

State jobless rate increases to 12 percent

The Alaska unemployment rate continued to increase in February, climbing three-tenths of a percentage point to 12 percent unemployed, according to the Alaska Department of Labor.

The number of unemployed increased 1,465 from January, which brought the total number of unemployed workers in Alaska to 29,034. The comparable unemployment rate for the United States was 7.2 percent.

Last February, the unemployment rate for Alaska was 12.1 percent.

While the unemployment rate is slightly lower than it was last year at that time, that does not mean the job market in Alaska has improved. The total labor force — the total number of people employed and unemployed — and nonagricultural wage and salary employment are down from levels of a year ago.

In addition, the average duration a claimant receives unemployment benefits increased from 13.2 weeks in the fourth quarter of 1985 to 15.6 weeks in the fourth quarter of 1986. All of these point to a shrinking Alaska economy.

Ironically, these conditions are producing a lower unemployment rate. Since fewer job opportunities are available, fewer people are looking for work. To be counted among the unemployed, a person must be actively seeking employment. In addition, those workers who have left the state because of better prospects for employment elsewhere are not counted among the unemployed in Alaska.

Nonagricultural wage and salary employment increased in February by 2,000 jobs, an indication that the Alaska economy is heading out of its winter doldrums.

Manufacturing and government employment were responsible for most of the employment gains. In manufacturing, the forest products sector increased as logging camps reopened and one sawmill resumed full operation after a temporary shutdown.

The government increase was largely due to the beginning of the second semester at the University of Alaska.