

EMPLOYMENT UPDATE

November
2024



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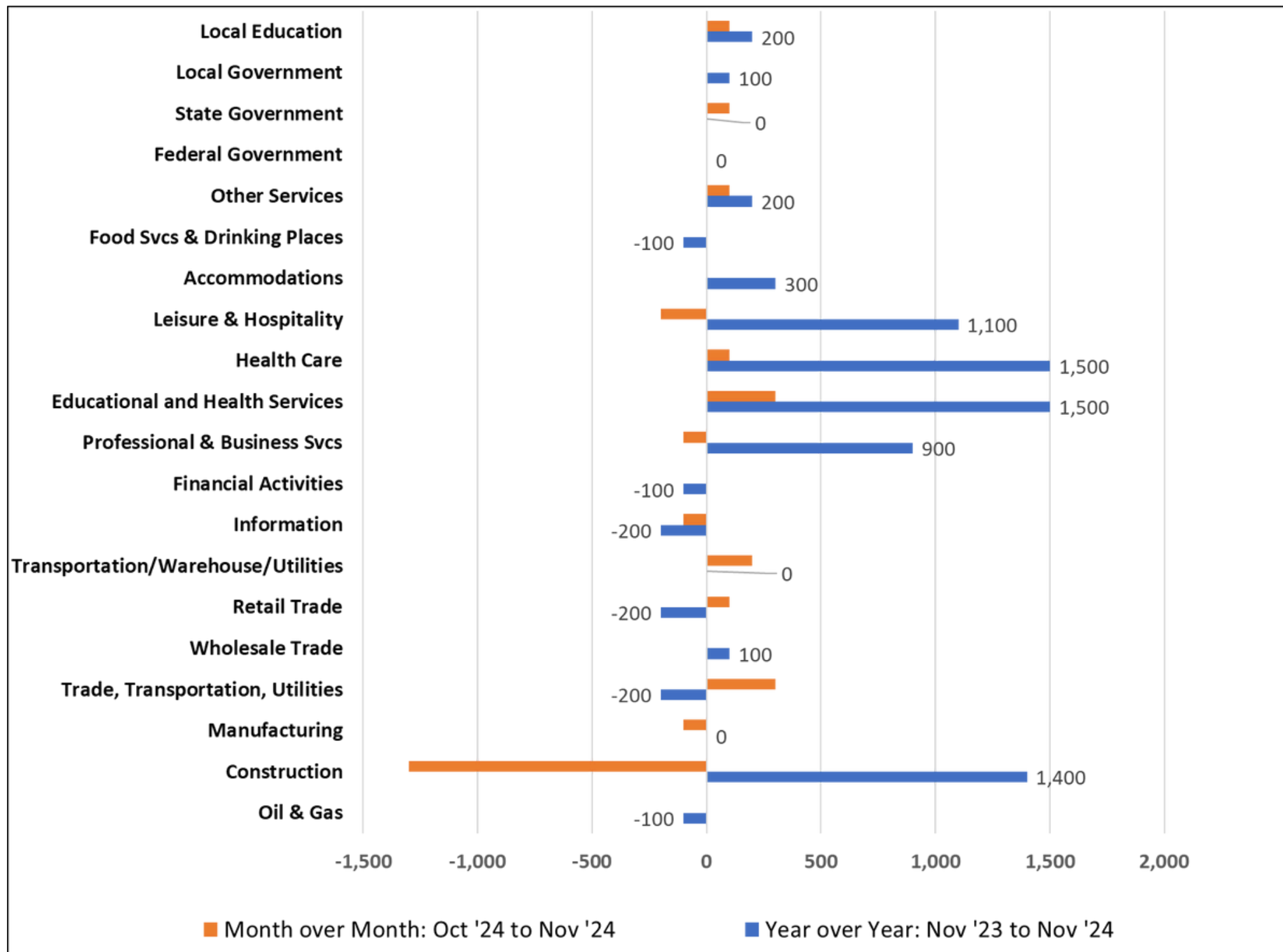
NOVEMBER JOB GAINS & LOSSES

This chart shows the monthly and yearly changes in the number of Anchorage jobs for most industries.

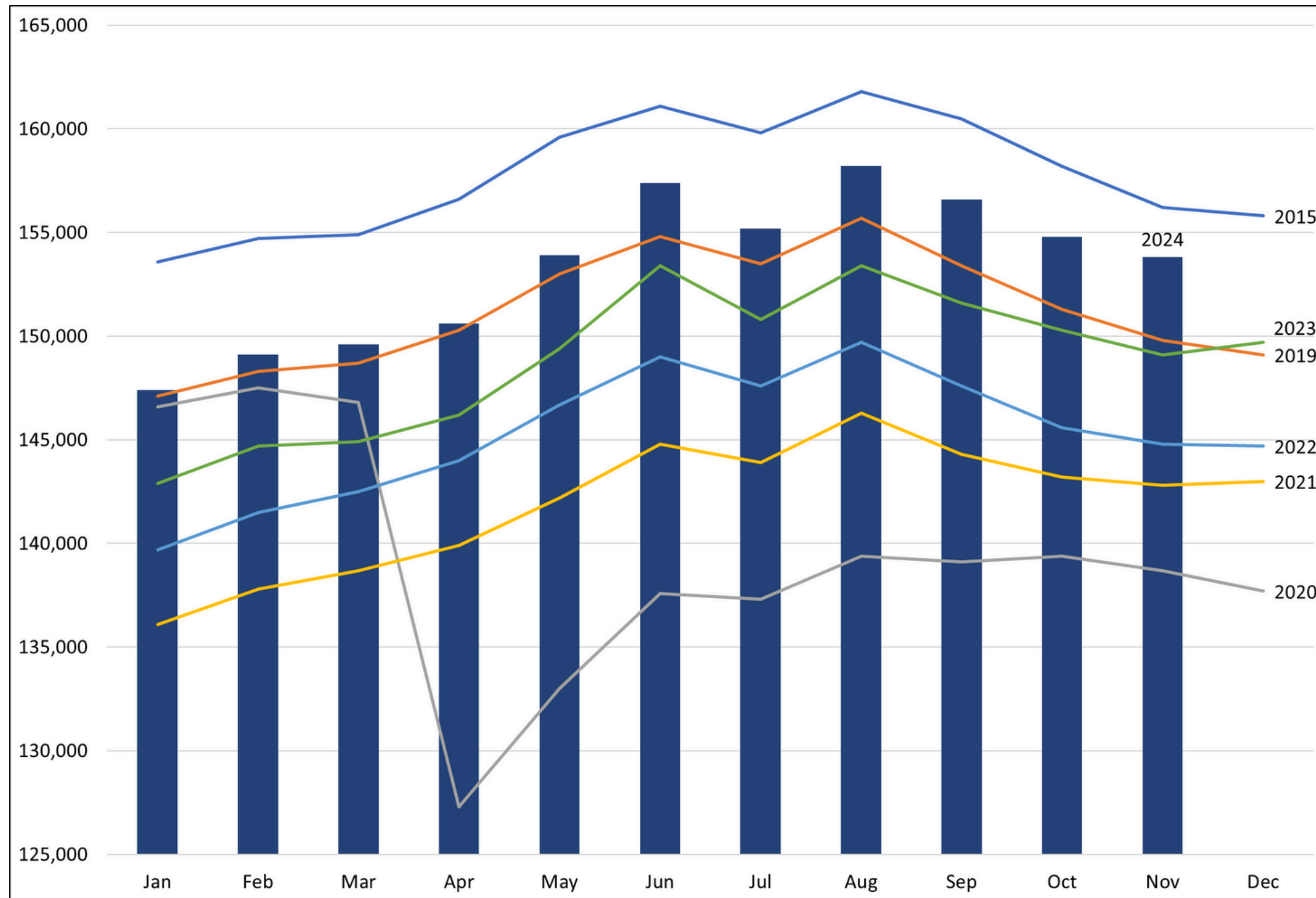
- Year over year (YOY), Anchorage’s November estimated jobs increased by 3.2% to 153,800. The sectors that gained the most jobs were:
 - Construction (19.2%, +1,400)
 - Accommodations (11.1%, +300)
 - Health Care (6.9%, +1,500)
- Month over month (MOM), total Anchorage jobs decreased by an estimated 0.7% (-1,000 jobs), following seasonal trends.

Anchorage’s job market has remained strong in 2024, fueled by rising visitor spending, an influx of infrastructure funding, and continued investment in the oil sector.

While Anchorage’s job market shows signs of resilience, there were a few potentially concerning trends. The city’s unemployment rate was 0.5% higher than it was in November 2023. Additionally, another measure of job activity—Anchorage’s employment figures—showed a 0.2% decrease in jobs compared to this time last year.



JOB RECOVERY: ALL SECTORS



AEDC monitors Anchorage's job market by comparing current job numbers to job numbers from 2019, to assess the recovery from the COVID-19 pandemic. Additionally, AEDC compares current job numbers to job numbers from 2015, which marked the peak of Anchorage's job market.

The Anchorage job market has recovered from the pandemic and has exceeded its pre-pandemic levels. Over the course of 2024, there has been an average 1.2% more jobs each month compared to 2019 levels.

But, Anchorage still lags 2015 numbers, with jobs down 2.9% compared to the 2015 peak.

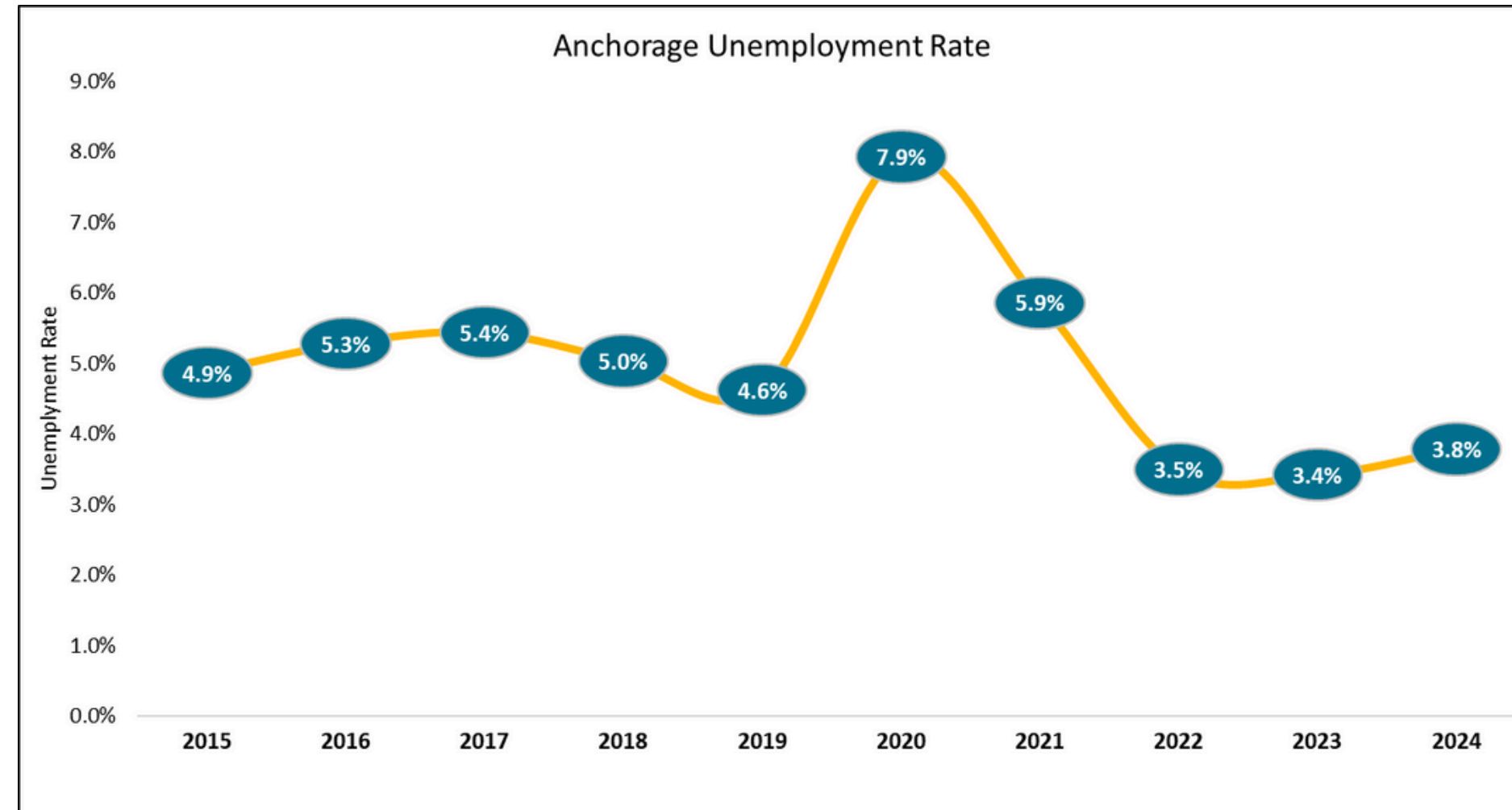
NOVEMBER UNEMPLOYMENT: 3.9%

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

Historically, even in our highest jobs years, Anchorage unemployment hovers 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 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.



Anchorage's unemployment rate rose to 3.9% in November, reflecting a 0.3% increase from October—the largest October-to-November rise since 2015.

The unemployment rate rose due to an increase in unemployed individuals, up by 454 from October to a total of 5,986. Although Anchorage added 1,442 jobs month-over-month, the growing labor force and the rise in unemployed workers pushed the unemployment rate higher.

This suggests that while more people are entering the labor market, the labor market may not be able to absorb these new entrants alongside the seasonal job turnover.

INDICATORS TO WATCH



Over the past three months, private-sector wages in Alaska have remained near record highs, reflecting steady growth despite seasonal labor shifts. If the labor force continues to shrink, the growth in average hourly earnings will reflect how competitive it is for businesses to retain and attract employees. **Data comes from the Federal Reserve Bank of St. Louis.*

Thank You to Our Diamond Investors



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510 L Street Suite 603, Anchorage, AK 99501