	20,500	20,700											20,600	19,000	1,600	8.42%
Air Transportation	5,100	5,400											5,250	5,300	-50	-0.94%
Truck Transportation	3,000	3,200											3,100	2,900	200	6.90%
Information	6,300	6,400											6,350	6,300	50	0.79%
Telecommunications	4,200	4,200											4,200	4,100	100	2.44%
Financial Activities	15,000	15,200											15,100	14,550	550	3.78%
Professional & Business Svcs	24,800	25,600											25,200	24,900	300	1.20%
Educational & Health Services	42,800	43,500											43,150	41,000	2,150	5.24%
Health Care	30,900	31,200											31,050	29,450	1,600	5.43%
Leisure & Hospitality	27,600	28,300											27,950	26,650	1,300	4.88%
Accommodation	6,300	6,200											6,250	5,950	300	5.04%
Food Svcs & Drinking Places	17,400	18,500											17,950	17,050	900	5.28%
Other Services	11,400	11,400											11,400	10,900	500	4.59%
Government	83,400	85,100											84,250	84,150	100	0.12%
Federal Government	16,200	16,400											16,300	16,400	-100	-0.61%
State Government	25,200	26,300											25,750	25,650	100	0.39%
State Education	7,500	8,600											8,050	8,000	50	0.63%
Local Government	42,000	42,400											42,200	42,100	100	0.24%
Local Education	24,700	25,400											25,050	25,000	50	0.20%
Tribal Government <sup>1</sup>	3,500	3,500											3,500	3,550	-50	-1.41%

- Nonfarm Wage & Salary excludes self-employed workers, fishers, domestics, and unpaid family workers.

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

Quick Comparisons		
<b>11 vs 10 February</b>	<b>8,600</b>	<b>2.82%</b>
<b>11 vs 10 1st Qtr YTD</b>	<b>8,100</b>	<b>2.66%</b>
<b>11 vs 10 2nd Qtr.</b>		<b>0.00%</b>
<b>11 vs 10 3rd Qtr.</b>		<b>0.00%</b>
<b>11 vs 10 4th Qtr YTD</b>		<b>0.00%</b>

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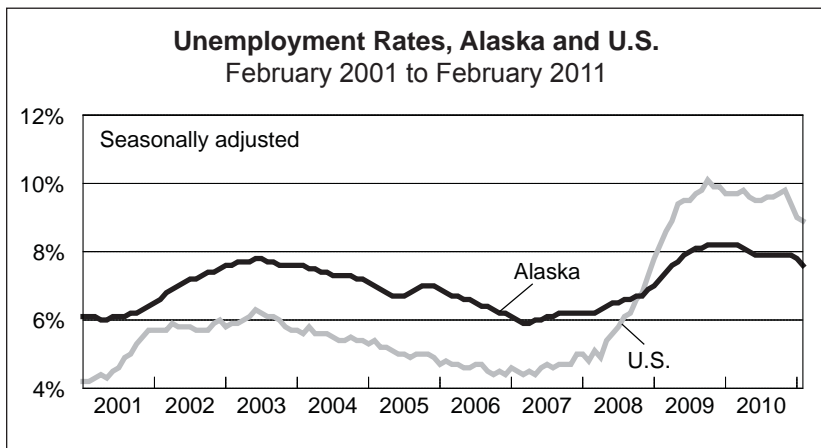
## Press Release

March 23, 2011

COMMISSIONER'S OFFICE

No. 11-17

### Unemployment rate at 7.6 percent in February



February's seasonally adjusted unemployment rate in Alaska inched down to 7.6 percent, from January's revised rate of 7.8 percent.

The comparable national jobless rate for February was 8.9 percent, down from 9.0 percent in January. Last year in February, the national unemployment rate was 9.7 percent, compared to 8.2 percent for Alaska.

Jobless rates in both Alaska and the U.S. have steadily improved for the last three months. According to the Bureau of Labor Statistics, joblessness fell in 282 of the nation's 372 metropolitan areas in January, while it increased in 72 and remained steady in 17.

#### Alaska Nonfarm Payroll Employment<sup>1</sup>

	Preliminary 2/11	Revised 1/11	Revised 2/10	Year-over-year change		
				2/10	90% confidence interval <sup>2</sup>	
Total Nonfarm Employment <sup>3</sup>	315,800	310,500	307,200	8,600	1,217	15,983
Mining and Logging	15,300	15,100	14,200	1,100	307	1,893
Oil and Gas	12,900	13,000	12,000	900	-	-
Construction	12,200	12,300	12,700	-500	-3,083	2,083
Manufacturing	12,200	11,200	11,600	600	-394	1,594
Seafood Processing	8,700	7,500	8,300	400	-	-
Trade, Transportation, and Utilities	60,600	60,600	58,600	2,000	-372	4,372
Retail Trade	34,000	34,200	33,700	300	-1,728	2,328
Information	6,400	6,300	6,300	100	-481	681
Financial Activities	15,200	15,000	14,500	700	-1,243	2,643
Professional and Business Services	25,600	24,800	25,100	500	-1,293	2,293
Educational <sup>4</sup> and Health Services	43,500	42,800	41,200	2,300	1,032	3,568
Health Care	31,200	30,900	29,500	1,700	-	-
Leisure and Hospitality	28,300	27,600	26,900	1,400	-637	3,437
Accommodations	6,200	6,300	6,000	200	-	-
Food Svcs. and Drinking Places	18,500	17,400	17,200	1,300	-	-
Other Services	11,400	11,400	10,900	500	-2,676	3,676
Government <sup>5</sup>	85,100	83,400	85,200	-100	-	-

Notes:

A dash indicates that confidence intervals are not available at this level of detail.

<sup>1</sup>Not seasonally adjusted

<sup>2</sup>Based on the margin of error of the estimate, a 90 percent confidence interval statistically determines a range of values within which the "true" value falls with a 90 percent level of confidence. For more information, go to <http://labor.alaska.gov/research/c-i.pdf>.

<sup>3</sup>Excludes the self-employed, fishermen and other agricultural workers, and private household workers

<sup>4</sup>Private education only

<sup>5</sup>Includes public schools, the University of Alaska, and federally recognized tribal entities

#### Unemployment Rates, Seasonally Adjusted

	2/11	1/11	2/10
Alaska	7.6%	7.8%	8.2%
U.S.	8.9%	9.0%	9.7%

From a historical perspective, these numbers remain high — particularly at the national level. This is not surprising, because the recent recession hit the national labor market much harder than it did in Alaska. Excluding the most recent recession, 1983 was the last time the national unemployment rate was as high as 8.9 percent, but in Alaska it was much more recent: 2004.

Compared to January, the not seasonally adjusted unemployment rates in February moved very little in most areas of the state.

As with the statewide February unemployment rate, nearly all of the area rates in Alaska are slightly below year-ago levels, an indicator that the state's job market is improving.

The production of state and metropolitan area Current Employment Statistics (CES) estimates will transition from state workforce agencies to the BLS with the production of preliminary estimates for March 2011, to be released on April 19, 2011.

Concurrent with this transition, the BLS will implement several methodological changes to standardize the estimation approach across states. While these changes will reduce the potential for statistical bias in state and metropolitan area estimates, they may increase the month-to-month variability of the estimates. More detailed information on the changes to procedures for producing CES estimates is available on the BLS Web site at <http://www.bls.gov/sae/cesprocs.htm>.

Contact: Alyssa Shanks, Economist (907) 269-4863  
Research and Analysis Web site: <http://laborstats.alaska.gov>

## Labor Force by Borough and Census Area, Not Seasonally Adjusted<sup>1</sup>

	Civilian Labor Force			Unemployed					
	2/11 <sup>P</sup>	1/11	2/10	Number			Rate		
				2/11 <sup>P</sup>	1/11	2/10	2/11 <sup>P</sup>	1/11	2/10
<b>Alaska Statewide</b>	<b>360,516</b>	<b>359,660</b>	<b>358,452</b>	<b>30,480</b>	<b>31,039</b>	<b>34,158</b>	<b>8.5</b>	<b>8.6</b>	<b>9.5</b>
<b>Anchorage/Mat-Su Region</b>	<b>199,024</b>	<b>200,134</b>	<b>198,141</b>	<b>14,684</b>	<b>14,905</b>	<b>16,821</b>	<b>7.4</b>	<b>7.4</b>	<b>8.5</b>
Municipality of Anchorage	155,415	156,242	154,824	10,175	10,302	11,964	6.5	6.6	7.7
Matanuska-Susitna Borough	43,609	43,892	43,317	4,509	4,603	4,857	10.3	10.5	11.2
<b>Gulf Coast Region</b>	<b>37,699</b>	<b>37,465</b>	<b>37,671</b>	<b>4,040</b>	<b>4,072</b>	<b>4,519</b>	<b>10.7</b>	<b>10.9</b>	<b>12.0</b>
Kenai Peninsula Borough	26,236	26,172	26,340	3,017	3,064	3,428	11.5	11.7	13.0
Kodiak Island Borough	6,738	6,589	6,680	444	434	502	6.6	6.6	7.5
Valdez-Cordova Census Area	4,725	4,704	4,651	579	574	589	12.3	12.2	12.7
<b>Interior Region</b>	<b>53,846</b>	<b>53,270</b>	<b>53,412</b>	<b>4,634</b>	<b>4,789</b>	<b>5,177</b>	<b>8.6</b>	<b>9.0</b>	<b>9.7</b>
Denali Borough	836	839	824	173	194	178	20.7	23.1	21.6
Fairbanks North Star Borough	46,162	45,883	46,198	3,443	3,567	3,939	7.5	7.8	8.5
Southeast Fairbanks Census Area	3,694	3,548	3,483	456	468	491	12.3	13.2	14.1
Yukon-Koyukuk Census Area	3,154	3,000	2,907	562	560	569	17.8	18.7	19.6
<b>Northern Region</b>	<b>12,878</b>	<b>12,812</b>	<b>12,535</b>	<b>1,249</b>	<b>1,207</b>	<b>1,334</b>	<b>9.7</b>	<b>9.4</b>	<b>10.6</b>
Nome Census Area	4,200	4,197	4,216	531	526	588	12.6	12.5	13.9
North Slope Borough	5,595	5,515	5,277	248	234	288	4.4	4.2	5.5
Northwest Arctic Borough	3,083	3,100	3,042	470	447	458	15.2	14.4	15.1
<b>Southeast Region</b>	<b>38,255</b>	<b>37,836</b>	<b>33,012</b>	<b>3,448</b>	<b>3,573</b>	<b>2,997</b>	<b>9.0</b>	<b>9.4</b>	<b>9.1</b>
Haines Borough	1,073	1,074	1,080	140	149	160	13.0	13.9	14.8
Hoonah-Angoon Census Area <sup>2</sup>	856	840	849	224	214	230	26.2	25.5	27.1
Juneau, City and Borough of	18,586	18,379	18,391	1,097	1,111	1,281	5.9	6.0	7.0
Ketchikan Gateway Borough <sup>2</sup>	7,458	7,482	7,469	686	733	775	9.2	9.8	10.4
Petersburg Census Area <sup>2</sup>	1,633	1,659	-	225	272	-	13.8	16.4	-
Prince of Wales-Hyder Census Area <sup>2</sup>	2,444	2,389	-	468	443	-	19.1	18.5	-
Sitka, City and Borough of	4,462	4,262	4,416	316	336	348	7.1	7.9	7.9
Skagway, Municipality of <sup>2</sup>	539	551	541	150	165	159	27.8	29.9	29.4
Wrangell Borough <sup>2</sup>	936	931	-	102	109	-	10.9	11.7	-
Yakutat, City and Borough of	268	269	266	40	41	44	14.9	15.2	16.5
<b>Southwest Region</b>	<b>18,817</b>	<b>18,146</b>	<b>18,646</b>	<b>2,427</b>	<b>2,494</b>	<b>2,458</b>	<b>12.9</b>	<b>13.7</b>	<b>13.2</b>
Aleutians East Borough	1,253	1,305	1,242	94	122	92	7.5	9.3	7.4
Aleutians West Census Area	4,168	3,671	4,148	168	230	185	4.0	6.3	4.5
Bethel Census Area	7,109	7,079	7,072	1,143	1,136	1,149	16.1	16.0	16.2
Bristol Bay Borough	487	471	458	53	52	53	10.9	11.0	11.6
Dillingham Census Area	2,141	1,989	2,097	243	229	251	11.3	11.5	12.0
Lake and Peninsula Borough	879	890	865	115	110	114	13.1	12.4	13.2
Wade Hampton Census Area	2780	2741	2764	611	615	614	22	22.4	22.2

P = Preliminary. As more information becomes available, data are revised every month for the previous month and again at the end of every calendar year.

Note: The official definition of unemployment excludes anyone who has not made an active attempt to find work in the four-week period up to and including the week that includes the 12th of the reference month. Many in rural Alaska do not meet the definition because they have not conducted an active job search due to the scarcity of employment opportunities.

<sup>1</sup>Unemployment rates that are not seasonally adjusted should not be compared with those that are.

<sup>2</sup>Because of the creation of new boroughs, this borough or census area has been changed or no longer exists. Data for the Skagway Municipality and Hoonah-Angoon Census Area (previously the Skagway-Hoonah-Angoon Census Area) became available in 2010. Data for Wrangell Borough, Petersburg Census Area, and Prince of Wales-Hyder went into effect in January 2011. Prior to January 2011, data were published for Wrangell-Petersburg Census Area and Prince of Wales-Outer Ketchikan Census Area.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Bureau of Labor Statistics