



MEDIA RELEASE

Jobs are Alaska's Future



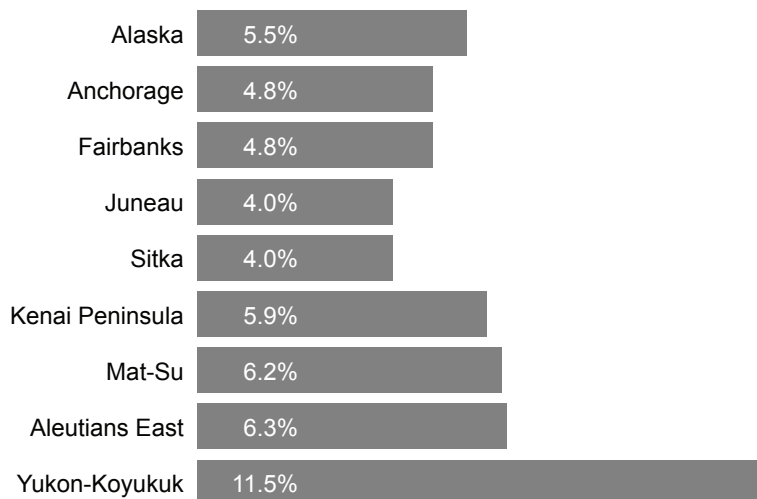
ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT

Greg O'Claray, Commissioner

September 15, 2006
No. 07-09

Unemployment rate falls to 5.5 percent in August

August Unemployment for Selected Areas



Alaska's unemployment rate fell eight-tenths of a percentage point in August to 5.5 percent, according to the Alaska Department of Labor & Workforce Development. The reasons for the larger than normal August decline aren't clear and may be due, at least in part, to volatility in the survey that produces the rate.

The 5.5 percent rate is slightly lower than August 2005's 5.8 percent rate. For much of 2006, there has been no discernable trend to the state's unemployment rate, with some months hinting at rising unemployment only to be followed in subsequent months by significant declines. Through August, the rate has averaged 7.1 percent in 2006 compared to 7.0 percent over the same eight months in 2005.

Rates in both Anchorage and Fairbanks fell to 4.8 percent, while Juneau's rate dropped to 4.0 percent. The Denali Borough had the state's lowest August unemployment rate at 2.2 percent and the Wade Hampton Census Area had the highest at 21.9 percent.

Alaska Nonfarm Payroll Employment

| | Preliminary | Revised | Revised | Changes from | |
|--|-------------|---------|---------|--------------|-------|
| | 8/06 | 7/06 | 8/05 | 7/06 | 8/05 |
| Total Nonfarm Employment | 337,000 | 337,000 | 332,900 | 0 | 4,100 |
| Natural Resources and Mining | 12,200 | 12,200 | 11,200 | 0 | 1,000 |
| Oil and Gas | 9,700 | 9,800 | 8,900 | -100 | 800 |
| Construction | 22,900 | 22,500 | 22,700 | 400 | 200 |
| Manufacturing | 18,900 | 21,200 | 19,300 | -2,300 | -400 |
| Trade, Transportation and Utilities | 69,600 | 69,300 | 68,700 | 300 | 900 |
| Retail Trade | 38,500 | 38,300 | 37,800 | 200 | 700 |
| Information | 7,000 | 7,000 | 6,900 | 0 | 100 |
| Financial Activities | 15,500 | 15,400 | 15,300 | 100 | 200 |
| Professional and Business Services | 26,300 | 26,100 | 25,900 | 200 | 400 |
| Educational ¹ and Health Services | 36,400 | 36,500 | 35,600 | -100 | 800 |
| Health Care | 26,500 | 26,400 | 26,000 | 100 | 500 |
| Leisure and Hospitality | 38,600 | 38,700 | 38,100 | -100 | 500 |
| Accommodation | 11,400 | 11,400 | 11,300 | 0 | 100 |
| Food Svcs. and Drinking Places | 21,900 | 22,000 | 21,400 | -100 | 500 |
| Other Services | 11,800 | 11,800 | 11,700 | 0 | 100 |
| Government ² | 77,800 | 76,300 | 77,500 | 1,500 | 300 |

¹ Private education only

² Government includes public schools, the University of Alaska and federally recognized tribal entities.

Wage and salary jobs held steady at 337,000 in August as a large seasonal decline in seafood processing largely offset the seasonal increase in local education jobs.

The construction industry added 400 jobs in August, the seasonal high point for building activity, while the state's remaining industries generally saw only small changes in employment levels from July to August.

Over-the-year comparisons continue to show the oil and gas industry as a bright spot, with 800 more jobs in August 2006 than 12 months earlier. Any employment effects of British Petroleum's decision to shut down part of the Prudhoe Bay oil field to repair pipelines would not show up until September's data is released, at the earliest.

According to Dan Robinson, an economist with the department, the state's labor market appears relatively stable. "Through the first two-thirds of 2006, Alaska has continued to generate moderate job growth and unemployment remains low by historical standards," he said.

Seasonally Adjusted Unemployment Rates¹

| | | | | |
|--------------|--------|------|------|------|
| August 2006: | Alaska | 6.5% | U.S. | 4.7% |
| July 2006: | Alaska | 7.0% | U.S. | 4.8% |
| August 2005: | Alaska | 6.7% | U.S. | 4.9% |

¹ All other unemployment rates in this press release are not seasonally adjusted.

Sources for tables and graph: Alaska Department of Labor & Workforce Development, Research and Analysis Section; and the U.S. Bureau of Labor Statistics

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Research and Analysis Web site: almis.labor.state.ak.us

Labor Force by Borough and Census Area

| | Labor Force | | | Unemployment | | | Rate | | | Employment | | |
|---|----------------|----------------|----------------|---------------|---------------|---------------|-------------|-------------|-------------|----------------|----------------|----------------|
| | 8/06 | 7/06 | 8/05 | 8/06 | 7/06 | 8/05 | 8/06 | 7/06 | 8/05 | 8/06 | 7/06 | 8/05 |
| Alaska Statewide | 351,873 | 357,524 | 345,349 | 19,352 | 22,566 | 20,083 | 5.5 | 6.3 | 5.8 | 332,521 | 334,938 | 325,266 |
| Anchorage/Mat-Su | 183,543 | 186,324 | 178,670 | 9,247 | 10,711 | 9,487 | 5.0 | 5.7 | 5.3 | 174,296 | 175,613 | 169,183 |
| Municipality of Anchorage | 148,683 | 150,798 | 144,776 | 7,101 | 8,146 | 7,347 | 4.8 | 5.4 | 5.1 | 141,582 | 142,652 | 137,429 |
| Mat-Su Borough | 34,860 | 35,526 | 33,894 | 2,146 | 2,565 | 2,140 | 6.2 | 7.2 | 6.3 | 32,714 | 32,961 | 31,754 |
| Gulf Coast Region | 38,896 | 39,935 | 38,785 | 2,232 | 2,612 | 2,481 | 5.7 | 6.5 | 6.4 | 36,664 | 37,323 | 36,304 |
| Kenai Peninsula Borough | 26,480 | 27,594 | 26,324 | 1,553 | 1,827 | 1,737 | 5.9 | 6.6 | 6.6 | 24,927 | 25,767 | 24,587 |
| Kodiak Island Borough | 6,305 | 6,440 | 6,304 | 364 | 419 | 381 | 5.8 | 6.5 | 6.0 | 5,941 | 6,021 | 5,923 |
| Valdez-Cordova Census Area | 6,111 | 5,901 | 6,157 | 315 | 366 | 363 | 5.2 | 6.2 | 5.9 | 5,796 | 5,535 | 5,794 |
| Interior Region | 56,373 | 56,092 | 55,276 | 2,921 | 3,399 | 2,807 | 5.2 | 6.1 | 5.1 | 53,452 | 52,693 | 52,469 |
| Denali Borough | 2,874 | 2,962 | 2,720 | 62 | 72 | 57 | 2.2 | 2.4 | 2.1 | 2,812 | 2,890 | 2,663 |
| Fairbanks North Star Borough | 46,826 | 46,362 | 46,011 | 2,244 | 2,604 | 2,197 | 4.8 | 5.6 | 4.8 | 44,582 | 43,758 | 43,814 |
| Southeast Fairbanks Census Area | 3,944 | 3,996 | 3,452 | 302 | 352 | 256 | 7.7 | 8.8 | 7.4 | 3,642 | 3,644 | 3,196 |
| Yukon-Koyukuk Census Area | 2,729 | 2,772 | 3,093 | 313 | 371 | 297 | 11.5 | 13.4 | 9.6 | 2,416 | 2,401 | 2,796 |
| Northern Region | 10,433 | 10,595 | 10,400 | 1,055 | 1,250 | 1,178 | 10.1 | 11.8 | 11.3 | 9,378 | 9,345 | 9,222 |
| Nome Census Area | 3,526 | 3,592 | 3,585 | 450 | 536 | 455 | 12.8 | 14.9 | 12.7 | 3,076 | 3,056 | 3,130 |
| North Slope Borough | 3,940 | 3,918 | 3,704 | 280 | 322 | 361 | 7.1 | 8.2 | 9.7 | 3,660 | 3,596 | 3,343 |
| Northwest Arctic Borough | 2,967 | 3,085 | 3,111 | 325 | 392 | 362 | 11.0 | 12.7 | 11.6 | 2,642 | 2,693 | 2,749 |
| Southeast Region | 44,668 | 44,858 | 43,993 | 2,104 | 2,450 | 2,263 | 4.7 | 5.5 | 5.1 | 42,564 | 42,408 | 41,730 |
| Haines Borough | 2,290 | 2,279 | 2,268 | 80 | 97 | 94 | 3.5 | 4.3 | 4.1 | 2,210 | 2,182 | 2,174 |
| Juneau Borough | 18,840 | 19,111 | 18,481 | 754 | 896 | 861 | 4.0 | 4.7 | 4.7 | 18,086 | 18,215 | 17,620 |
| Ketchikan Gateway Borough | 9,428 | 9,454 | 9,083 | 413 | 459 | 425 | 4.4 | 4.9 | 4.7 | 9,015 | 8,995 | 8,658 |
| Prince of Wales-Outer Ketchikan Census Area | 2,597 | 2,599 | 2,687 | 285 | 312 | 272 | 11.0 | 12.0 | 10.1 | 2,312 | 2,287 | 2,415 |
| Sitka Borough | 5,139 | 5,089 | 5,137 | 207 | 241 | 219 | 4.0 | 4.7 | 4.3 | 4,932 | 4,848 | 4,918 |
| Skagway-Hoonah-Angoon Census Area | 2,300 | 2,452 | 2,304 | 145 | 175 | 145 | 6.1 | 7.1 | 6.3 | 2,245 | 2,277 | 2,159 |
| Wrangell-Petersburg Census Area | 3,608 | 3,495 | 3,672 | 200 | 247 | 229 | 5.5 | 7.1 | 6.2 | 3,408 | 3,248 | 3,443 |
| Yakutat Borough | 376 | 379 | 361 | 20 | 23 | 18 | 5.3 | 6.1 | 5.0 | 356 | 356 | 343 |
| Southwest Region | 17,960 | 19,722 | 18,221 | 1,792 | 2,166 | 1,866 | 10.0 | 11.0 | 10.2 | 16,168 | 17,556 | 16,355 |
| Aleutians East Borough | 1,183 | 1,318 | 1,211 | 74 | 83 | 84 | 6.3 | 6.3 | 6.9 | 1,109 | 1,235 | 1,127 |
| Aleutians West Census Area | 3,140 | 3,074 | 3,229 | 120 | 144 | 131 | 3.8 | 4.7 | 4.1 | 3,020 | 2,930 | 3,098 |
| Bethel Census Area | 6,462 | 6,831 | 6,559 | 822 | 1,009 | 841 | 12.7 | 14.8 | 12.8 | 5,640 | 5,822 | 5,718 |
| Bristol Bay Borough | 1,666 | 2,733 | 1,593 | 44 | 53 | 45 | 2.6 | 1.9 | 2.8 | 1,622 | 2,680 | 1,548 |
| Dillingham Census Area | 2,166 | 2,436 | 2,176 | 192 | 214 | 199 | 8.8 | 8.8 | 9.1 | 1,994 | 2,222 | 1,977 |
| Lake and Peninsula Borough | 1,102 | 1,183 | 1,161 | 54 | 68 | 65 | 4.9 | 5.7 | 5.6 | 1,048 | 1,115 | 1,096 |
| Wade Hampton Census Area | 2,221 | 2,147 | 2,292 | 486 | 595 | 501 | 21.9 | 27.7 | 21.9 | 1,735 | 1,552 | 1,791 |

Source: Alaska Department of Labor & Workforce Development, Research and Analysis Section, and the U.S. Bureau of Labor Statistics
 The official definition of unemployment excludes anyone who has not made an active attempt to find work in the four-week period up to and including the week that includes the 12th of the reference month. Many individuals in rural Alaska do not meet the definition because they have not conducted an active job search due to the scarcity of employment opportunities.