

Still in a recession (but not everywhere)

Some areas continue to add jobs while others sustain major losses

By NEAL FRIED

Data for the fourth quarter of 2017 show Alaska is still in a recession, at least on the statewide level, but the employment picture varies widely around the state. While statewide average monthly employment is down by more than 10,000 from 2015 levels, employment in nearly half of Alaska's 29 boroughs and census areas actually grew over that period. (See Exhibit 1.)

The job gainers

Most of the areas that remain relatively unscathed by the recession lack direct ties to oil activity or large concentrations of state government employment, which includes the University of Alaska.

All areas benefit from a sizeable annual revenue stream from the state, the best example being the money local school districts receive from the State of Alaska, but school funding hasn't yet sustained significant cuts, unlike state government budgets.

The areas that have added jobs since 2015 have large fishing or visitor industries, or both. Fishing and tourism are less susceptible to the effects of falling oil revenues — in fact, both industries ben-

efit from lower energy prices.

Job gainers with large fishing industries include Dillingham and Prince of Wales-Hyder as well as the Bristol Bay, Aleutians East, and Lake and Peninsula boroughs. Tourism-dependent areas include Skagway and the Denali Borough, which are home to the two most visited national parks in Alaska: the Klondike Gold Rush Historical Park and Denali National Park. Ketchikan and Hoonah-Angoon have fishing plus tourism.

Valdez-Cordova is the Trans-Alaska Pipeline terminus but is also home to the important Prince William Sound fishery. Despite its oil ties, the area gained a small number of jobs over the period.

A few areas, most notably the Matanuska-Susitna Borough, gained total jobs over the period but began to lose jobs late in 2017, so it remains possible that the recession's effect on some places is simply delayed.

The job losers

Four areas sustained the largest job losses between 2015 and late 2017: the North Slope Borough, Anchorage, the Kenai Peninsula Borough, and the Fairbanks North Star Borough.

While statewide employment is down by 10,000 from 2015, nearly half of Alaska areas added jobs.

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Recession Affects Some Areas More Than Others

EMPLOYMENT BY BOROUGH OR CENSUS AREA, 2015 TO 2017

	2017 jobs	2016 jobs	2015 jobs	Change 2015-2017	Percent chg 2015-2017
Alaska	327,772	332,207	338,288	-10,516	-3.1%

Areas That Gained Jobs

Bristol Bay Borough	1,214	1,193	1,051	163	15.5%
Lake and Peninsula Borough	945	860	840	105	12.5%
Denali Borough	2,238	2,146	2,109	129	6.1%
Aleutians East Borough*	2,421	2,504	2,351	70	3.0%
Prince of Wales-Hyder Census Area	2,205	2,120	2,146	59	2.7%
Hoonah-Angoon Census Area	785	776	766	19	2.5%
Yukon Koyukuk Census Area	2,195	2,148	2,148	47	2.2%
Matanuska-Susitna Borough*	23,193	23,280	22,838	355	1.6%
Kusilvak Census Area	2,471	2,412	2,439	32	1.3%
Dillingham Census Area*	2,583	2,637	2,558	25	1.0%
Skagway, Municipality	1,055	1,014	1,045	10	1.0%
Valdez-Cordova Census Area	4,923	4,832	4,882	41	0.8%
Bethel Census Area	7,122	7,058	7,093	29	0.4%
Ketchikan Gateway Borough	7,472	7,411	7,461	11	0.1%

Areas That Lost Jobs

Juneau, City and Borough	17,713	17,912	17,933	-220	-1.2%
Wrangell, City and Borough	845	861	856	-11	-1.3%
Haines Borough	985	966	1,000	-15	-1.5%
Northwest Arctic Borough	2,847	2,853	2,896	-49	-1.7%
Fairbanks North Star Borough	37,640	37,866	38,498	-858	-2.2%
Kenai Peninsula Borough	19,841	20,035	20,423	-582	-2.8%
Nome Census Area	3,857	3,816	3,987	-130	-3.3%
Southeast Fairbanks Census Area	2,487	2,542	2,587	-100	-3.9%
Kodiak Island Borough	6,156	6,281	6,502	-346	-5.3%
Sitka, City and Borough	4,286	4,229	4,561	-275	-6.0%
Aleutians West Census Area	3,459	3,738	3,778	-319	-8.4%
Anchorage, Municipality	150,930	153,174	156,084	-5,154	-3.3%
Petersburg Borough	1,258	1,312	1,382	-124	-9.0%
Yakutat, City and Borough	249	267	291	-42	-14.4%
North Slope Borough	12,576	14,038	16,055	-3,479	-21.7%

*These areas began to lose jobs in 2017 but have still gained jobs overall since 2015.

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

North Slope lost the largest number of jobs by far, all tied to the oil industry. Oil-related employment on the North Slope hit a peak of 13,485 in March 2015, then plummeted to just 8,228 jobs by November 2017.

Anchorage, headquarters to the state's oil industry, shed jobs as its oil industry and state government both contracted, a story that also played out in Kenai. Fairbanks had both of those plus the added blow of deep cuts at University of Alaska Fairbanks. UAF lost more than 400 jobs over the period.

Juneau, the capital, lost 350 jobs in its large state government sector.

Not all areas' losses were casualties of lower oil prices. Losses in Kodiak and Sitka were due to volatility in local fisheries rather than oil or state government, for example.

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