ALASKA ECONOMIC TRENDS

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ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

Sarah Palin, Governor
Commissioner Click Bishop

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February 2007
Volume 27
Number 2

ISSN 0160-3345

To contact us for more information, a free subscription, mailing list changes or back copies, email us at trends@labor.state.ak.us or call (907) 465-4500.

Alaska Economic Trends is a monthly publication dealing with a wide variety of economic-related issues in the state. Its purpose is to inform the public about those issues.

Alaska Economic Trends is funded by the Employment Security Division and published by the Alaska Department of Labor & Workforce Development.

Printed and distributed by Assets, Inc., a vocational training and employment program, at a cost of $.97 per copy.

Cover:
This is a stock photograph from RubberBall Productions.

Web site: almis.labor.state.ak.us

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The best is yet to come

By Governor Sarah Palin

I make this commitment to Alaskans: I will work every day to develop good, high-paying jobs for us and our children. I will wake up every day and search for ideas that lead to a good economy and a sustainable budget. I welcome this opportunity to serve as your Governor. When I reflect on Alaska's economic trends I will demand policies that result in healthy, prosperous families that are encouraged and supported by a stable economy.

Embracing the values set forth in the Alaska Constitution, we have a fundamental responsibility to expand resource development for the maximum benefit of us all. Development will provide economic stability in both rural and urban Alaska. We are blessed with an abundance of oil, gas and other minerals; God-given renewable resources from Alaska's fisheries and forests; and the wealth generated by the hundreds of thousands of visitors to our great state.

We are on the threshold of a gasline project that will provide prosperity and good jobs for Alaska families for decades to come. At my swearing-in ceremony in Fairbanks, I remarked: "America is looking for answers. She's looking for a new direction; the world is looking for a light…that light can come from America's great North Star; it can come from Alaska."

That symbolic light will come from many sources – a natural gas pipeline agreement that puts Alaska first; a fresh and proactive look toward growing Alaska's agricultural industry and a world-class K-12, vocational and university system founded on the core principles of quality, social responsibility, parental involvement and fiscal accountability.

In a recent *Anchorage Daily News*' Compass piece entitled, "Uniqueness is our greatest blessing," former Governor Walter J. Hickel – a true Alaska statesman and visionary – wrote, "Alaska's natural wealth is world famous, but we have only begun to discover its dimensions. When we do, it will surpass our wildest dreams."

I couldn't agree more. It's just another example of the great state and exciting times we live in.

Alaska's Unemployment Insurance Benefits

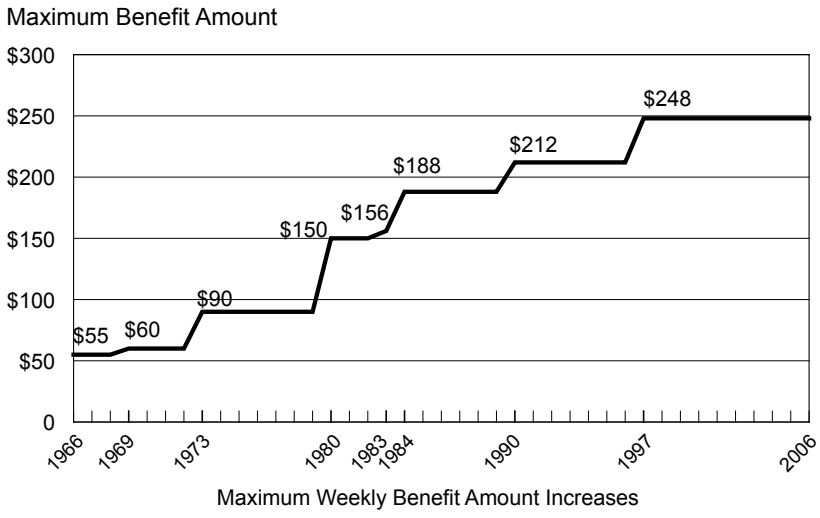
By James Wilson, Economist

The economic value and the cost

One of the primary duties of the Alaska Department of Labor and Workforce Development is to pay unemployment insurance benefits to unemployed workers. The department continually evaluates the health of Alaska's unemployment insurance system and identifies areas where it can be improved.

The department's Research and Analysis Section is responsible for identifying how changes to the system will impact employers, the unemployed and the overall health of the unemployment insurance trust fund, where the tax revenue is held.

1 Alaska's Maximum Weekly Benefit
Unemployment insurance, 1966 to 2006



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

This article will look at the major issues surrounding unemployment insurance benefits, the cost of those benefits and how Alaska compares with the rest of the nation.[1]

Alaska's unemployment insurance system pays a low weekly benefit in comparison to other states.

Yet Alaska has relatively broad eligibility requirements that enable Alaska's program to have one of the highest participation rates in the country: it ranked second in 2005 in terms of the percentage of unemployed workers who receive unemployment insurance benefits.

Alaska paid out $119.8 million in unemployment insurance benefits in 2005[2] to 53,053 people – almost 18 percent of the state's work force. Roughly 98 percent of the state's nonagricultural wage and salary workers are covered by unemployment insurance.[3]

The weekly benefit

Unemployment insurance has been a part of the national economy since 1935, when the country was in the midst of the Depression. The intent was that workers would be paid something when they were out of work and employers would have a more stable work force because experienced workers, collecting benefits, would be available

[1] All references in this article are to regular benefits.
[2] The year 2005 is the most recent year for which data are complete.
[3] Wage and salary workers who are typically not covered by unemployment insurance include full-commission salespeople, domestic workers, unpaid family workers, and elected and appointed officials. Self-employed workers, including fishermen, are generally not covered by unemployment insurance.

to return to work. Local economies would also benefit from the money that unemployed workers would spend while receiving benefits.

When the national program began, individual states and territories (such as Alaska) were charged with administering the programs. Alaska's program authorized its first benefit payments to unemployed workers on Jan. 1, 1939, when the state's minimum benefit was $5 a week and the maximum was $15 a week.

Now Alaska's weekly benefit amount ranges from $44 to $248, depending on a person's annual wages. People who make $1,000 a year – actually during their base period, which is the first four of the five most recently completed quarters, plus at least $100 in a second quarter – get $44 in benefits each week. People who earn at least $26,500 a year – in their base period – qualify for the maximum $248 benefit. (See Exhibit 2.)[4]

The length of time a person may claim benefits in Alaska varies with each individual. Workers qualify for 16 to 26 weeks of benefits, depending on how their wages are spread over the base period. Claimants with wages more concentrated in their highest quarter receive fewer weeks than claimants with wages less concentrated in the high quarter of their four-quarter base.

The intent is to provide a duration of benefits that relates to the duration of employment: the higher the ratio of base period earnings to high quarter earnings,[5] the more stable the earnings stream, and therefore, the higher potential duration of benefits. (See Exhibit 3.)

The average number of weeks of benefit payments in 2005 was 14.3 weeks.

Claimants with dependents

Alaska is one of 13 states that provides additional benefits to claimants with dependents.

[4] Alaska Statute 23.20.350(d) defines the benefit schedule, which rises in $2 increments, and sets the qualifying annual wage for each benefit, which rises in $250 increments.

[5] Alaska sets the potential duration of benefits for each claimant by dividing the amount of base period earnings by the amount of earnings in the highest quarter.

Alaska's Unemployment Insurance 2
Weekly benefit amount schedule

Base Period Wages		Weekly Benefit Amount Starting
At Least	But Less Than	Oct. 1, 1990
0	$1,000	0
$1,000	$1,250	$44
$1,250	$1,500	$46
$1,500	$1,750	$48
$1,750	$2,000	$50
$2,000	$2,250	$52
$2,250	$2,500	$54
$2,500	$2,750	$56
$2,750	$3,000	$58
$3,000	$3,250	$60
$3,250	$3,500	$62
$3,500	$3,750	$64
$3,750	$4,000	$66
$4,000	$4,250	$68
$4,250	$4,500	$70
$4,500	$4,750	$72
$4,750	$5,000	$74
$5,000	$5,250	$76
$5,250	$5,500	$78
$5,500	$5,750	$80
$5,750	$6,000	$82
$6,000	$6,250	$84
$6,250	$6,500	$86
$6,500	$6,750	$88
$6,750	$7,000	$90
$7,000	$7,250	$92
$7,250	$7,500	$94
$7,500	$7,750	$96
$7,750	$8,000	$98
$8,000	$8,250	$100
$8,250	$8,500	$102
$8,500	$8,750	$104
$8,750	$9,000	$106
$9,000	$9,250	$108
$9,250	$9,500	$110
$9,500	$9,750	$112
$9,750	$10,000	$114
$10,000	$10,250	$116
$10,250	$10,500	$118
$10,500	$10,750	$120
$10,750	$11,000	$122
$11,000	$11,250	$124
$11,250	$11,500	$126
$11,500	$11,750	$128
$11,750	$12,000	$130
$12,000	$12,250	$132
$12,250	$12,500	$134
$12,500	$12,750	$136
$12,750	$13,000	$138
$13,000	$13,250	$140
$13,250	$13,500	$142
$13,500	$13,750	$144
$13,750	$14,000	$146
$14,000	$14,250	$148
$14,250	$14,500	$150
$14,500	$14,750	$152
$14,750	$15,000	$154
$15,000	$15,250	$156
$15,250	$15,500	$158
$15,500	$15,750	$160
$15,750	$16,000	$162
$16,000	$16,250	$164
$16,250	$16,500	$166
$16,500	$16,750	$168
$16,750	$17,000	$170
$17,000	$17,250	$172
$17,250	$17,500	$174
$17,500	$17,750	$176
$17,750	$18,000	$178
$18,000	$18,250	$180
$18,250	$18,500	$182
$18,500	$18,750	$184
$18,750	$19,000	$186
$19,000	$19,250	$188
$19,250	$19,500	$190
$19,500	$19,750	$192
$19,750	$20,000	$194
$20,000	$20,250	$196
$20,250	$20,500	$198
$20,500	$20,750	$200
$20,750	$21,000	$202
$21,000	$21,250	$204
$21,250	$21,500	$206
$21,500	$21,750	$208
$21,750	$22,000	$210
$22,000	and over	$212
Amendment Effective Jan. 1, 1997		
$22,000	$22,250	$212
$22,250	$22,500	$214
$22,500	$22,750	$216
$22,750	$23,000	$218
$23,000	$23,250	$220
$23,250	$23,500	$222
$23,500	$23,750	$224
$23,750	$24,000	$226
$24,000	$24,250	$228
$24,250	$24,500	$230
$24,500	$24,750	$232
$24,750	$25,000	$234
$25,000	$25,250	$236
$25,250	$25,500	$238
$25,500	$25,750	$240
$25,750	$26,000	$242
$26,000	$26,250	$244
$26,250	$26,500	$246
$26,500	$26,750	$248
$26,750	and over	$248

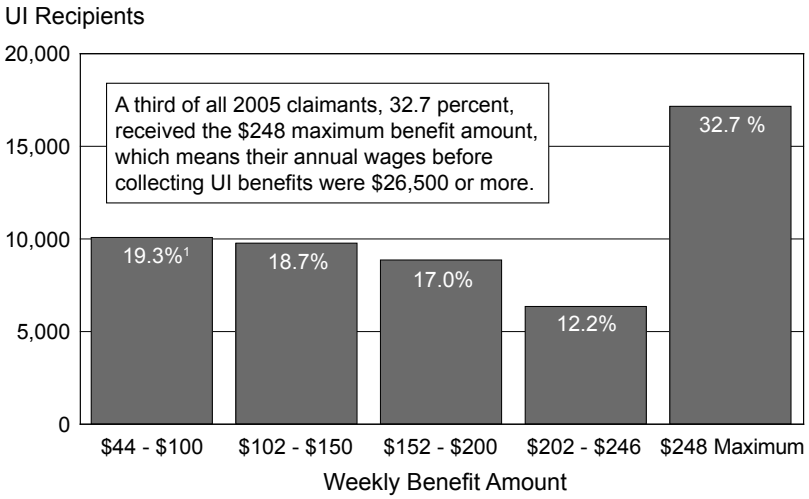
Note: To calculate whether a weekly benefit meets the 50 percent principle for wage replacement, divide the annual wages by 52 weeks, then divide by two. So, for $20,750 in wages, the $200 weekly benefit would replace 50 percent of the wages ($199.52).
Source: Alaska Statute 23.20.350(d). The schedule was amended Jan. 1, 1997, to provide for wages over $22,000.

3 The Duration of Weekly Benefits
Alaska

Ratio of Base Period Wages to High Quarter Wages	Duration of Benefits
Less than 1.50	16 weeks
1.50 to 1.99	18 weeks
2.00 to 2.49	20 weeks
2.50 to 2.99	22 weeks
3.00 to 3.49	24 weeks
3.50 or more	26 weeks

Source: Alaska Statute 23.20.350(e)

4 Alaska Unemployment Insurance
Recipients by weekly benefit amount, 2005



Note: A claimant must make $8,000 a year to get a $100 weekly benefit, $14,250 to get $150, $20,500 to get $200, $26,250 to get $246 and $26,500 to get $248. (See Exhibit 2.)
[1] Percentages don't add to 100 due to rounding.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Claimants can receive $24 per dependent for up to three dependents in addition to their weekly benefit amount. The Alaska Legislature started the dependent benefits program some 30 years ago to help families, particularly those in areas of the state where people have a subsistence lifestyle and annual wages are low. Typically, 40 percent of UI claimants claim dependents; 10 percent of those report at least three dependents. Dependent allowances represent 10 percent of the benefits Alaska's UI program pays out each year.

The $26,500 ceiling

Alaska's current program tops out at $26,500: If claimants make more than $26,500 in a year, they're still limited to a $248 maximum weekly benefit, even though the state's average annual wage in 2005 was $39,058. Someone earning $26,500 a year receives the same maximum weekly benefit – $248 – as someone making $60,000 a year.

As wages in Alaska's economy grow steadily over time, more workers become qualified for the $248 maximum weekly benefit. In 2005, a third of Alaskans receiving unemployment benefits each year fell into that category. (See Exhibit 4.)

Changes to the benefit schedule

Throughout its history, there have been periodic upgrades to Alaska's UI benefit schedule to adjust to the rising value of wages in the economy. Before 1990, the minimum benefit was $38 and the maximum benefit was $188 (both were increased in 1984). (See Exhibit 1.)

The schedule changed in 1990. The minimum benefit was moved up to $44 and the maximum to $212. The last change was in 1997, when additional increments were added to the schedule to bring it to the current $248 maximum. (See Exhibit 2.)

The wage replacement principle

Since the start of the UI system, one of the underlying principles was that the benefit amount should equal roughly 50 percent of a worker's wage and it would therefore "replace" those wages. Various presidents and national commissions have reinforced that view in the last 35 years, adding that the 50 percent should apply to four-fifths of all recipients. President Nixon declared that stance in the 1970s; the National Commission on Unemployment Compensation endorsed the stance in 1980 and the Advisory Council on Unemployment Compensation did so in 1995.[6]

Each year the National Foundation for Unemployment Compensation and Workers' Compensation publishes its "Highlights of State Un-

[6] According to the 1996 National Advisory Council Report, Chapter 4

employment Compensation Laws," which contrasts the features of each state's UI program. Although only the brave should venture into the details, on the subject of the states' computation of the weekly benefit amount, it says:

> *"Implicit in all these methods are two longstanding principles: (1) The weekly benefit amount should be directly related to the individual's usual wage, and (2) the benefit generally should replace 50 percent of wages."*

Alaska is low in average-wage replacement

The U.S. Department of Labor compiles data on employment, wages and UI benefits that allow for comparisons of all state-managed UI programs, which vary a great deal.

Alaska ranked 18th among all states for its state average weekly wage ($750.50) in 2005 and came in at 48th place with an average weekly benefit of $193.91 that year.

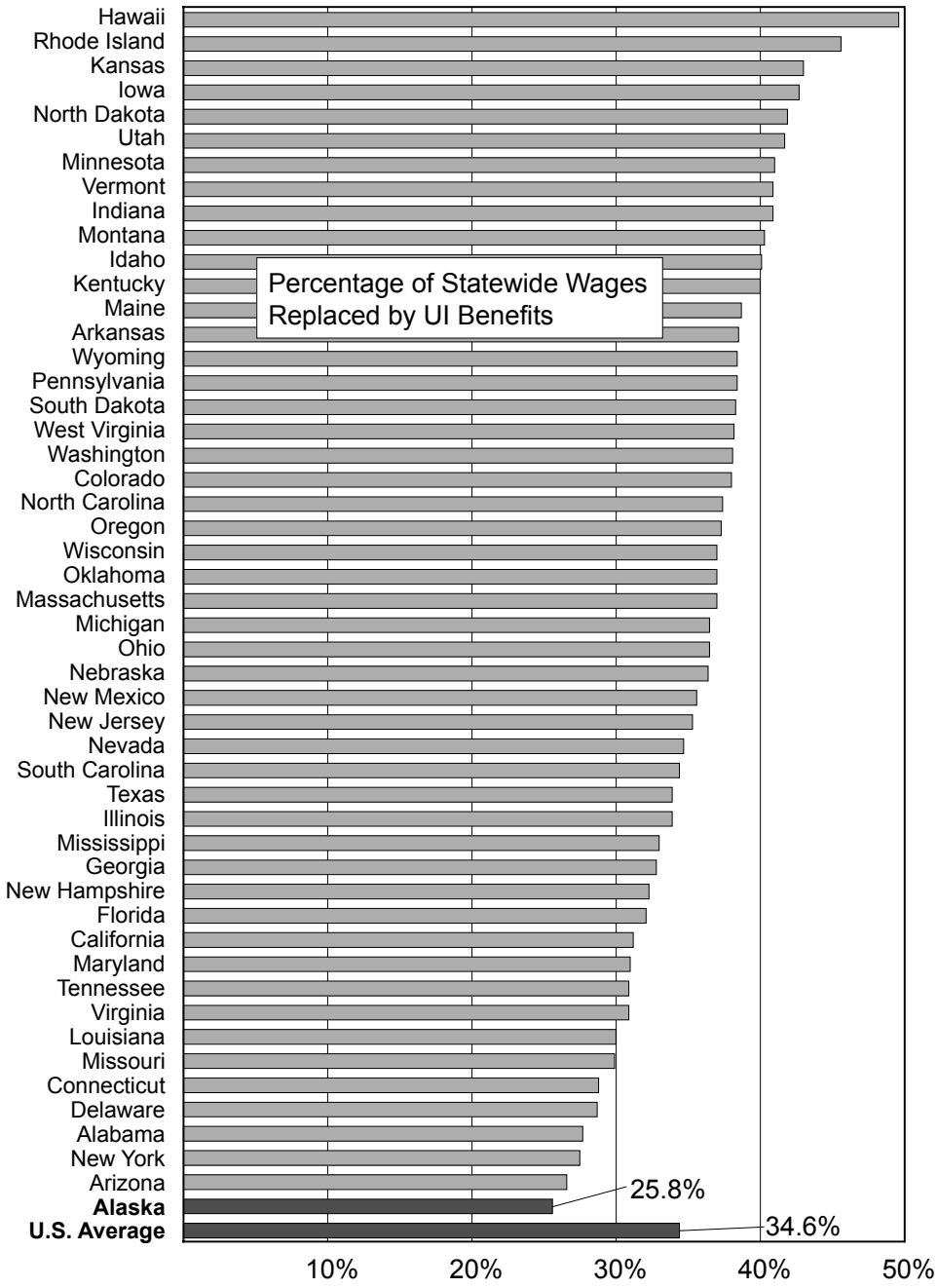
The state has historically placed low, but it dropped into last place in the nation in 2005 as far as its USDOL average-wage replacement rate. (See Exhibits 5 and 6.) The rate is an artificial measuring tool used to compare states, as no individual state data exists to unravel how well UI benefits replace the wages of people who are actually unemployed and receiving benefits.[7]

To compile the rate for each state, the USDOL matches data on two different populations: (1) *all* workers earning wages (instead of only the recent wages of the unemployed), and (2) unemployed workers collecting benefits.

[7] According to the 1996 National Advisory Council Report

Average-Wage Replacement Rates
By state, 2005[1]

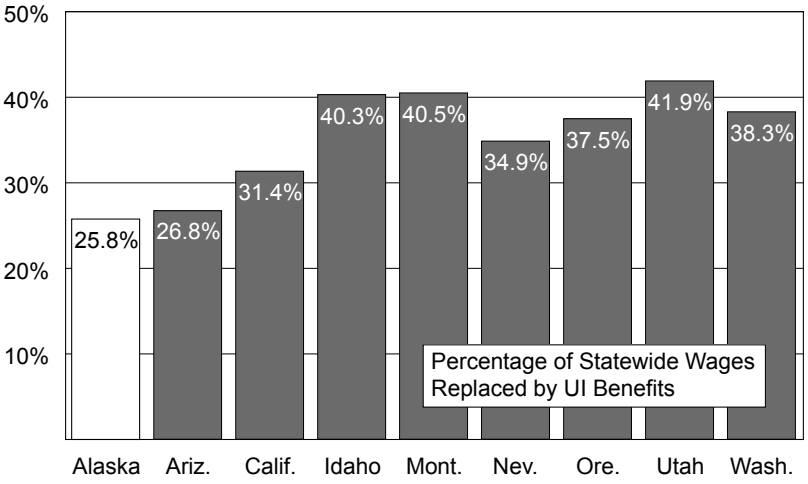
5



Note: This exhibit is based on the U.S. Department of Labor average-wage replacement rate for each state.
[1] These percentages were calculated by dividing the average weekly benefit by the statewide average weekly wage. The wages of only those who were unemployed in 2005 aren't available.
Source: U.S. Department of Labor, Employment and Training Administration

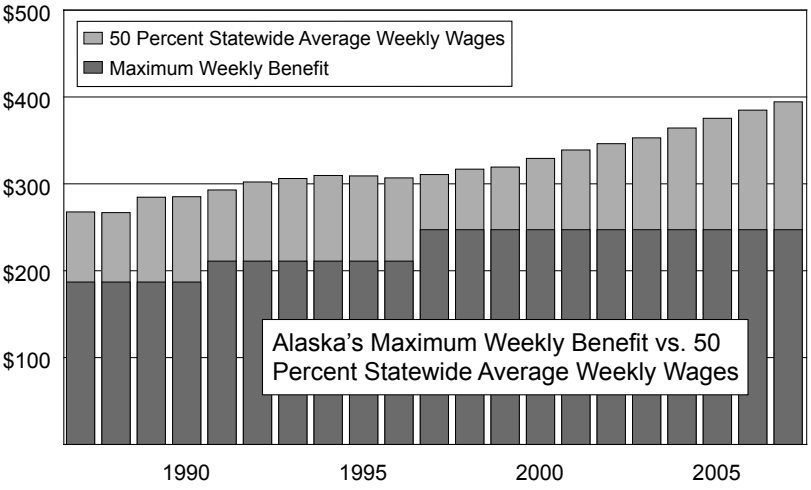
Matching the benefits of UI recipients to the wages of all workers, however, could well give an understated wage replacement percentage. The measurement makes somewhat of an apples-to-oranges comparison, but it's useful be-

6 Replacement Rates
Western states, 2005



Note: This exhibit is based on the U.S. Department of Labor average-wage replacement rate for each state.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

7 The Target Gets Farther Away
Alaska, 1987 to 2007



Note: Earnings for 2006 and 2007 are projections assuming a growth rate of 2.5 percent.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

cause it uses established data sources and gives comparative information over time.

The flip side – Alaska's high participation rate

As mentioned earlier, Alaska had the second-highest participation rate in 2005. (See Exhibit 8.) The participation rate is the percentage of all unemployed workers who receive unemployment insurance. Since the purpose of unemployment insurance programs is to both aid unemployed workers and put money into the local economy, an above-average participation rate is a good indicator for a state program.

Alaska's program is easy to qualify for

Alaska's participation rate is high compared to other states because it's generally easy for workers to qualify for a minimum benefit. A person has to make only $1,000 a year to get the minimum weekly benefit, $44.

If a worker is paid Alaska's minimum wage of $7.15 per hour, it would take him or her 140 hours of work to reach $1,000, or the equivalent of 18 eight-hour days.

Going up the benefit schedule, it takes $8,000 in annual wages for a $100 weekly benefit amount, which is 40 percent of the $248 maximum. In 2005, 19 percent of all claimants received a benefit of $100 or less. (See Exhibit 4.)

The 50 percent principle

Looking at Alaska's weekly benefit amount schedule (see Exhibit 2), it appears that the whole schedule meets the 50 percent principle (replacing 50 percent of the wages for four-fifths of the claimants), but it's important to remember that a third of Alaska's UI claimants aren't on the schedule – they make more than $26,500 a year ($510 a week) and are limited to the $248 weekly benefit maximum. Their benefits, therefore, don't equal 50 percent of their wages.

The wage replacement is well above 50 percent at the lower end of the schedule. It hits 50 percent when the weekly benefit amount reaches $200. After that, the wage replacement declines below 50 percent as the benefit amounts increase.

Comparing states' costs

Each state has its individual UI financing and tax systems and no two are the same. In order to get some sense of comparison, the USDOL

uses the total wages, taxable wages, the taxable wage base[8] and tax rates for each state to calculate its own version of the "tax rate" – not to be confused with employers' or employees' UI tax rates – as a percentage of total wages.

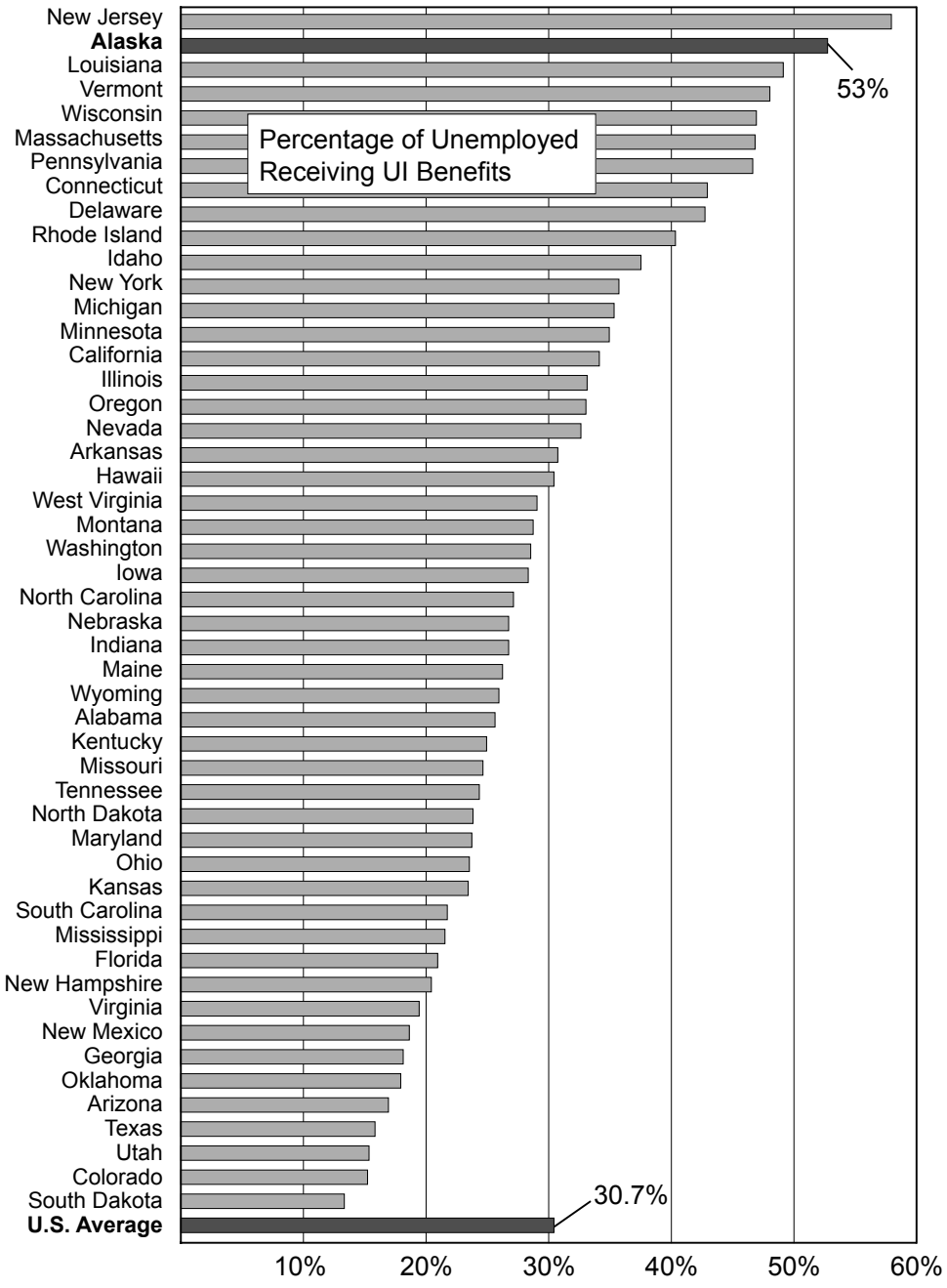
Alaska's rate in 2004[9] tied with Oregon's and they were just behind Washington. (See Exhibit 9.) In other words, the percentage of total wages that employers in Washington, Alaska and Oregon paid in UI taxes was highest in Washington (1.7 percent) and second-highest in Alaska and Oregon (1.68 percent) when compared to other states.

Alaska's small size and seasonality drive costs

It's natural to compare Alaska to Washington, its nearest neighbor and economic partner. Why does Washington have a USDOL tax rate similar to Alaska but its maximum weekly benefit is $496, exactly double Alaska's?

The answer is seasonality and economies of scale. Washington has 6 million people and a labor force of 3 million, whereas Alaska's population is near 660,000 and its work force is around 345,000. Washington has seasonal industries, of course, but a large part of its economy has stable employment, with many more employers to share the tax support.

Participation Rates 8
By state, 2005



Source: U.S. Department of Labor, Employment and Training Administration

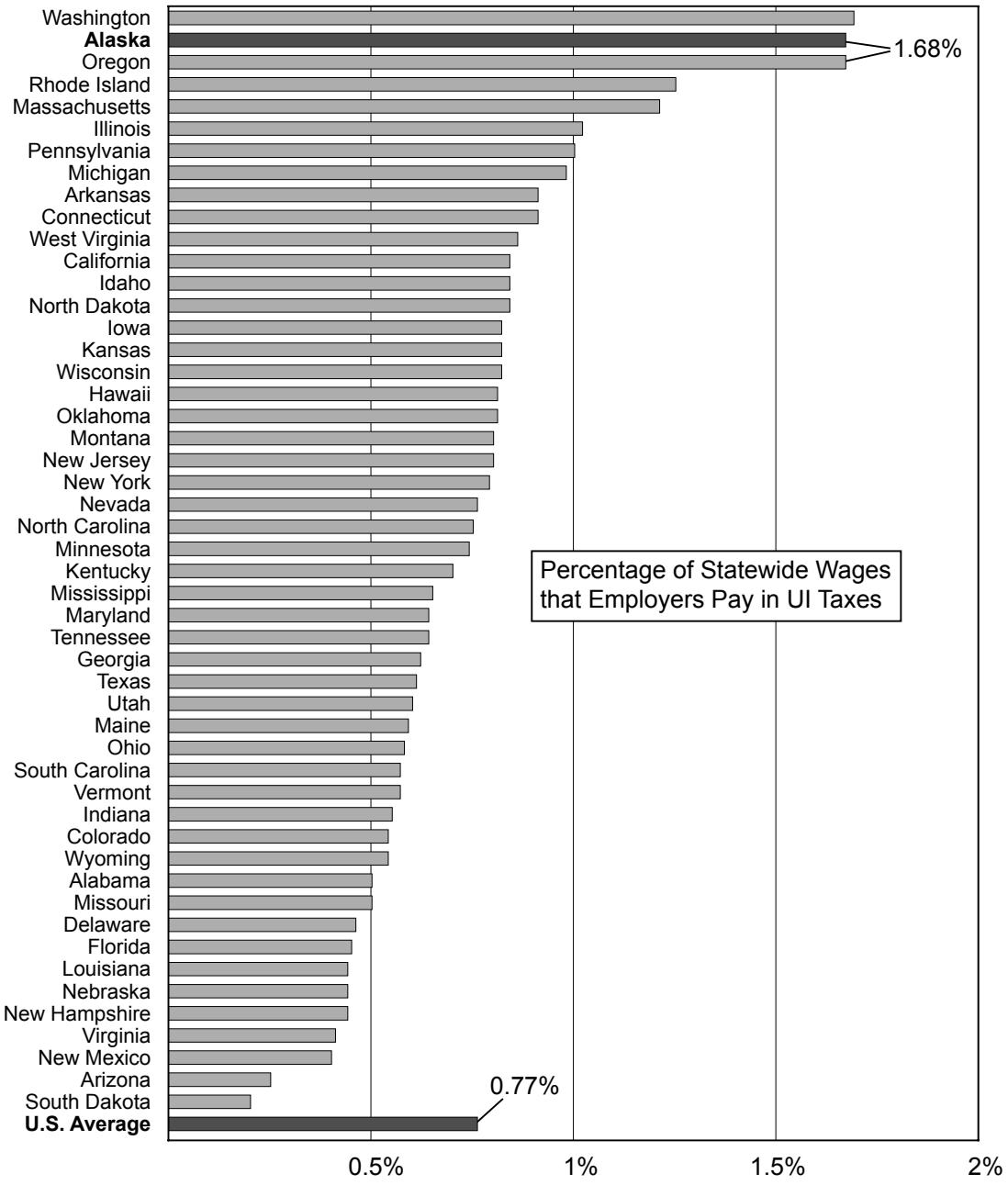
Washington's construction workers, for instance, can work virtually year-round, while Alaska's construction workers, particularly on road projects, are more limited by the seasons. Alaska's economy has matured over the years, but it still has a large seasonal component and seasonal workers tend to utilize the UI system in the winter months.

Alaska's UI financing system – basically, how much the state's employers and employees

[8] The taxable wage base is the maximum amount of each employee's earnings that are subject to state UI taxes. Alaska's is 75 percent of the state's average annual earnings.

[9] The year 2004 was chosen for the comparison because that was the year Alaska's average tax rate was closest to its 10-year average.

9 Alaska's Seasonality Keeps its Costs High
2004[1]



Note: This exhibit is based on the U.S. Department of Labor tax rate for individual states.
[1] The year 2004 was chosen for the comparison because that was the year Alaska's average tax rate was closest to its 10-year average.
Source: U.S. Department of Labor, Employment and Training Administration

pay in UI taxes each year[10] – is designed to keep taxes as low as possible while maintaining the solvency of Alaska's UI trust fund, where the state's UI tax revenue is held. Yet, the fact remains that the system must pay for the benefits it provides each year in a seasonal economy.

Legislative considerations

If the Legislature decided to increase Alaska's maximum weekly benefit, it would have to decide how much those additional benefits would cost and how to pay for them, along with who would get them and what restrictions, if any, would be imposed.

The usual way to pay for an increase in benefits is for employers and employees to pay more into the system. In 1997, when the benefit schedule ceiling – the annual wages it took to get the maximum weekly benefit – was raised from $22,000 to $26,500 (see Exhibit 2), employers and employees paid more into the system to pay for it. The adjustment was also paid for by shifting the employer/employee share of the tax burden from 82 percent/18 percent to 80 percent/20 percent.

Other ways to partially pay for a benefit increase include tightening up on qualification provisions. For example, Alaska allows those who quit their job to receive UI benefits after a six-week waiting period. That waiting period could be extended or those benefits could be eliminated altogether.

[10] Alaska is one of three states where employees pay a share of UI taxes. Employers pay 80 percent of the tax burden and employees pay 20 percent. The 2007 average employer tax rate is 1.94 percent (see Exhibit 10) and the 2007 average employee tax rate is 0.50 percent.

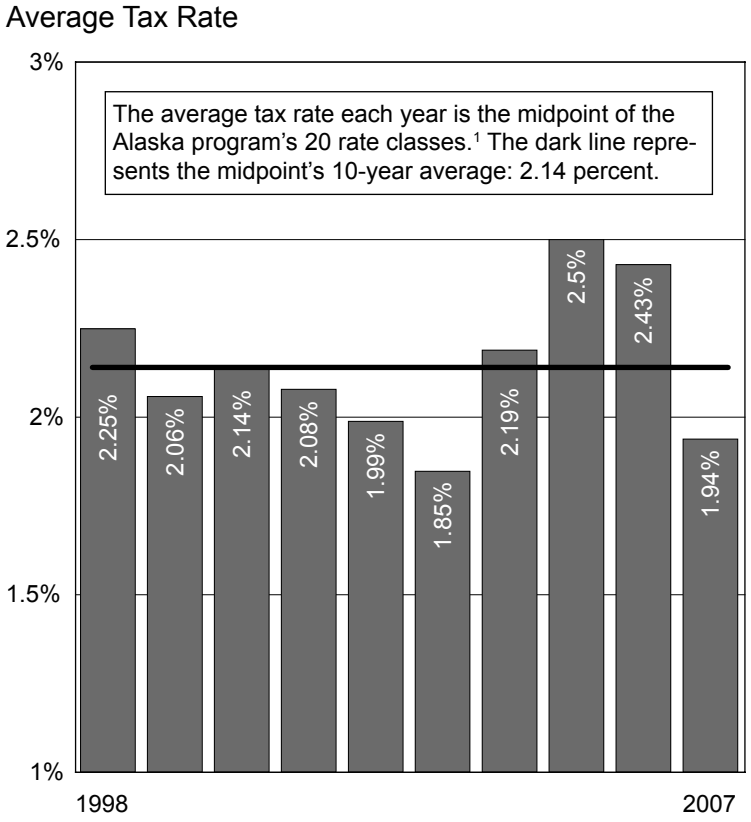
An overview

Alaska has a seasonal economy that places a high demand on its unemployment insurance system. The system makes it easy to qualify for the lowest benefit amounts and Alaska's program has one of the highest worker utilization rates in the nation. Yet Alaska's maximum weekly benefit is low compared to its annual wage and the weekly benefits of other states.

The high number of Alaska's benefit recipients who top out at the current $248 maximum weekly benefit makes the state's wage replacement statistic low – the lowest in the country in 2005.

The demands on Alaska's current system mean relatively higher tax obligations to pay for it. The call for updating Alaska's benefit structure will likely continue, but with any increase in UI benefits comes a cost. That cost, along with the potential advantages, will need to be carefully considered.

UI Average Employer Tax Rates 10
Alaska, 1998 to 2007



[1] Tax Classes 10 and 11 represent the midpoint.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

By Dan Robinson,
Economist

Job losses and rising unemployment – a typical December

Nonfarm wage and salary jobs fell by 2,900 in December, primarily due to large seasonal declines in the seafood processing (-1,700) and construction (-1,300) industries. (See Exhibit 1.) Over-the-year job growth remained moderate at 1.7 percent.

Meanwhile, the unemployment rate rose seven-tenths of a percentage point to 6.8 percent, a slightly larger than typical increase for December. (See Exhibit 2.) Overall, unemployment rates in 2006 failed to reveal a clear directional trend. The preliminary numbers showed lower rates in 2006 for seven of the 12 months and equal or higher rates for the other five.

Diverging trends in oil and gas, construction

Two notable trends in the wage and salary job estimates are the strong growth in the oil and gas industry and the small declines in the construction industry. Alaska's oil and gas job count in December was the highest since 1991, a year when oil production was more than double 2006 levels. The industry added 1,700 jobs from December 2005 to December 2006 alone – a robust 19 percent growth rate.

On the other side of the coin, the construction industry seems to have lost momentum after a decade of strong growth. From 1996 to 2005, the industry added 6,000 jobs and grew by 48 percent. Total wage and salary jobs grew by just 15 percent over the same period, less than a third of construction's growth rate.

Things changed sometime in 2006, though. December's estimated 16,200 construction jobs was a drop of 200 from December 2005, continuing the pattern from the last half of the year of small over-the-year declines.

Northern region shows strongest growth

The invigorated oil and gas industry generated over-the-year growth of 9.5 percent for the Northern region, easily the highest in the state. (See Exhibit 3.) Growth in the Anchorage/Mat-Su region remained healthy through December as well, and the region continued to account for about half the state's net employment gains.

December comparisons are less telling for other parts of the state that see much of their activity during the summer months, but the Gulf Coast and Interior regions grew at roughly the state's overall rate from December 2005 to December 2006, while the Southeast and Southwest regions saw little change in their December job counts from year-ago levels.

Seasonal areas see high December unemployment

Alaska's highest December unemployment rate was the Skagway-Hoonah-Angoon Census Area's 21.6 percent. High December unemployment is typical for the census area's highly seasonal labor market, just as unemployment rates in the 6 percent to 7 percent range are typical during the peak months of summer. Not surprisingly, the Denali Borough and most of fisheries-dependent coastal Alaska follow the same pattern.

Juneau, which benefits from the stabilizing influence of non-seasonal government jobs, had the state's lowest December rate at 4.9 percent. Anchorage's 5.0 percent rate was also significantly lower than the state's 6.8 percent rate.

1 Nonfarm Wage and Salary Employment

Alaska

	Preliminary 12/06	Revised 11/06	Revised 12/05	Changes from: 11/06	Changes from: 12/05
Total Nonfarm Wage and Salary[1]	303,700	306,600	298,500	-2,900	5,200
Goods-Producing[2]	35,300	38,300	33,300	-3,000	2,000
Service-Providing[3]	268,400	268,300	265,200	100	3,200
Natural Resources and Mining	12,900	12,800	11,000	100	1,900
Logging	400	400	400	0	0
Mining	12,500	12,400	10,500	100	2,000
Oil and Gas	10,700	10,500	9,000	200	1,700
Construction	16,200	17,500	16,400	-1,300	-200
Manufacturing	6,200	8,000	5,900	-1,800	300
Wood Product Manufacturing	300	300	300	0	0
Seafood Processing	2,600	4,300	2,300	-1,700	300
Trade, Transportation, Utilities	62,600	62,900	61,600	-300	1,000
Wholesale Trade	6,200	6,300	6,100	-100	100
Retail Trade	36,500	36,500	36,200	0	300
Food and Beverage Stores	6,500	6,500	6,300	0	200
General Merchandise Stores	9,500	9,500	9,400	0	100
Transportation, Warehousing, Utilities	19,900	20,100	19,300	-200	600
Air Transportation	6,200	6,200	6,000	0	200
Truck Transportation	3,100	3,200	2,900	-100	200
Information	6,800	6,900	6,900	-100	-100
Telecommunications	4,000	4,100	4,200	-100	-200
Financial Activities	14,700	14,800	14,600	-100	100
Professional and Business Services	23,300	23,400	23,300	-100	0
Educational[4] **and Health Services**	37,600	37,200	36,100	400	1,500
Health Care	26,800	26,600	26,200	200	600
Leisure and Hospitality	28,800	28,500	28,100	300	700
Accommodations	6,600	6,500	6,500	100	100
Food Services and Drinking Places	18,600	18,300	18,000	300	600
Other Services	11,400	11,600	11,300	-200	100
Government	83,200	83,000	83,300	200	-100
Federal Government[5]	16,500	16,300	16,700	200	-200
State Government	25,100	25,200	24,800	-100	300
State Government Education[6]	8,000	8,000	8,000	0	0
Local Government	41,600	41,500	41,800	100	-200
Local Government Education[7]	23,700	23,700	24,000	0	-300
Tribal Government	3,800	3,800	4,100	0	-300

Notes for all exhibits on this page:

[1] Excludes self-employed workers, fishermen, domestic workers, unpaid family workers and nonprofit volunteers

[2] Goods-producing sectors include natural resources and mining, construction and manufacturing.

[3] Service-providing sectors include all others not listed as goods-producing sectors.

[4] Private education only

[5] Excludes uniformed military

[6] Includes the University of Alaska

[7] Includes public school systems

[8] Fairbanks North Star Borough

Sources for all exhibits on this page: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the U.S Bureau of Labor Statistics

2 Unemployment Rates By borough and census area

NOT SEASONALLY ADJUSTED	Prelim. 12/06	Revised 11/06	Revised 12/05
United States	4.3	4.3	4.6
Alaska Statewide	6.8	6.1	6.9
Anchorage/Mat-Su	5.5	5.0	5.6
Municipality of Anchorage	5.0	4.6	5.1
Mat-Su Borough	7.7	6.7	7.7
Gulf Coast Region	9.9	8.4	10.3
Kenai Peninsula Borough	9.2	7.9	9.4
Kodiak Island Borough	12.2	9.5	13.5
Valdez-Cordova Census Area	11.0	9.7	10.8
Interior Region	6.8	6.1	6.5
Denali Borough	13.7	11.8	13.4
Fairbanks North Star Borough	5.8	5.3	5.8
Southeast Fairbanks Census Area	10.6	9.4	10.4
Yukon-Koyukuk Census Area	14.6	13.0	12.3
Northern Region	8.7	8.8	9.7
Nome Census Area	10.3	10.2	11.9
North Slope Borough	5.9	6.4	8.0
Northwest Arctic Borough	10.9	10.5	9.1
Southeast Region	7.9	6.7	7.8
Haines Borough	12.1	10.3	12.3
Juneau Borough	4.9	4.6	5.4
Ketchikan Gateway Borough	7.2	6.3	7.7
Prince of Wales-Outer Ketchikan CA	17.9	13.9	15.9
Sitka Borough	6.0	4.7	5.8
Skagway-Hoonah-Angoon CA	21.6	18.8	20.3
Wrangell-Petersburg Census Area	14.8	10.5	11.3
Yakutat Borough	14.1	11.0	15.5
Southwest Region	12.5	10.4	12.7
Aleutians East Borough	14.9	8.1	19.0
Aleutians West Census Area	10.4	6.0	10.1
Bethel Census Area	12.2	11.1	11.9
Bristol Bay Borough	10.5	8.4	10.0
Dillingham Census Area	9.8	8.3	10.2
Lake and Peninsula Borough	6.0	5.6	12.3
Wade Hampton Census Area	19.3	17.7	18.3
SEASONALLY ADJUSTED			
United States	4.5	4.5	4.9
Alaska Statewide	6.7	6.4	6.9

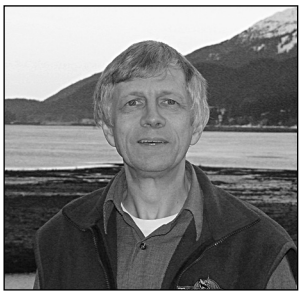
For more current state and regional employment and unemployment data, visit our Web site.

almis.labor.state.ak.us

3 Nonfarm Wage and Salary Employment By Region

	Preliminary 12/06	Revised 11/06	Revised 12/05	Changes from: 11/06	Changes from: 12/05	Percent Change: 11/06	Percent Change: 12/05
Anch/Mat-Su	168,100	168,100	165,300	0	2,800	0.0%	1.7%
Anchorage	150,000	150,000	147,800	0	2,200	0.0%	1.5%
Gulf Coast	25,600	26,550	25,100	-950	500	-3.6%	2.0%
Interior	43,500	44,300	43,000	-800	500	-1.8%	1.2%
Fairbanks[8]	37,400	37,800	37,200	-400	200	-1.1%	0.5%
Northern	17,900	17,700	16,350	200	1,550	1.1%	9.5%
Southeast	33,000	33,650	33,100	-650	-100	-1.9%	-0.3%
Southwest	15,450	16,750	15,450	-1,300	0	-7.8%	0.0%

Trends Authors



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Employer Resources

ALEXsys: Matching People to Jobs

ALEXsys, the Alaska Labor Exchange System, marks a new era in Alaska for employers who want workers and people who want jobs.

Job banks in the past have used job titles to match job seekers to jobs. ALEXsys does the match based on skills – the job seeker's skills and the skills that the employer says he or she wants.

The Alaska Department of Labor and Workforce Development unveiled the Web-based system in April and May 2006. ALEXsys is free to everyone and people can use it 24 hours a day, seven days a week.

"It has exceeded our expectations, and we're continuing to make improvements to it every single day," said Tom Nelson, director of the department's Employment Security Division.

Employers can post their jobs online, then view the resumes of Alaskans who match their needs. They can use a "virtual recruiter" to create and store automatic resume searches or to email them when someone posts a resume with skills that match the skills they're looking for.

Employers can also search online lists of candidates, post job orders, search the ALEXsys database by skill sets or job titles, and find out about labor information in their area.

Job seekers can search and apply for jobs online, write their resumes and post them for employers to see, create and store automatic job searches and alert them to job openings, identify and match relevant skills to job openings, find training for the skills they need or even send out letters through ALEXsys.

Employers and job seekers can access ALEXsys on the Internet by going to www.jobs.state.ak.us. People should contact their local job center for a schedule of ALEXsys orientations or one-on-one assistance. Employers can also request that a job center representative visit their businesses.

For questions or more information, call or stop by any job center, or employers can call (877) 465-5934 and job seekers can call (877) 724-ALEX (2539). For a list of contact information for the state's 24 job centers, go to www.jobs.state.ak.us, then click on "Alaska Job Centers" on the left. (Many job centers have a link there for workshop/ALEXsys orientation schedules as well.) The job centers are open Monday through Friday from 8 a.m. to 5 p.m.