

Oil and gas jobs up 1,000 over the year

Total nonfarm wage and salary employment rose by 12,800 in May to 318,400. About a third of the job increase came from the leisure and hospitality sector, where there was large seasonal hiring in both the accommodations and food and drink industries. Construction and retail trade also saw significant increases, adding a combined total of 3,600 jobs in May.

Over-the-year comparisons show that the oil and gas industry has added 1,000 jobs since May 2005, for a robust 12 percent growth rate over the 12-month period. The industry's 9,400 jobs in May were approaching levels not seen since 2001. Significant new development is occurring at satellite fields and development efforts have picked up due at least partly to several consecutive years of high oil prices.

All the state's major employment sectors at least matched May 2005's job count and most are up moderately. Two industries that bear watching in the coming months are construction and health care. Both continue to show over-the-year growth, but in smaller amounts than the last several years. Construction was up just 300 jobs from May 2005 to May 2006 and health care was up 500 jobs over the same period after both recorded average annual job increases of 900 in 2005.

Alaska's unemployment rate fell six-tenths of a percentage point in May to 6.9 percent,

according to the Alaska Department of Labor & Workforce Development. The decline was typical for May, a month when a significant number of unemployed workers find jobs in the state's seasonal industries.

Despite the expected seasonal decline, the unemployment rate has begun to creep higher when compared to year-ago rates. After consistent, gradual declines for more than two years, the rate rose above its year-ago level in March by two-tenths of a percentage point. The gap widened to four-tenths of a percentage point in April and May's 6.9 percent rate is five-tenths of a percentage point higher than May 2005's 6.4 percent rate.

The unemployment rate remains relatively low by historical standards, however, and the over-the-year increases are small enough to be of questionable significance until several more months of data become available.

Anchorage's unemployment rate fell three-tenths of a percentage point in May to 5.6 percent, and Fairbanks' rate fell seven-tenths of a percentage point to 5.8 percent. Both cities' May rates were four-tenths of a percentage point higher than in May 2005. Juneau's rate fell six-tenths of a percentage point in May to 4.7 percent, matching May 2005's rate. The Denali Borough had the state's lowest rate in May at 4.3 percent and the Wade Hampton Census Area had the highest at 22.6 percent.