



*Mouhcine Guettabi, Associate Professor of Economics, Institute of Social and Economic Research at the University of Alaska Anchorage, shares his views on the Alaska economy.*

## **Alaska's seasonally adjusted unemployment rate in February remained at 6.5%**

Alaska's unemployment rate continued to be the highest in the nation in February, although it was 0.8% lower than the same time in 2018. The comparable national rate fell from 4% to 3.8% in the same time period. The lowest rate, 2.4%, was reported in Iowa, New Hampshire, North Dakota and Vermont. **Figure 1**

Due to winter fishing, the state's lowest unemployment rates were in Aleutians East Borough (2%) and Aleutians West Census Area (2.6%). Skagway, Kusiivak, Hoonah-Angoon and Denali had unemployment rates exceeding 20%. With the exception of Kusiivak, these areas generally have significantly lower unemployment rates in the summer when their seasonal economies are at peak activity levels. The Kusiivak Census Area is one of several rural areas in the state with a high unemployment rate year round.

## **Preliminary February job count indicates 400 more jobs than last year**

Alaska experienced its second straight month of employment growth. This marks the first time the state has recorded two consecutive months of growth since July 2015. The increase in February was 400 jobs, which is modest, but potentially a sign that the recession is coming to an end. **Figure 2**

## **Petroleum and construction lead the rebound**

Construction added more jobs than any other sector in Alaska between February 2018 and February 2019 (1,000), followed by oil and gas (500). Manufacturing jobs, which consist mostly of seafood processing in Alaska, had the biggest decline of 500 jobs. Retail jobs fell by 300. Overall, the state's various industry sectors experienced a mix of small gains and losses. **Figure 3**

## **Alaska's per capita income ranked 10th in the country for 2018**

Overall personal income in Alaska increased by 4.1% between 2017 and 2018. Per capita personal income was \$59,687, almost \$6,000 higher than the national average. Alaska ranks 10th, while Connecticut has the highest per capita income at \$74,561 and Mississippi the lowest at \$37,994. **Figure 4**

## **Total wages increased by 3.3% between third quarter 2017 and third quarter 2018**

Wages grew by \$149 million, or 3.3%, in the third quarter of 2018 compared to the same period in 2017. This increase is another indication that the economy is at the end of the state's longest recession. **Figure 5**

## **Commercial salmon harvest forecast at 213 million fish**

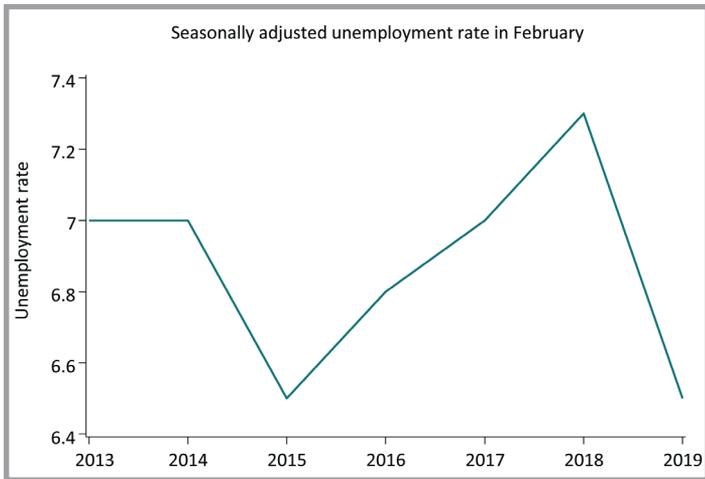
The Alaska Department of Fish and Game is expecting an increased commercial salmon harvest in 2019, mostly due to increases in pink and chum salmon harvests compared to 2018. The 2019 total commercial salmon harvest projection of 213.2 million total fish is expected to include 112,000 chinook salmon, 41.7 million sockeye, 4.6 million coho, 137.8 million pink and 29 million chum salmon. **Figure 6**

### North Slope oil price averaging \$65 dollars so far in 2019

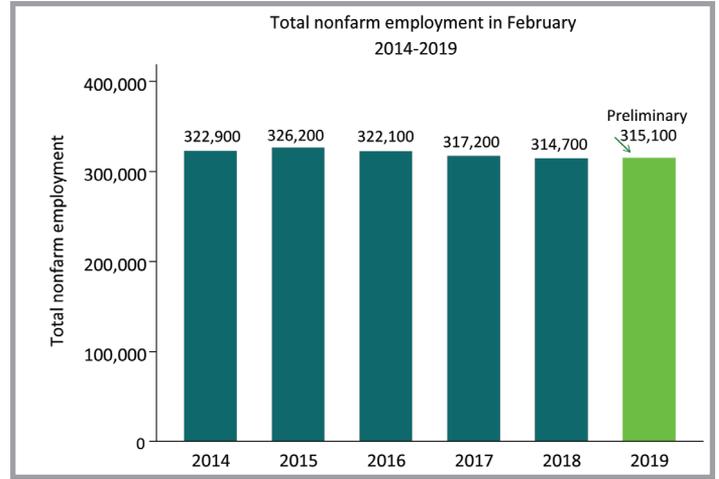
Alaska North Slope oil prices have steadily climbed in the first three and a half months of 2019. They averaged \$60.30 in January, \$65.03 in February, \$67.94 in March and \$71.50 in the first two weeks of April. **Figure 7**

### North Slope oil production averaging 4.9% below last year

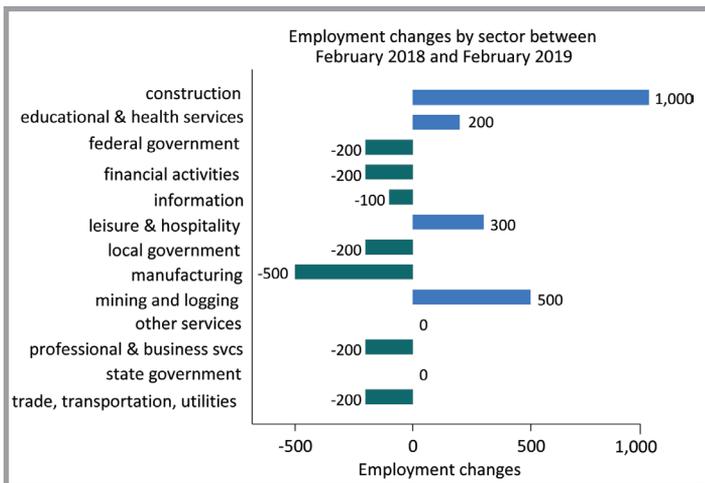
Unlike oil prices, daily oil production has steadily declined in the first three and a half months of 2019. It averaged 525,075 barrels per day in January, 517,227 barrels per day in February, 511,640 barrels per day in March and 508,243 barrels per day in the first two weeks of April. This year's production levels between January 1 and April 14 averaged 516,484 barrels per day, 4.9% lower than production in the same period of last year. **Figure 8**



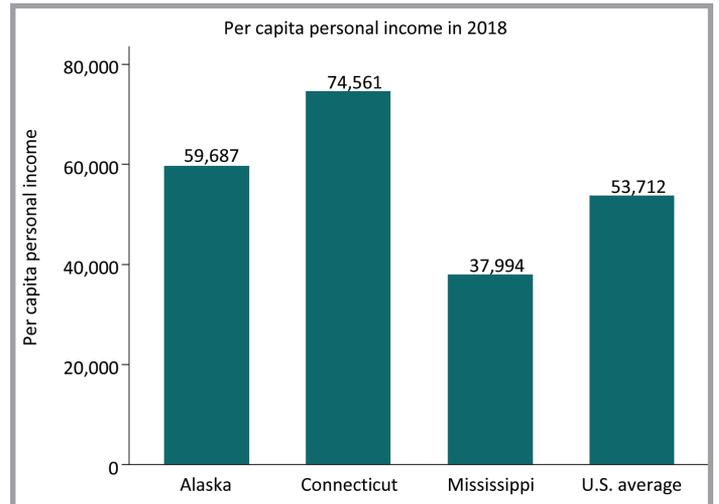
**Figure 1**



**Figure 2**



**Figure 3**



**Figure 4**



Figure 5

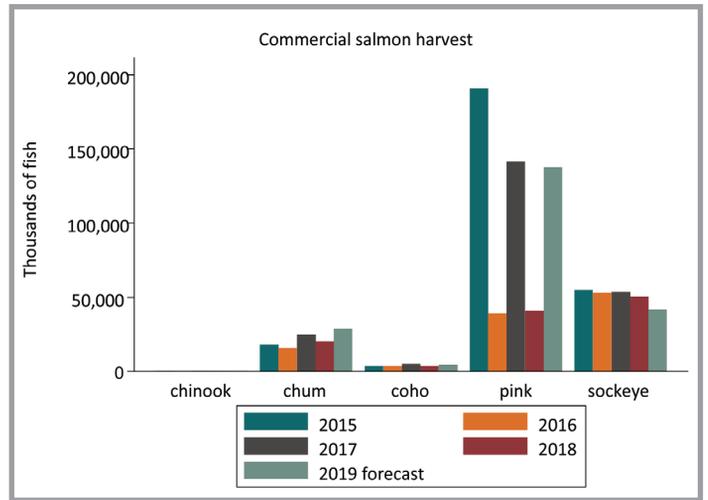


Figure 6

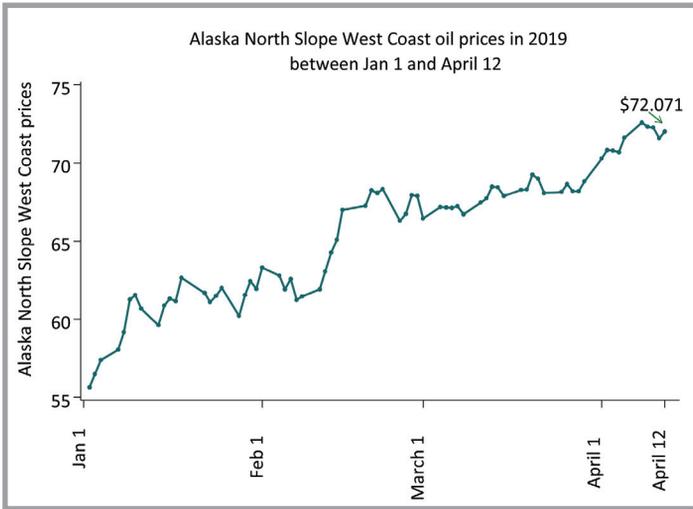


Figure 7

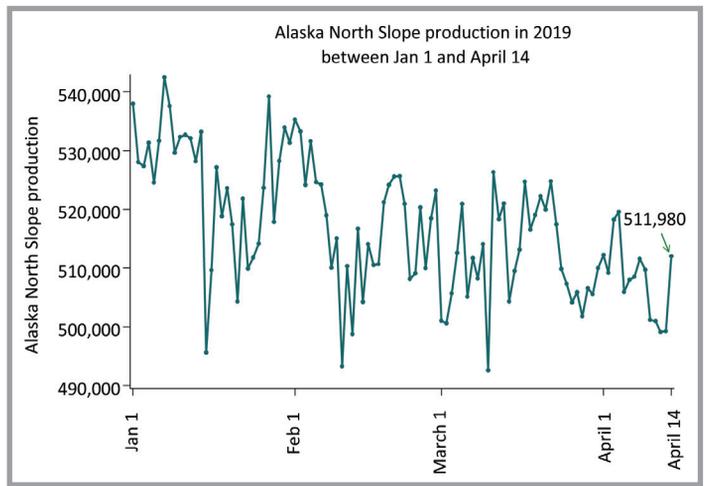


Figure 8