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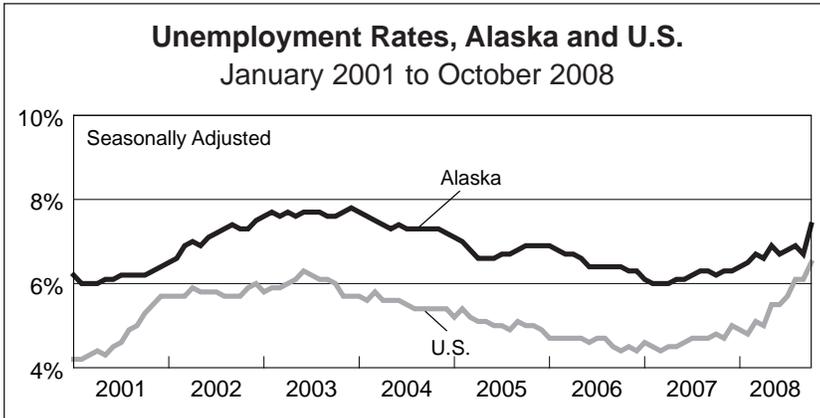
Press Release

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COMMISSIONER'S OFFICE

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Unemployment rate at 7.4 percent in October



Alaska's seasonally adjusted unemployment rate rose seven-tenths of a percentage point in October to 7.4 percent, according to the Alaska Department of Labor and Workforce Development. September's rate was revised down one-tenth of a percentage point to 6.7 percent.

The rate increase raises questions about the state's economic health, but the picture is muddled by two other economic indicators that suggest a continuing trend of slow, but consistent growth.

Unemployment insurance claims showed a typical seasonal movement in October, not the increase one would expect to see with a jump in the unemployment rate. Unemployment claims capture only a portion of the total number of unemployed people, however, since not everyone who is unemployed qualifies or files for unemployment insurance benefits.

Alaska Nonfarm Payroll Employment¹

	Preliminary 10/08	Revised 9/08	Revised 10/07	Changes from	
				9/08	10/07
Total Nonfarm Employment	316,700	333,600	314,600	-16,900	2,100
Natural Resources and Mining	15,300	15,500	14,500	-200	800
Oil and Gas	13,000	13,100	11,800	-100	1,200
Construction	18,600	20,000	18,900	-1,400	-300
Manufacturing	11,000	15,300	11,200	-4,300	-200
Seafood Processing	6,900	11,000	7,100	-4,100	-200
Trade, Transportation and Utilities	62,600	66,400	62,500	-3,800	100
Retail Trade	35,700	36,800	35,600	-1,100	100
Information	7,100	7,000	7,000	100	100
Financial Activities	14,600	14,800	14,900	-200	-300
Professional and Business Services	25,300	26,900	24,600	-1,600	700
Educational ² and Health Services	37,100	37,100	36,500	0	600
Health Care	27,100	26,900	26,600	200	500
Leisure and Hospitality	29,000	35,400	29,200	-6,400	-200
Accommodations	6,700	10,000	6,700	-3,300	0
Food Svcs. and Drinking Places	18,300	20,600	18,700	-2,300	-400
Other Services	11,600	11,700	11,700	-100	-100
Government ³	84,500	83,500	83,600	1,000	900

The other indicator that appears to contradict the unemployment rate increase is payroll employment. Payroll job growth has slowed in 2008, but Alaska still added an estimated 2,100 jobs since last October and the latest numbers don't reveal a significant change in the rate of job growth.

One of the major inputs into the unemployment rate calculation is a household survey that can produce volatile month-to-month changes. As a result, several more months of data are necessary before concluding that the rate is trending upward – especially to the degree October's preliminary rate suggests.

Nationally, the numbers are sending clear signals of an ongoing economic downturn. The nation's unemployment rate rose four-tenths of a percentage point in October to 6.5 percent and the number of payroll jobs fell by 240,000. Through the first 10 months of 2008, payroll employment for the nation has fallen by 1.2 million, with more than half that decline coming in the last three months.

A shrinking number of states have continued to add jobs in 2008 and most of them, like Alaska, have benefited from big gains in the oil and gas industry. Through September, Wyoming and Texas had the strongest job growth in 2008 and both depend heavily on oil and gas jobs.

Alaska's oil and gas industry has added an estimated 1,200 jobs since October 2007.

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Research and Analysis' Web site: laborstats.alaska.gov

¹ Not seasonally adjusted

² Private education only

³ Government includes public schools, the University of Alaska and federally recognized tribal entities.

Unemployment Rates, Seasonally Adjusted

	10/08	9/08	10/07
Alaska	7.4%	6.7%	6.2%
U.S.	6.5%	6.1%	4.8%

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

Labor Force by Borough and Census Area, Not Seasonally Adjusted¹

	Labor Force			Unemployment			Rate			Employment		
	10/08	9/08	10/07	10/08	9/08	10/07	10/08	9/08	10/07	10/08	9/08	10/07
Alaska Statewide	358,246	360,431	350,716	23,830	21,944	18,994	6.7	6.1	5.4	334,416	338,487	331,722
Anchorage/Mat-Su Region	197,078	193,166	193,252	11,622	11,041	9,217	5.9	5.7	4.8	185,456	182,125	184,035
Municipality of Anchorage	156,705	153,771	153,961	8,545	8,272	6,936	5.5	5.4	4.5	148,160	145,499	147,025
Matanuska-Susitna Borough	40,373	39,395	39,291	3,077	2,769	2,281	7.6	7.0	5.8	37,296	36,626	37,010
Gulf Coast Region	36,823	38,486	35,873	3,025	2,624	2,383	8.2	6.8	6.6	33,798	35,862	33,490
Kenai Peninsula Borough	25,751	26,441	24,970	2,146	1,917	1,677	8.3	7.3	6.7	23,605	24,524	23,293
Kodiak Island Borough	6,095	6,177	6,091	390	347	321	6.4	5.6	5.3	5,705	5,830	5,770
Valdez-Cordova Census Area	4,977	5,868	4,812	489	360	385	9.8	6.1	8.0	4,488	5,508	4,427
Interior Region	54,342	54,914	52,630	3,579	3,093	2,647	6.6	5.6	5.0	50,763	51,821	49,983
Denali Borough	1,041	2,460	855	139	59	103	13.4	2.4	12.0	902	2,401	752
Fairbanks North Star Borough	46,522	45,839	45,627	2,752	2,423	1,983	5.9	5.3	4.3	43,770	43,416	43,644
Southeast Fairbanks Census Area	3,734	3,665	3,463	296	258	238	7.9	7.0	6.9	3,438	3,407	3,225
Yukon-Koyukuk Census Area	3,045	2,950	2,685	392	353	323	12.9	12.0	12.0	2,653	2,597	2,362
Northern Region	12,302	11,903	11,935	926	972	920	7.5	8.2	7.7	11,376	10,931	11,015
Nome Census Area	4,055	3,882	4,008	365	401	374	9.0	10.3	9.3	3,690	3,481	3,634
North Slope Borough	5,106	4,951	4,949	228	234	254	4.5	4.7	5.1	4,878	4,717	4,695
Northwest Arctic Borough	3,141	3,070	2,978	333	337	292	10.6	11.0	9.8	2,808	2,733	2,686
Southeast Region	39,890	43,218	39,441	2,673	2,237	2,118	6.7	5.2	5.4	37,217	40,981	37,323
Haines Borough	1,269	2,087	1,356	111	83	99	8.7	4.0	7.3	1,158	2,004	1,257
Juneau Borough	18,481	18,763	18,505	972	833	753	5.3	4.4	4.1	17,509	17,930	17,752
Ketchikan Gateway Borough	8,156	9,100	7,908	505	419	401	6.2	4.6	5.1	7,651	8,681	7,507
Prince of Wales-Outer Ketchikan Census Area	2,379	2,490	2,276	290	260	247	12.2	10.4	10.9	2,089	2,230	2,029
Sitka Borough	4,463	4,951	4,560	257	230	220	5.8	4.6	4.8	4,206	4,721	4,340
Skagway-Hoonah-Angoon Census Area	1,826	2,477	1,794	251	145	193	13.7	5.9	10.8	1,575	2,332	1,601
Wrangell-Petersburg Census Area	3,002	3,002	2,717	270	247	192	9.0	8.2	7.1	2,732	2,755	2,525
Yakutat Borough	314	348	325	17	20	13	5.4	5.7	4.0	297	328	312
Southwest Region	17,813	18,743	17,582	2,007	1,977	1,709	11.3	10.5	9.7	15,806	16,766	15,873
Aleutians East Borough	851	1,076	992	90	89	67	10.6	8.3	6.8	761	987	925
Aleutians West Census Area	3,044	3,062	3,330	185	139	117	6.1	4.5	3.5	2,859	2,923	3,213
Bethel Census Area	7,239	7,103	7,083	951	947	798	13.1	13.3	11.3	6,288	6,156	6,285
Bristol Bay Borough	965	1,084	568	49	40	32	5.1	3.7	5.6	916	1,044	536
Dillingham Census Area	1,926	2,448	1,998	183	183	164	9.5	7.5	8.2	1,743	2,265	1,834
Lake and Peninsula Borough	1,081	1,297	1,186	70	68	50	6.5	5.2	4.2	1,011	1,229	1,136
Wade Hampton Census Area	2,707	2,673	2,425	479	511	481	17.7	19.1	19.8	2,228	2,162	1,944

Note: 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.

¹ Unemployment rates that are not seasonally adjusted should not be compared with those that are.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Bureau of Labor Statistics