

Did you know?

Alaska's minimum wage is \$2.64 above the federal minimum wage. See how Alaska's minimum wage has held up to the rest of the country in this issue of *Alaska's Economy*.



ALASKA'S ECONOMY

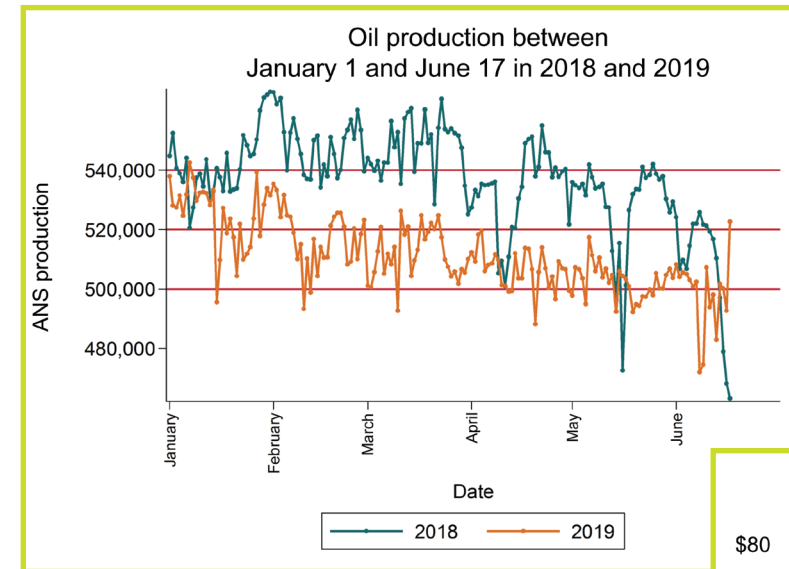
It's everyone's business.

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.



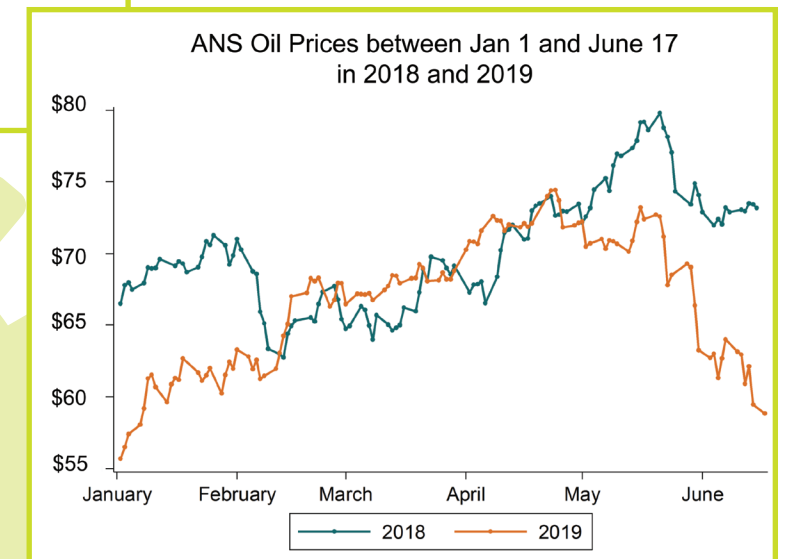
Alaska North Slope (ANS) oil production in 2019 averaging 4.7% below last year

Through June 17, ANS production has averaged 511,000 barrels per day, about 4.7% (24,000 barrels) lower than last year. Production in 2019 was 17,000 barrels below last year in January; 31,000 barrels in February; 35,000 barrels in March; 26,000 barrels in April and 19,000 barrels in May. In the first two weeks of June, production averaged 498,502 barrels a day, which is about 22,100 barrels a day more than the same period last year. ▼



ANS oil prices in 2019 averaging 5.3% below last year

ANS oil prices are averaging \$66 per barrel through mid-June 2019. Prices were steadily increasing since January, reaching \$72 in the third week of May. Since then, they have decreased by more than \$14. Prices are averaging \$61 for the month of June, \$11 below the average price for the same period in 2018. ▼

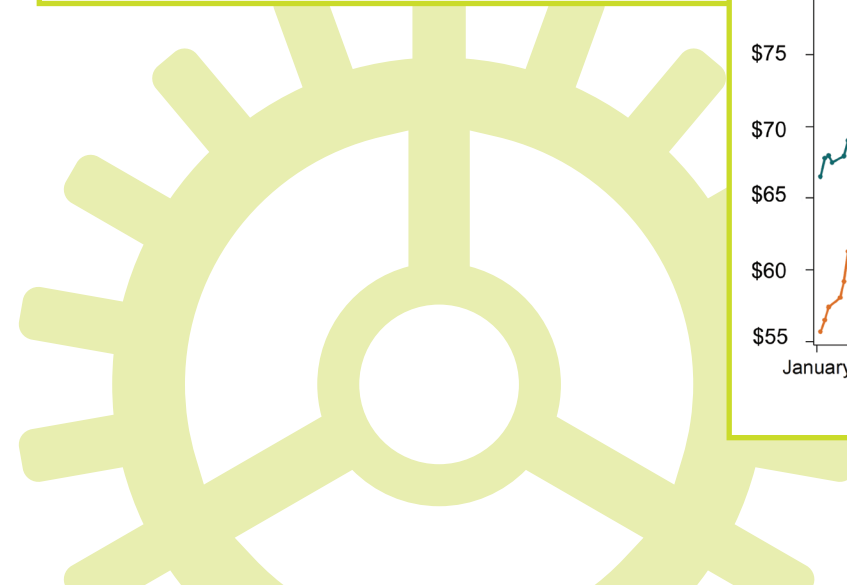


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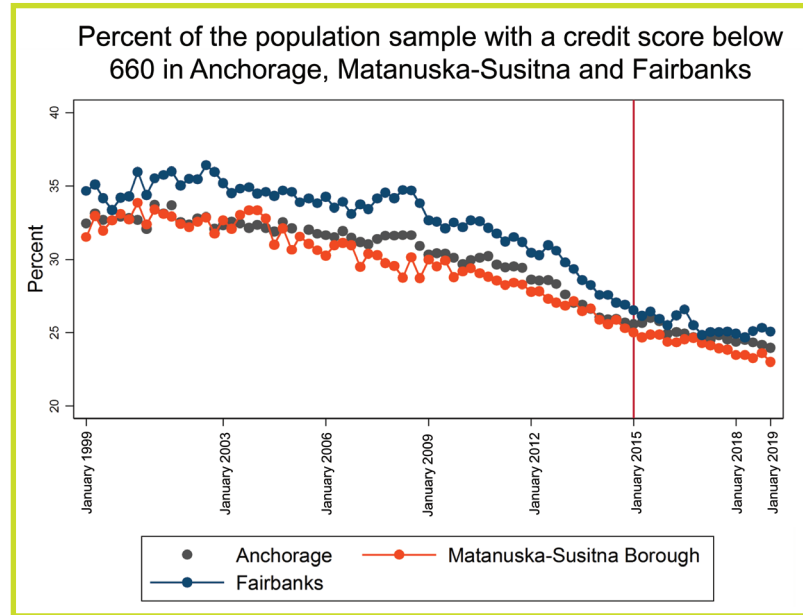


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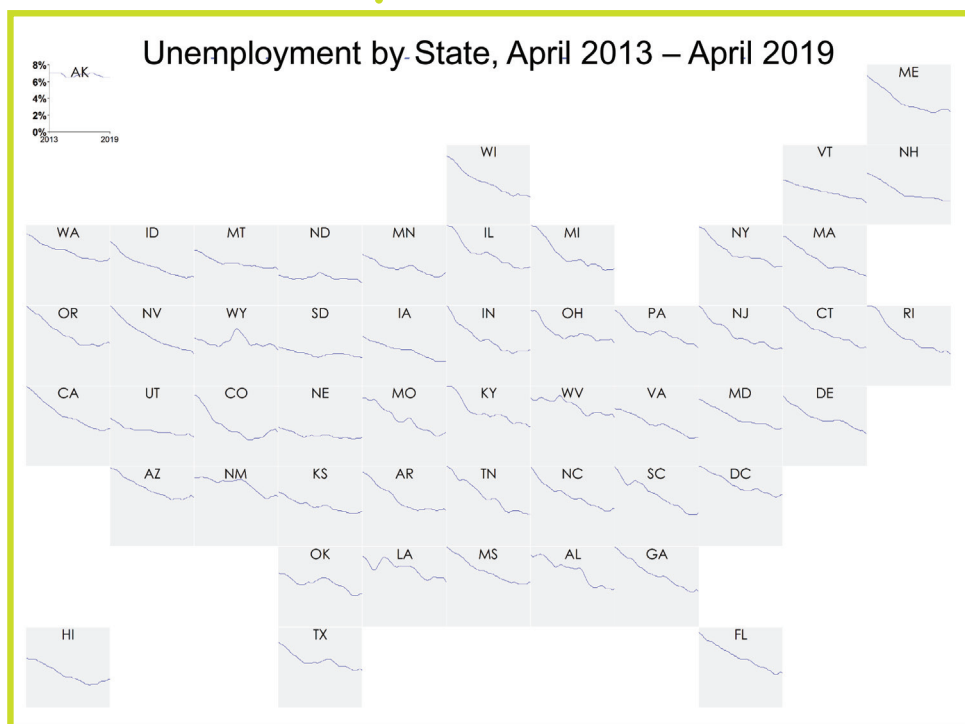
Share of residents with subprime credit rating stands at about 24% in Anchorage

In 2014, the share of Anchorage, Matanuska-Susitna and Fairbanks residents with a credit score below 660 stood at 26.01%, 25.85% and 27.56%, respectively. As of January 2019, the share of residents with a credit score below 660 stood at 23.9%, 23.02%, and 25.05%, respectively. The Alaska recession, which lasted for three years, does not seem to have affected credit scores significantly. ▼



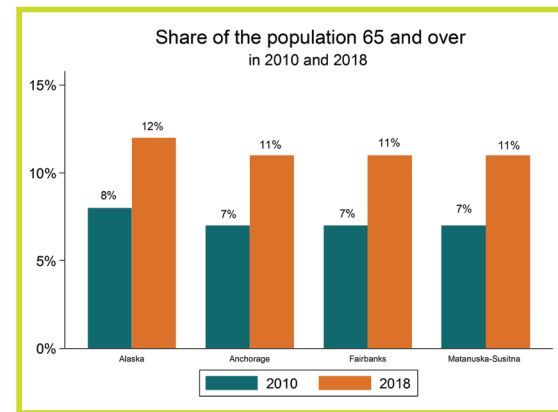
Unemployment rate stays at 6.5% for eighth consecutive month

Unlike most of the country, Alaska's unemployment rate did not decline significantly in the last six years. In fact, it has stayed between 6.5 - 7% for the whole period. It reached a high of 7% in April 2017 and has stayed below that level ever since. April 2019 represents the eighth month in a row with a 6.5% unemployment rate. The majority of non-oil states experienced significant recoveries from the Great Recession during this same stretch. ▶



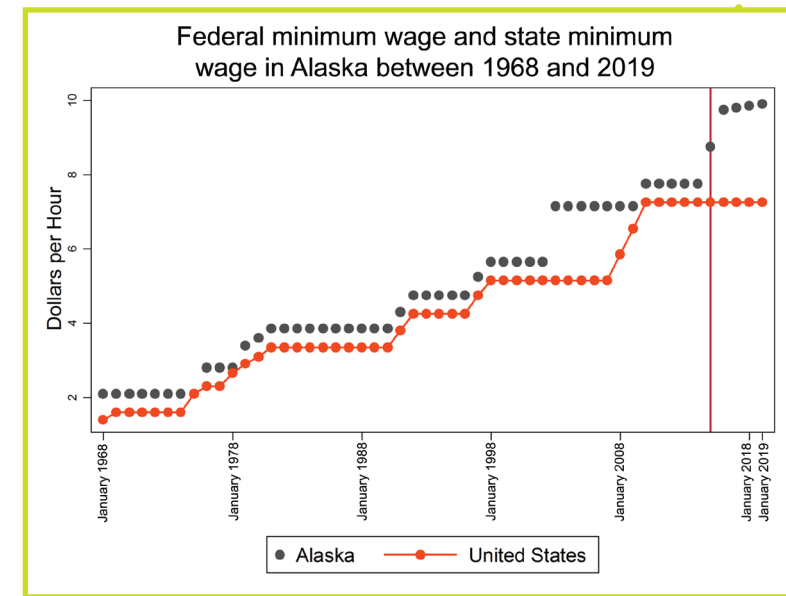
Share of population over 65 continues to increase, currently stands at 12%

A recent report by the Alaska Department of Labor shows the number of senior citizens in Alaska has increased by more than 5% each year since 2010, faster than any other state. As of 2018, Alaska had an estimated 87,304 seniors, up from 54,938 eight years before. While Alaska's senior population is increasing both numerically and as a percentage of the state, seniors are still a smaller share of the state's population than they are nationwide. The graph below shows that only some 12% of the state's population is over 65. The aging of the population is largely due to the aging of the baby boomer population. ▼



Alaska minimum wage is currently \$2.64 above the federal minimum wage

In 2013, the Alaska minimum wage was only 50 cents above the federal minimum wage. However, the Alaska minimum wage experienced a dollar increase in both 2015 and 2016. As of 2019, the difference between the Alaska minimum wage and the federal minimum wage stands at \$2.64, the largest gap since the beginning of the series. ▼



Housing price index increases by 2.23% between the first quarters of 2018 and 2019

Home prices rose in all 50 states and the District of Columbia between the first quarters of 2018 and 2019. The national average growth rate was 5.1%, while Alaska recorded a 2.23% increase between the first quarters of 2018 and 2019. ▼

