

SENATE LABOR & COMMERCE

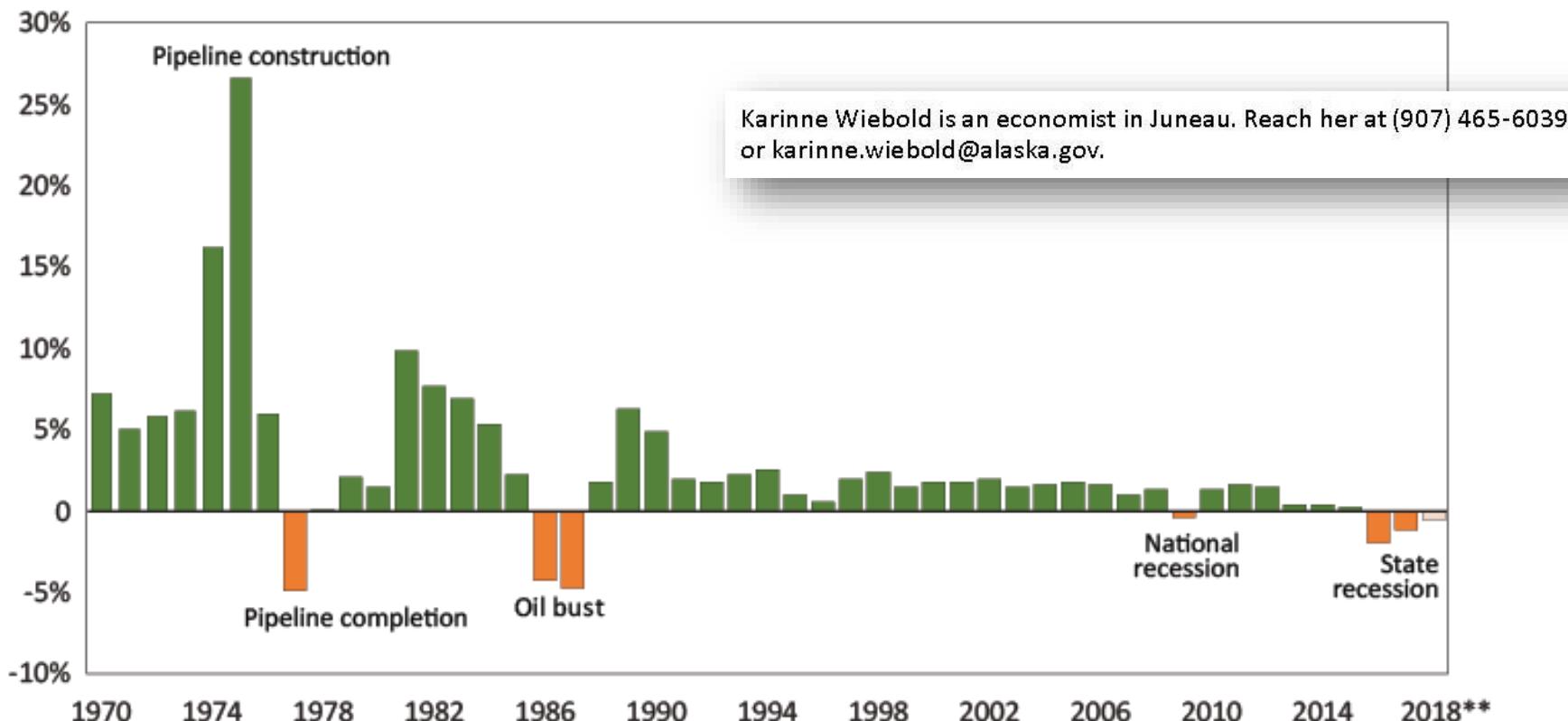
JANUARY 16, 2018



ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT
ACTING COMMISSIONER GREG CASHEN

Alaska's Employment Growth History

PERCENT CHANGE FROM PRIOR YEAR, 1970 TO 2018 FORECAST



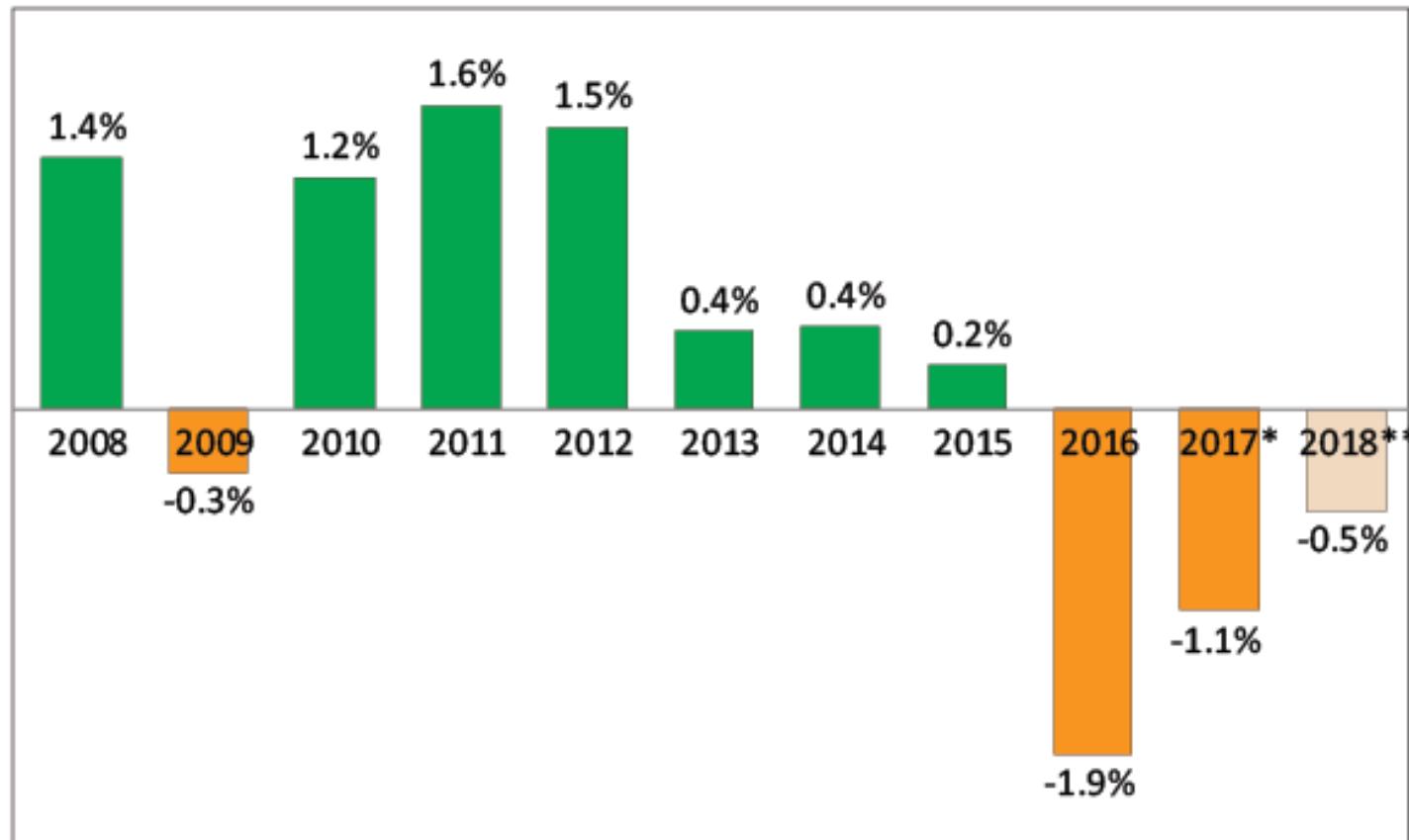
Note: 2017 is preliminary. **Forecast

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



Tapering Job Losses for Alaska

PERCENT CHANGE FROM PRIOR YEAR, 2008 TO 2018



*Preliminary **Forecast

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



Statewide Job Forecast by Industry

WAGE AND SALARY EMPLOYMENT, 2016 TO 2018

	2016 Monthly Average	2017 Monthly Average ¹	Percent Chg 2016 to 2017		2018 Monthly Average	Percent Chg 2017 to 2018	
Total Nonfarm Employment ²	332,600	329,000	-3,600	-1.1%	327,200	-1,800	-0.5%
Total Private Sector	251,300	248,300	-3,000	-1.2%	247,100	-1,200	-0.5%
Natural Resources and Mining	14,500	13,000	-1,500	-10.3%	12,500	-500	-3.8%
Oil and Gas	11,300	9,800	-1,500	-13.3%	9,300	-500	-5.1%
Construction	16,200	15,000	-1,200	-7.4%	14,500	-500	-3.3%
Manufacturing	13,600	13,400	-200	-1.5%	13,600	200	1.5%
Trade, Transportation, and Utilities	65,400	64,800	-600	-0.9%	64,500	-300	-0.5%
Retail Trade	37,100	36,600	-500	-1.3%	36,400	-200	-0.5%
Wholesale Trade	6,400	6,300	-100	-1.6%	6,300	0	0%
Transportation, Warehousing, and Utilities	21,900	21,900	0	0%	21,800	-100	-0.5%
Information	6,300	6,000	-300	-4.8%	5,900	-100	-1.7%
Financial Activities	12,100	12,100	0	0%	12,100	0	0%
Professional and Business Services	28,400	27,800	-600	-2.1%	27,400	-400	-1.4%
Educational ³ and Health Services	48,600	50,000	1,400	2.9%	50,600	600	1.2%
Health Care	35,600	37,400	1,800	5.1%	38,100	700	1.9%
Leisure and Hospitality	35,200	35,200	0	0%	35,100	-100	-0.3%
Other Services	11,000	11,000	0	0%	10,900	-100	-0.9%
Total Government	81,300	80,700	-600	-0.7%	80,100	-600	-0.7%
Federal ⁴	15,200	15,100	-100	-0.7%	15,100	0	0%
State ⁵	24,600	23,800	-800	-3.3%	23,300	-500	-2.1%
Local ⁶	41,500	41,800	300	0.7%	41,700	-100	-0.2%

¹Preliminary and adjusted estimates

²Excludes self-employed workers, fishermen, domestic workers, and unpaid family workers

³Private education only

⁴Excludes uniformed military

⁵Includes the University of Alaska

⁶Includes public schools and tribal government

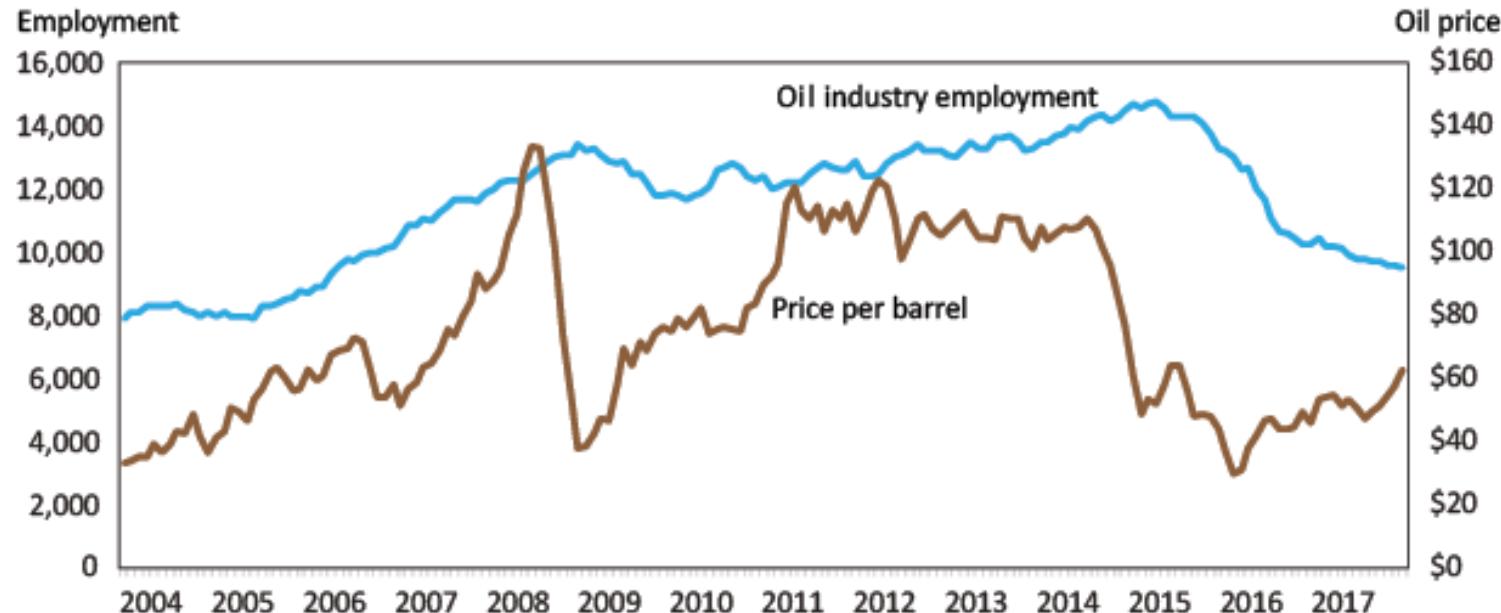
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section



4

Oil Prices and Industry Jobs

ALASKA, 2004 TO 2017



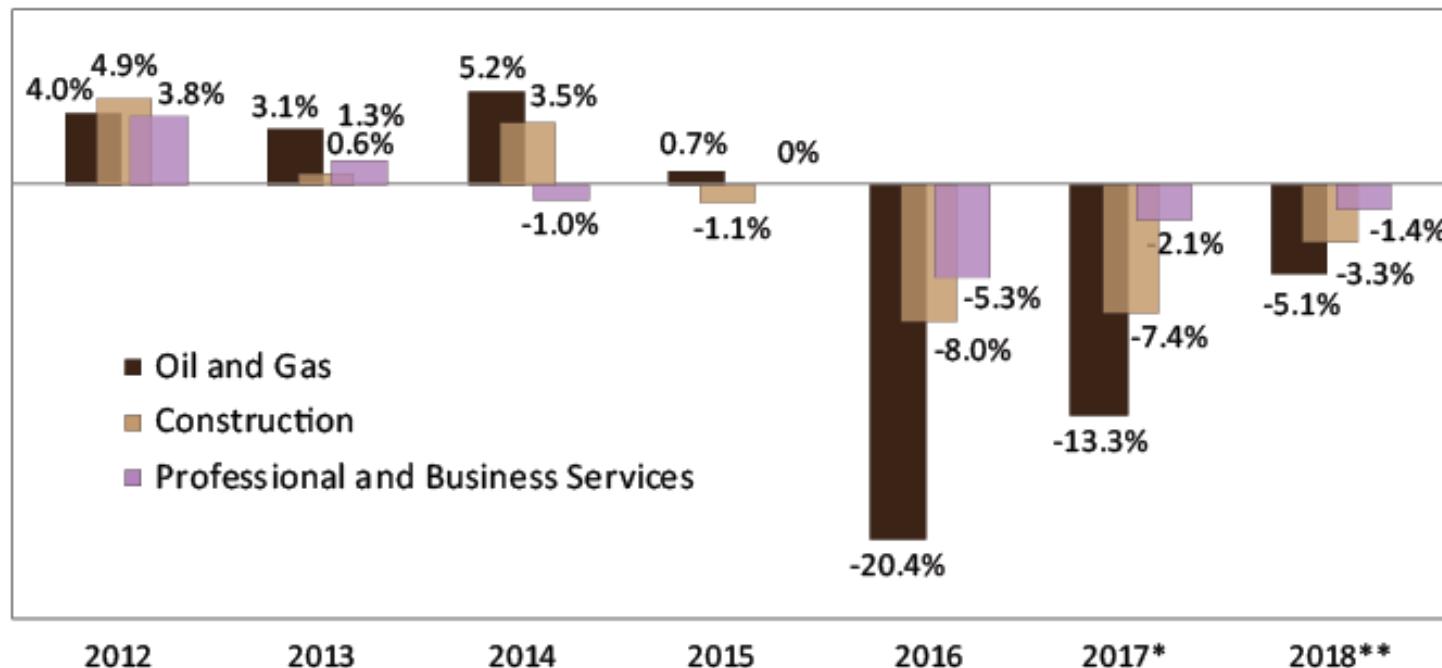
Note: Average West Coast spot price per barrel of Alaska North Slope crude oil

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



Jobs in Recession's Most-Affected Private Industries

PERCENT CHANGE FROM PRIOR YEAR, 2012 TO 2018



*Preliminary **Forecast

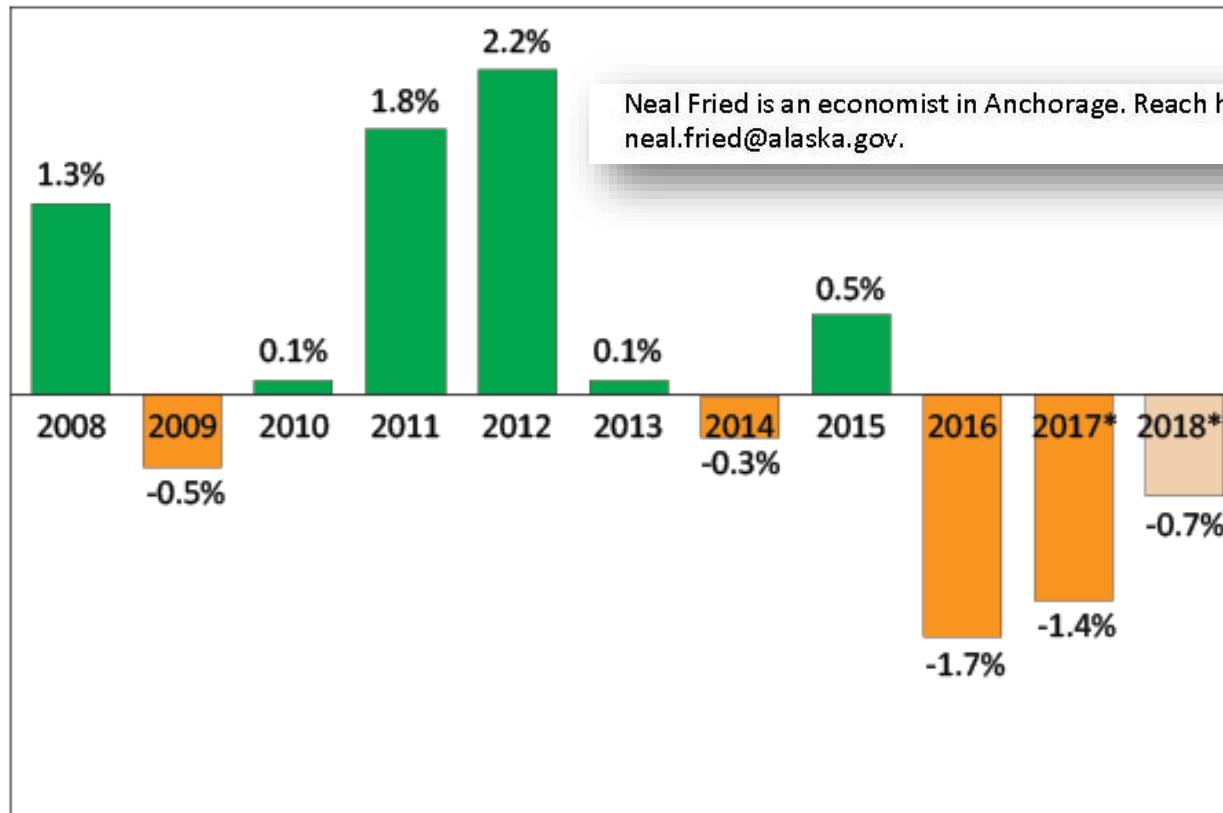
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section



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Anchorage Job Losses to Slow Down

PERCENT CHANGE FROM PRIOR YEAR, 2008 TO 2018



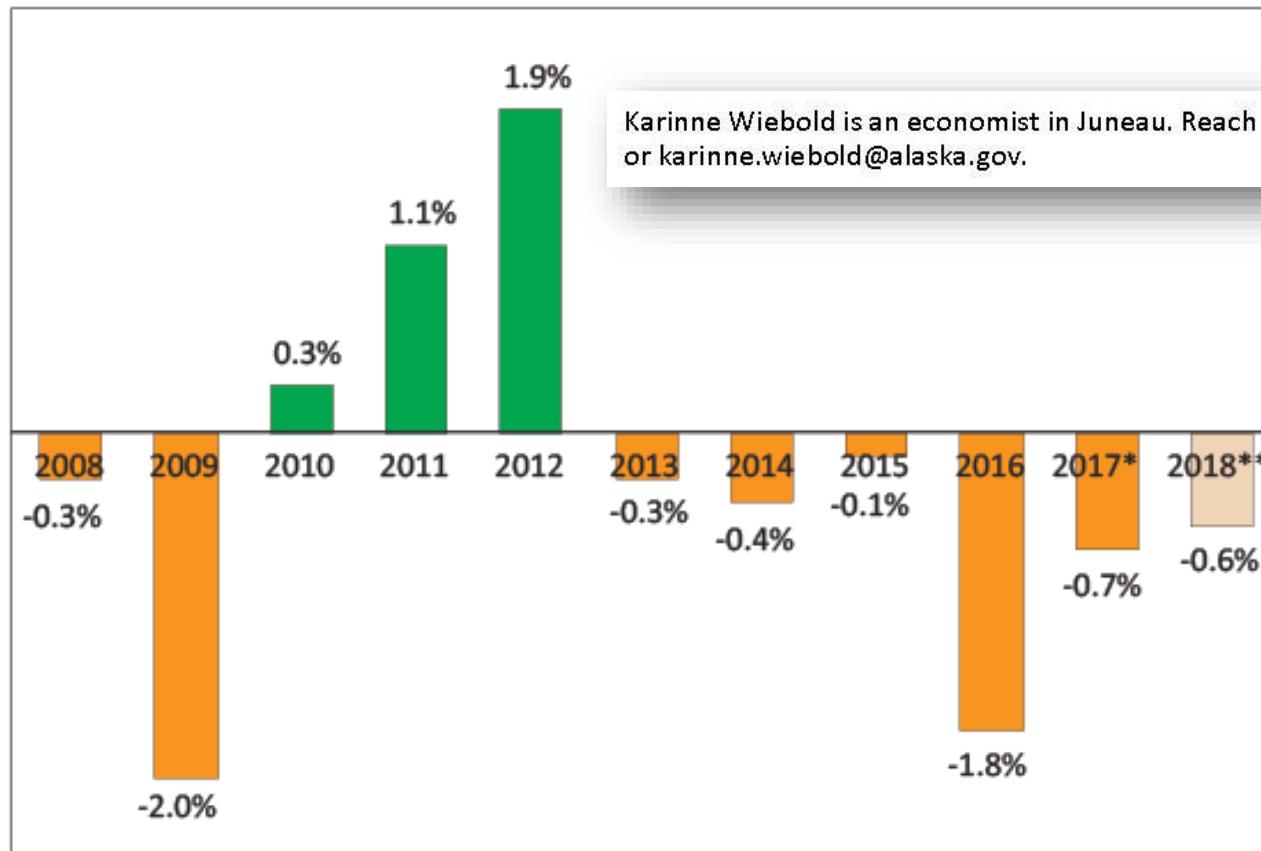
*Preliminary **Forecast

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



Slightly Smaller Loss For Southeast

PERCENT CHANGE FROM PRIOR YEAR, 2008 TO 2018



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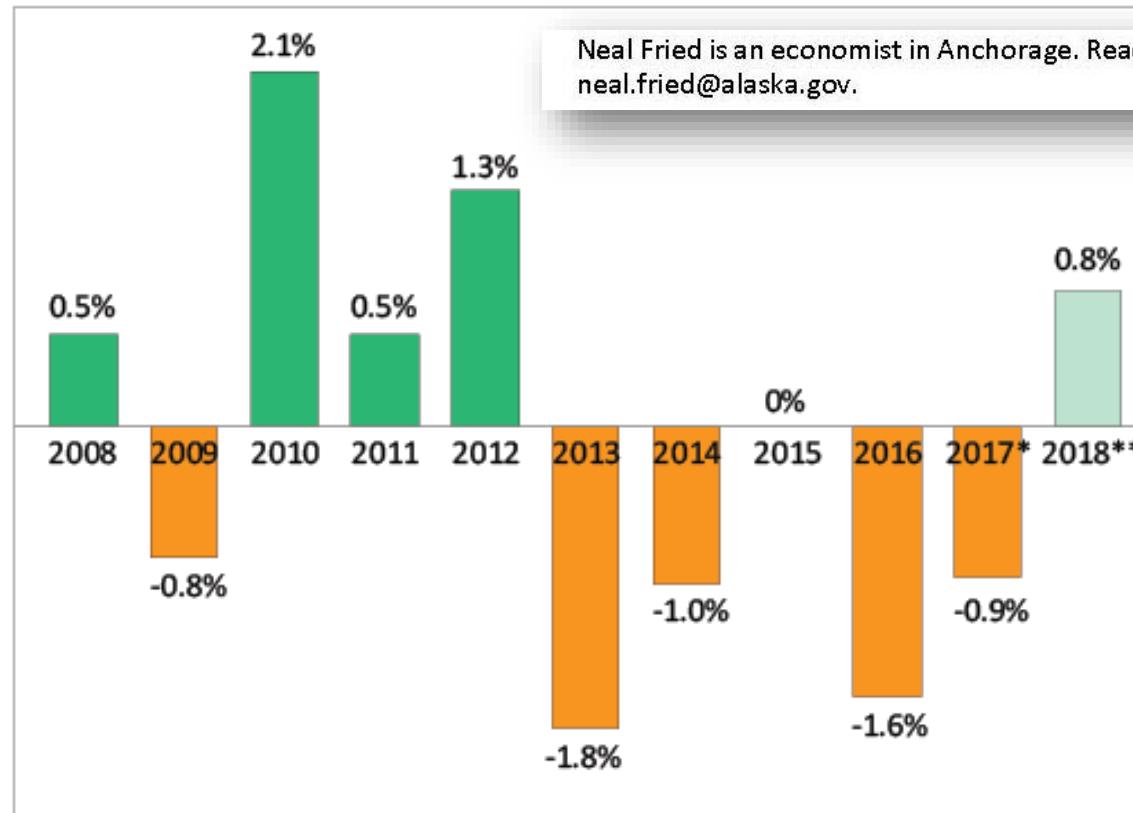
*Preliminary **Forecast

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



Modest Growth in Fairbanks Jobs

PERCENT CHANGE FROM PRIOR YEAR, 2008 TO 2018



*Preliminary **Forecast

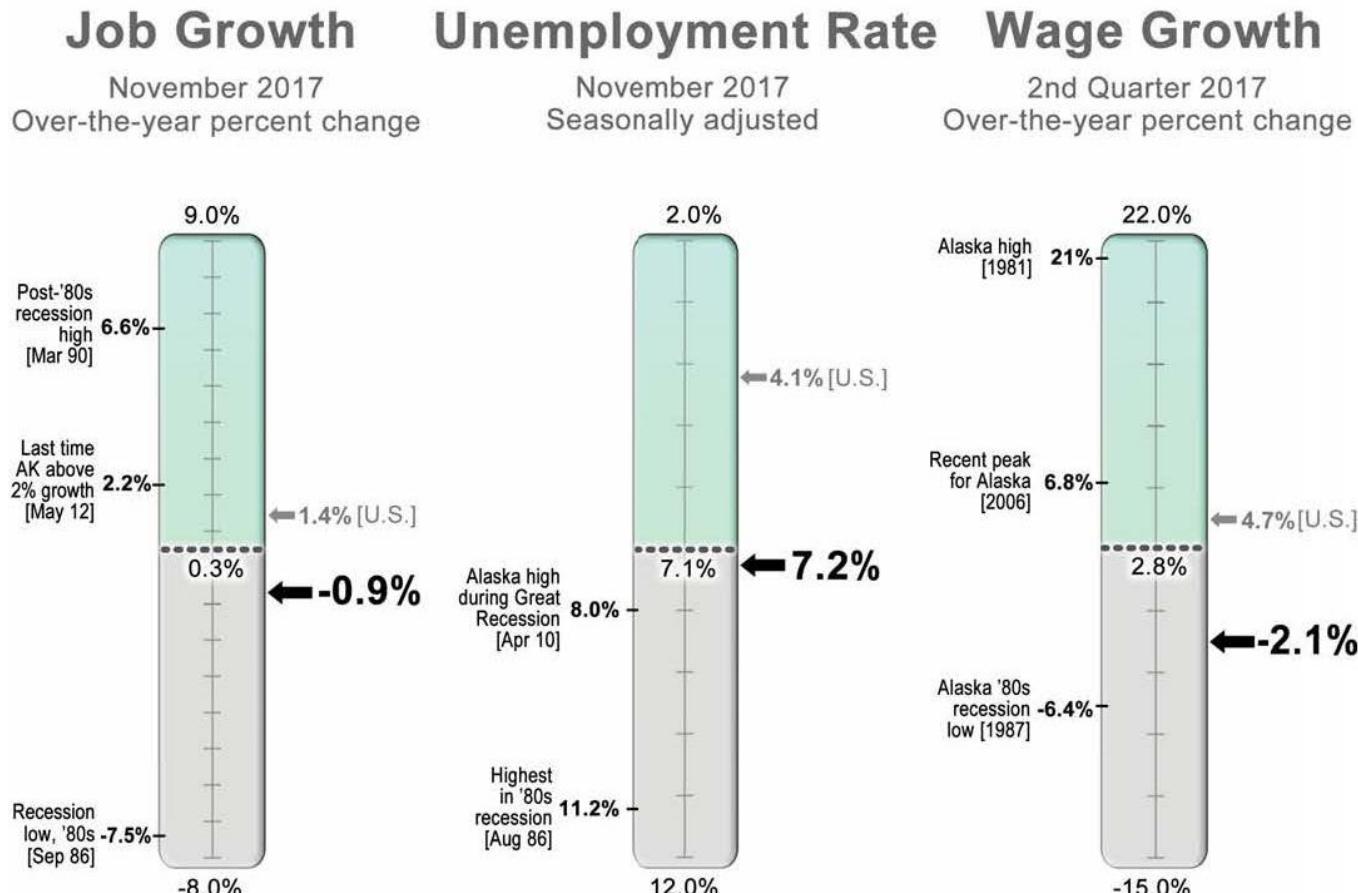
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section



Gauging Alaska's Economy

.... ALASKA'S
 10-YR AVERAGE
 ← CURRENT ALASKA
 ← CURRENT U.S.

- November was the 26th consecutive month Alaska has recorded job losses. Alaska had 25 months of job losses during the 1980s recession.
- Alaska's unemployment rate is the highest in the nation but it is only 1/10 of a percent above the 10-year average.
- Wages fell in the second quarter of 2017 from the prior year.

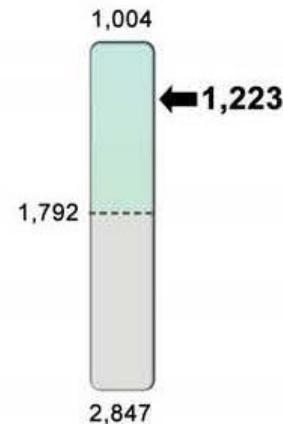


Gauging Alaska's Economy

..... ALASKA'S
10-YR AVERAGE
← CURRENT ALASKA

Initial Claims

Unemployment, week
ending Dec. 5, 2017†

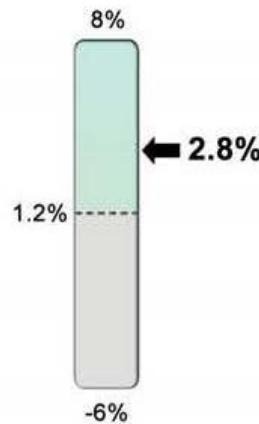


- For a variety of reasons, initial claims are well below the 10-year average despite job losses.

†Four-week moving average
ending with the specified week

GDP Growth

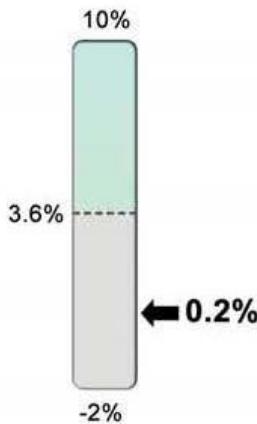
2nd Quarter 2017
Over-the-year percent change



- Gross domestic product is the market value of all goods and services produced in Alaska. It's promising for economic recovery that GDP growth is now positive and well above the 10-year average.

Personal Income Growth

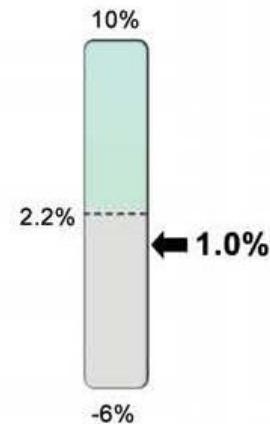
3rd Quarter 2017
Over-the-year percent change



- Personal income includes wages as well as government transfer payments (such as Social Security, Medicaid, and the PFD) and investment income. Declines during the current recession have been small so far.

Change in Home Prices

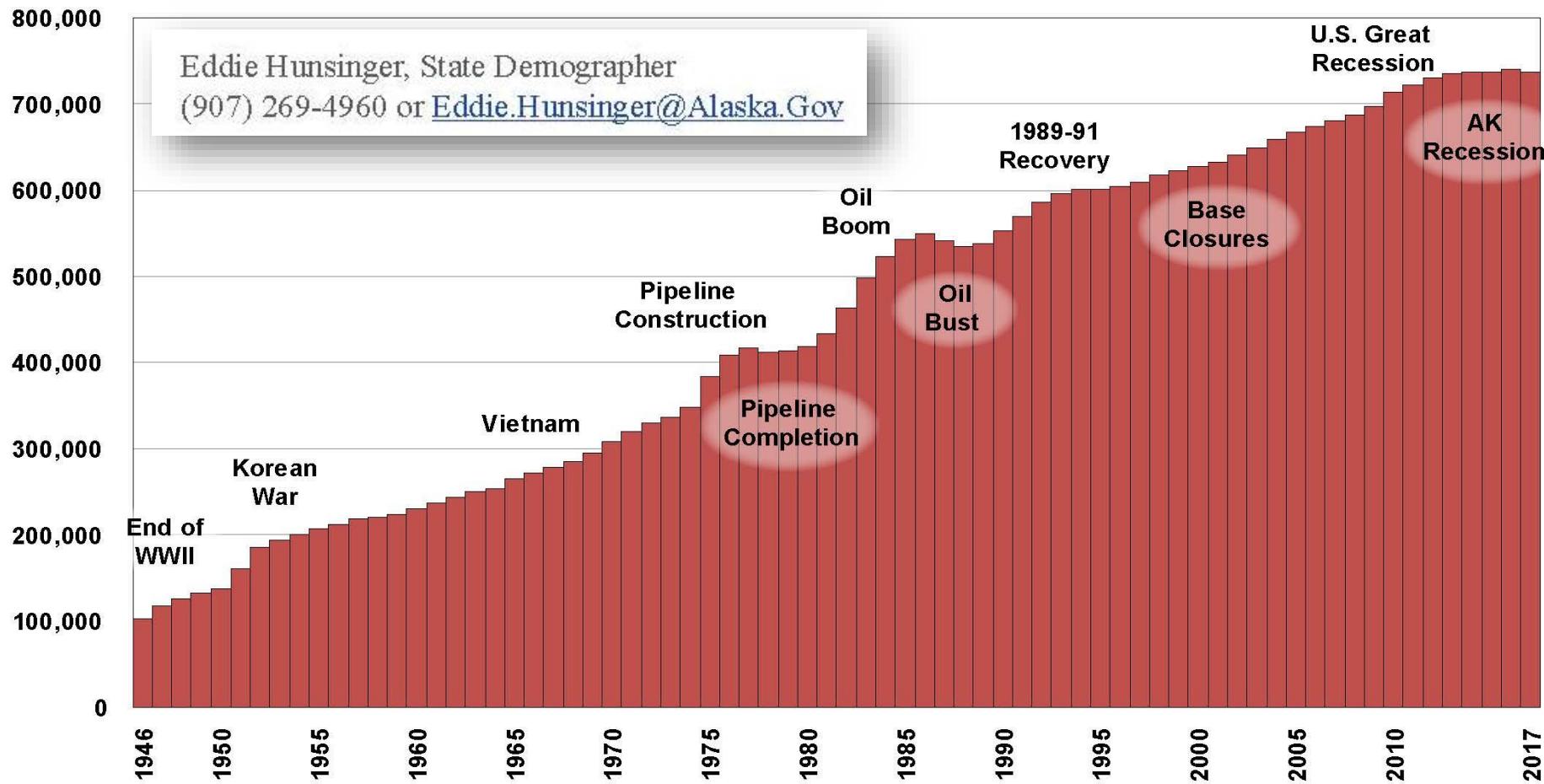
3rd Quarter 2017
Over-the-year percent change



- Home prices include only those for which a commercial loan is used. This indicator tends to be volatile from quarter to quarter.



Alaska Population, 1946-2017



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

Population of Alaska by Economic Region, Borough and Census Area

2010 to 2017

Area	Census	Estimate	Natural Increase		Net Migration		Population Chg		Ann Growth Rate							
	April 2010	July 2011	July 2012	July 2013	July 2014	July 2015	July 2016	July 2017	2010 to 2017	2016 to 2017	2010 to 2017	2016 to 2017	2010 to 2017	2016 to 2017	2010 to 2017	2016 to 2017
Alaska	710,231	722,388	731,042	735,776	736,906	737,467	739,709	737,080	51,949	6,256	-25,100	-8,885	26,849	-2,629	0.51%	-0.36%
Anchorage/Mat-Su Region	380,821	387,399	391,986	396,689	398,351	398,768	401,491	401,649	28,196	3,359	-7,368	-3,201	20,828	158	0.73%	0.04%
Anchorage, Municipality	291,826	295,719	298,334	300,880	300,197	298,799	298,937	297,483	21,964	2,505	-16,307	-3,959	5,657	-1,454	0.26%	-0.49%
Matanuska-Susitna Borough	88,995	91,680	93,652	95,809	98,154	99,969	102,554	104,166	6,232	854	8,939	758	15,171	1,612	2.17%	1.56%
Gulf Coast Region	78,631	80,216	80,576	80,479	80,863	81,038	81,108	80,698	3,878	457	-1,811	-867	2,067	-410	0.36%	-0.51%
Kenai Peninsula Borough	55,400	56,530	56,633	56,850	57,431	57,707	58,049	58,024	2,245	258	379	-283	2,624	-25	0.64%	-0.04%
Kodiak Island Borough	13,592	13,848	13,993	13,810	13,827	13,795	13,560	13,287	1,144	134	-1,449	-407	-305	-273	-0.31%	-2.03%
Valdez-Cordova Census Area	9,639	9,838	9,950	9,819	9,605	9,536	9,499	9,387	489	65	-741	-177	-252	-112	-0.37%	-1.19%
Interior Region	112,021	112,835	115,397	114,515	113,067	112,905	113,202	111,911	9,624	1,191	-9,734	-2,482	-110	-1,291	-0.01%	-1.15%
Denali Borough	1,826	1,836	1,856	1,798	1,789	1,790	1,883	1,849	82	4	-59	-38	23	-34	0.17%	-1.82%
Fairbanks N Star Borough	97,581	98,234	100,664	99,985	98,779	98,727	98,954	97,738	8,868	1,118	-8,711	-2,334	157	-1,216	0.02%	-1.24%
Southeast Fairbanks CA	7,026	7,107	7,200	7,085	6,983	6,897	6,921	6,973	472	50	-525	2	-53	52	-0.10%	0.75%
Yukon-Koyukuk Census Area	5,588	5,658	5,677	5,647	5,516	5,491	5,444	5,351	202	19	-439	-112	-237	-93	-0.60%	-1.72%
Northern Region	26,445	26,930	27,274	27,541	27,528	27,828	27,808	27,705	3,046	386	-1,786	-489	1,260	-103	0.64%	-0.37%
Nome Census Area	9,492	9,718	9,852	9,869	9,986	10,058	10,070	10,006	1,157	149	-643	-213	514	-64	0.73%	-0.64%
North Slope Borough	9,430	9,575	9,710	9,864	9,732	9,887	9,801	9,849	879	100	-460	-52	419	48	0.60%	0.49%
Northwest Arctic Borough	7,523	7,637	7,712	7,808	7,810	7,883	7,937	7,850	1,010	137	-683	-224	327	-87	0.59%	-1.10%
Southeast Region	71,664	73,582	74,168	74,297	74,518	74,371	73,827	72,915	2,788	276	-1,537	-1,188	1,251	-912	0.24%	-1.24%
Haines Borough	2,508	2,610	2,607	2,534	2,550	2,493	2,466	2,459	7	4	-56	-11	-49	-7	-0.27%	-0.28%
Hoonah-Angoon Census Area	2,149	2,149	2,200	2,179	2,141	2,177	2,188	2,122	53	12	-80	-78	-27	-66	-0.17%	-3.06%
Juneau City and Borough	31,275	32,328	32,689	32,915	33,020	33,145	32,723	32,269	1,495	170	-501	-624	994	-454	0.43%	-1.40%
Ketchikan Gateway Borough	13,477	13,720	13,878	13,826	13,872	13,813	13,749	13,754	554	35	-277	-30	277	5	0.28%	0.04%
Petersburg Borough	3,203	3,290	3,251	3,198	3,207	3,185	3,177	3,147	134	17	-190	-47	-56	-30	-0.24%	-0.95%
Prince of Wales-Hyder CA	6,172	6,449	6,456	6,540	6,558	6,536	6,491	6,390	215	4	3	-105	218	-101	0.48%	-1.57%
Sitka City and Borough	8,881	9,023	9,065	9,051	9,085	8,922	8,914	8,748	228	22	-361	-188	-133	-166	-0.21%	-1.88%
Skagway Municipality	968	964	957	981	1,038	1,045	1,069	1,087	51	10	68	8	119	18	1.60%	1.67%
Wrangell City and Borough	2,369	2,408	2,444	2,455	2,415	2,445	2,456	2,387	13	-4	5	-65	18	-69	0.10%	-2.85%
Yakutat City and Borough	662	641	621	618	632	610	594	552	38	6	-148	-48	-110	-42	-2.50%	-7.33%
Southwest Region	40,649	41,426	41,641	42,255	42,579	42,557	42,273	42,202	4,417	587	-2,864	-658	1,553	-71	0.52%	-0.17%
Aleutians East Borough	3,141	3,146	3,146	3,148	3,093	3,047	2,999	2,977	55	6	-219	-28	-164	-22	-0.74%	-0.74%
Aleutians West Census Area	5,561	5,529	5,622	5,645	5,616	5,534	5,481	5,357	136	17	-340	-141	-204	-124	-0.52%	-2.29%
Bethel Census Area	17,013	17,442	17,560	17,865	18,084	18,198	18,121	18,127	2,336	306	-1,222	-300	1,114	6	0.87%	0.03%
Bristol Bay Borough	997	1,024	984	933	944	887	876	887	24	1	-134	10	-110	11	-1.61%	1.25%
Dillingham Census Area	4,847	4,933	4,974	5,022	5,070	5,010	4,954	4,925	492	70	-414	-99	78	-29	0.22%	-0.59%
Kusilvak Census Area	7,459	7,675	7,675	7,942	8,085	8,204	8,200	8,208	1,242	165	-493	-157	749	8	1.32%	0.10%
Lake and Peninsula Borough	1,631	1,677	1,680	1,700	1,687	1,677	1,642	1,721	132	22	-42	57	90	79	0.74%	4.70%

Notes: Vintage 2017. All numbers are based on 2017 geography. Natural increase is births minus deaths. Net migration is in-migrants minus out-migrants.

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

WE'RE PREPARING ALASKANS FOR THE JOBS OF TODAY—AND TOMORROW

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