



# AEDC

Anchorage Economic  
Development Corporation

# JULY 2023 EMPLOYMENT UPDATE



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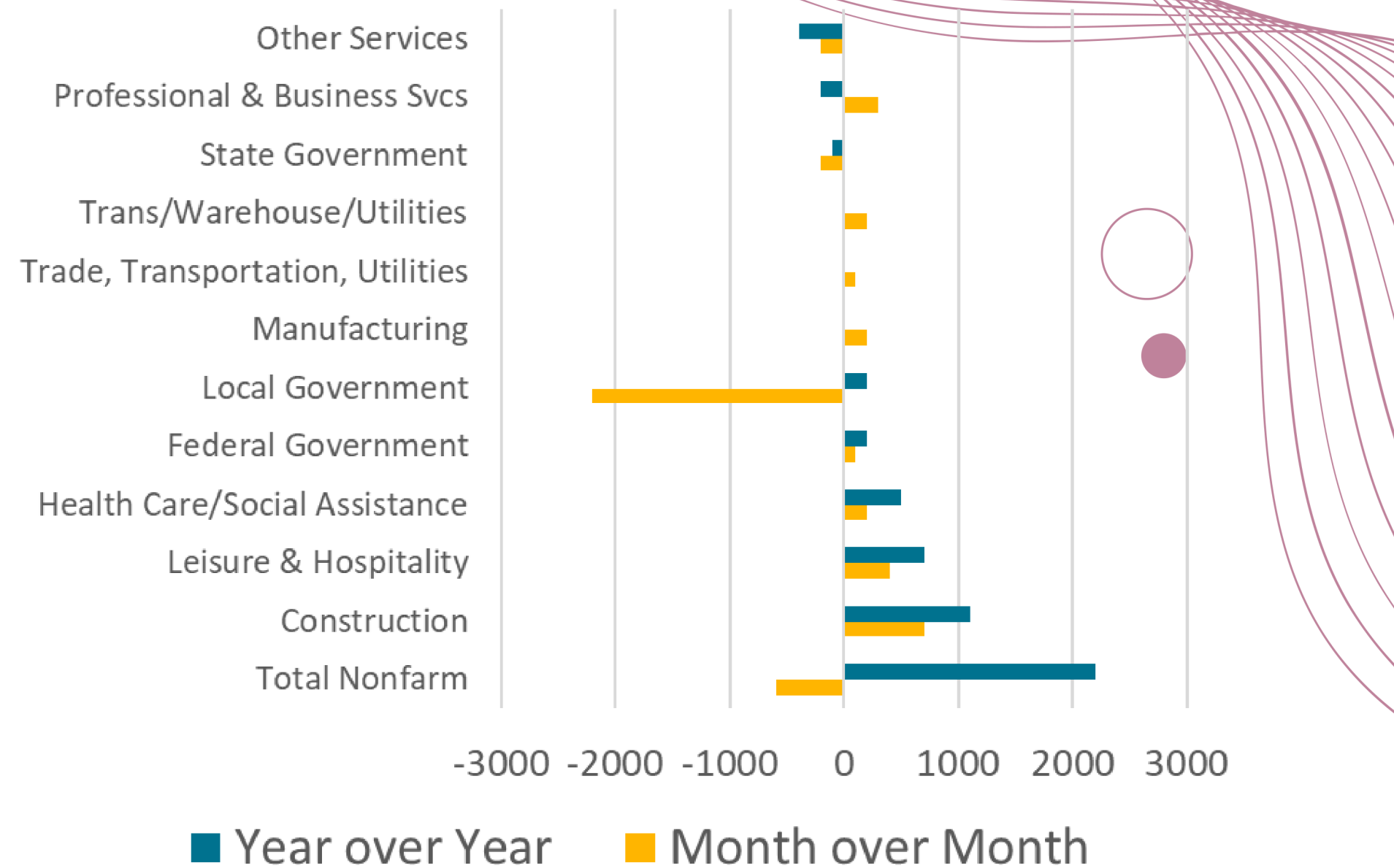
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# Job Gains & Losses July 2023

This chart shows the changes in the number of Anchorage jobs for selected industry sectors.

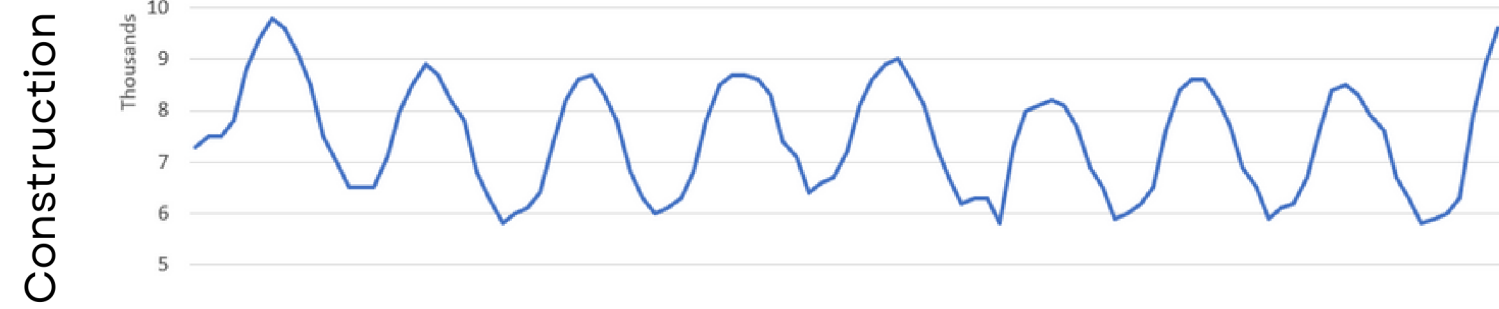
- Anchorage added about 2,200 net jobs from July 2022 to July 2023 (down slightly from June's updated 2,400 jobs gain over 2022)
- Every July, the current employment figures for local government dip by 2-3,000 jobs for one month because of seasonal education employment. This year, Local Government reported 2,200 fewer jobs in July than in June.
  - Across all other sectors, Anchorage added 1,600 jobs from June to July, for a net reported decrease of 600 jobs.
- The Construction sector reported a very strong month in July 2023, adding 700 jobs over June and 1,100 over July 2022.
  - Anchorage's construction sector has not reported 9,000+ jobs in any month since 2018, and hasn't matched July's preliminary 9,600 reported jobs since 2014.



- Continuing their strong performance this year, both Accommodation and Food Services (the two components of the Leisure and Hospitality Sector) set new post-pandemic employment records. Between them, Leisure and Hospitality added 700 jobs over July 2022 and 400 jobs over June 2023.
- Finally, Health Care added 200 jobs June-July 2023 (+500 since July 2022) and the 21,000 jobs the sector reported for July was the highest monthly total since February of 2020.

# Pandemic Performance & Recovery Curves 2015-2023

This page shows monthly job counts (in thousands) for 6 industry sectors from January 2015 to July 2023.



While Construction sector jobs didn't take the big hit several other sectors did due to pandemic containment measures, sector employment didn't show meaningful gains until the summer of 2023.



Oil & Gas didn't experience huge layoffs in April 2020 the way Leisure & Hospitality did, but the sector still shed 1/3 of it's jobs in 2020, and hasn't recovered any of them. Looking back to 2015, direct Oil & Gas jobs are down more than 60%.

Professional & Business Services



Like Oil & Gas, Professional & Business services was having a rough go even before COVID. Unlike Oil & Gas, however, Prof. & Biz Svcs has recovered all jobs lost in 2020.

Leisure & Hospitality



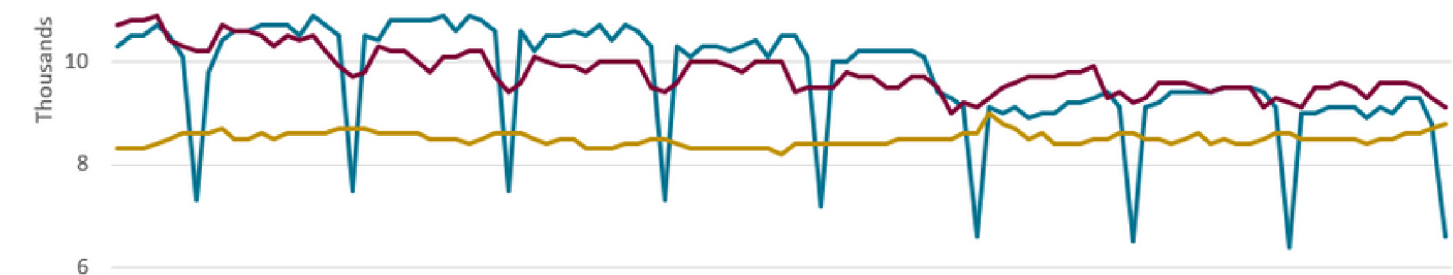
The Leisure & Hospitality sector, which includes restaurants and hotels, was the hardest hit by pandemic public health measures. Sector employment has recovered steadily for the past 3 years, and is almost even with pre-pandemic jobs counts.

Transportation/ Warehousing/ Utilities



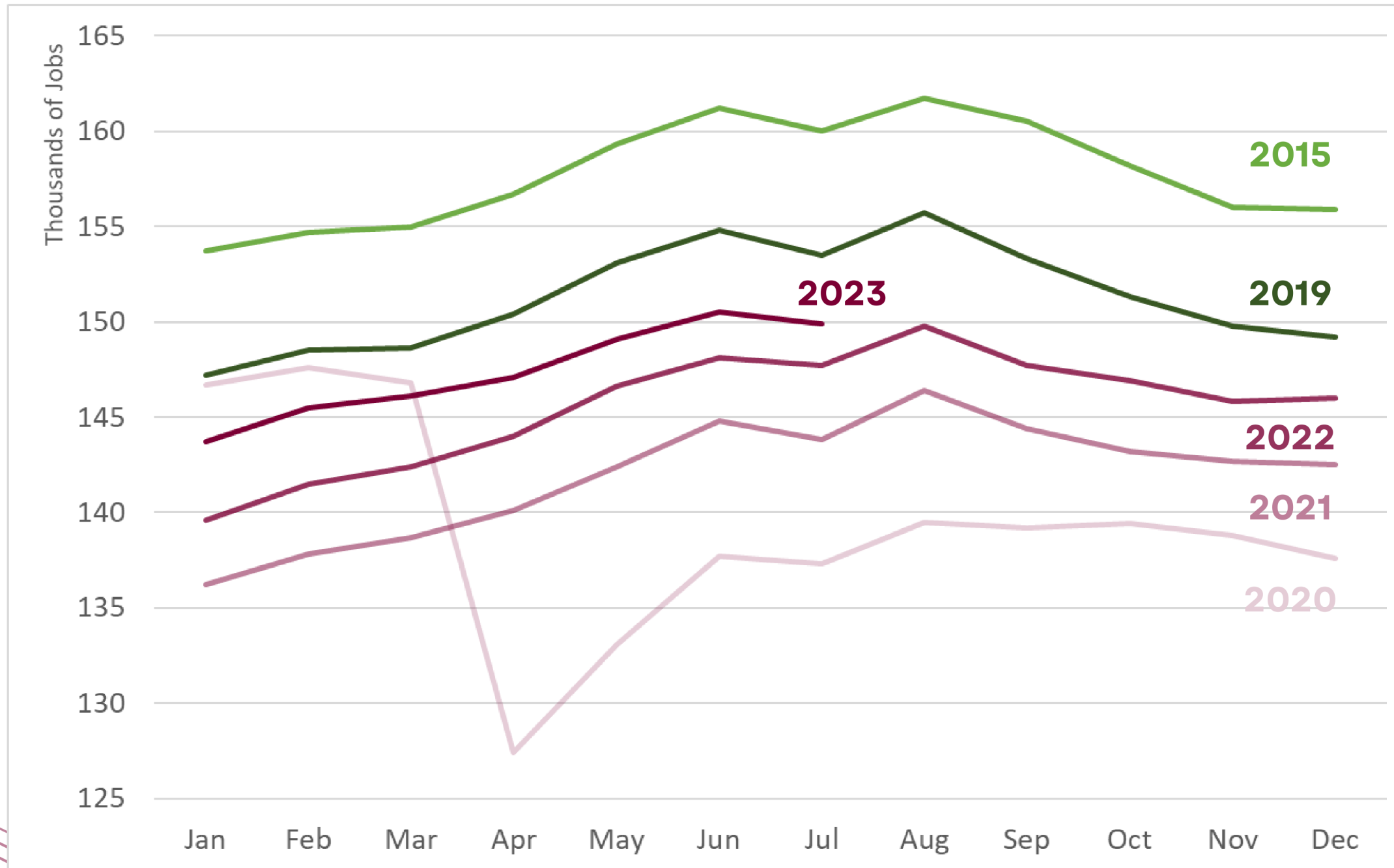
Transportation, Warehousing, and Utilities has been a unique and valuable sector for the Anchorage economy. After a relatively minor hit to sector employment in 2020, the sector essentially skipped seasonal job losses for two years in a row, producing net 15% jobs growth since 2019. For the past year, however, sector employment has largely stagnated.

Federal/State/Local Government



State and Local Government jobs have been declining since 2015 and 2017, respectively, while Federal Government employment has remained stable. The pandemic correlates with a persistent drop in Local Government employment, and short term increases in Federal and State Government employment, which have since subsided.

# Jobs Recovery: All Sectors



Looking at the bright and dark green lines, you can see that Anchorage was down over 6,000 jobs from our 2015 peak in 2019.

Then the pandemic hit and the gradual decline in Anchorage jobs fell off a cliff in April 2020. About half those jobs came back in 2020, and thousands more were recovered in both 2021 and 2022.

While Anchorage has continued to add jobs in 2023, the rate of growth has slowed. After beginning 2023 +4,100 jobs ahead of 2022, that figure fell to +2,500 jobs in May and +2,200 jobs in July.

# Jobs vs Employment



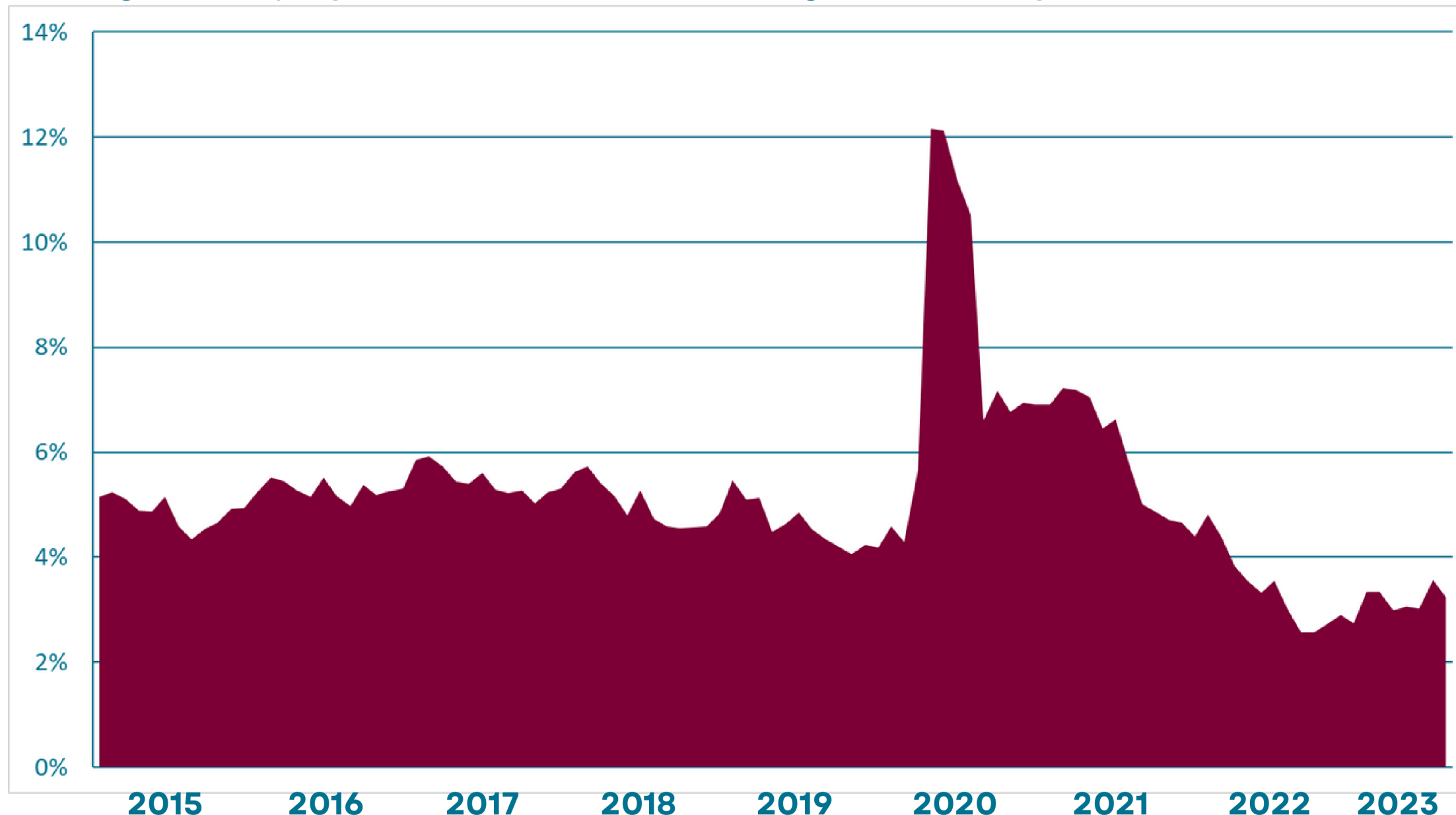
This graph goes back to 2015, and shows how pre-pandemic, Anchorage consistently had more "Jobs" than "Employment".

Jobs are counted based on where the work is located, employment is counted based on where workers reside. People who live in the Mat-Su Borough and work in Anchorage therefore count towards 'Anchorage Jobs', but NOT towards 'Anchorage Employment'.

Anchorage 'Jobs' have caught up to within a couple thousand of 2019 levels but Anchorage 'Employment' has not only surpassed 2019, it remains thousands ahead of 2019.

# ANCHORAGE UNEMPLOYMENT: 3.2%

In July, Anchorage unemployment dropped back down to 3.2%. From June, our labor force shrunk by 875 (to 150,879); with 335 fewer employed persons (146,006 total) and 540 fewer unemployed persons (4,873 total). For comparison, in Anchorage's all time high jobs year (2015) we had an average unemployed persons count of 7,620 (56% higher than July 2023) and an average unemployment rate of 4.9% (51% higher than July 2023).



This graph shows Anchorage's monthly unemployment rate since 2015.

Historically, even in our highest jobs years, Anchorage unemployment hangs around 5-6%. Unemployment over 6% suggests we have too few jobs, while unemployment much below 5% suggests we have too few workers.

When we have too few jobs, we risk losing population as workers move to places where they are more in demand. This reduces our economies of scale and can hurt property values and our municipal tax base. High unemployment also means more people relying on public assistance, driving up public sector costs.

When we have too few workers, we make it difficult to start or grow businesses. This can drive up consumer costs, reduce the availability of goods and services, and prevent outside businesses from expanding into our market or cause local businesses to look outside for opportunities to expand.



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