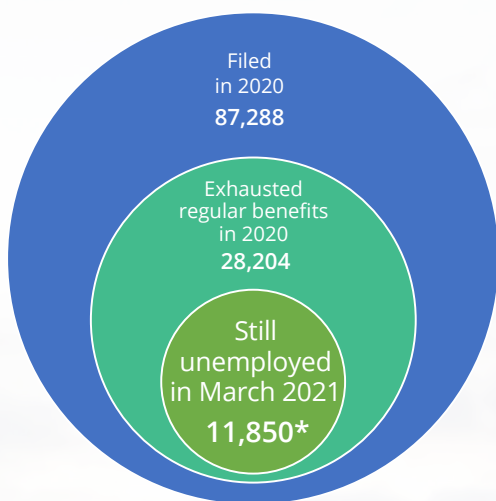


The trajectory of jobless claims

Growing share of pandemic filers on extension programs

2020's claimants and how many ran out of allowed regular benefits



*The 11,850 people considered long-term unemployed were still collecting on an extension program in March and first exhausted their allowed weeks of regular benefits in 2020.

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

By JENNA LUHRS

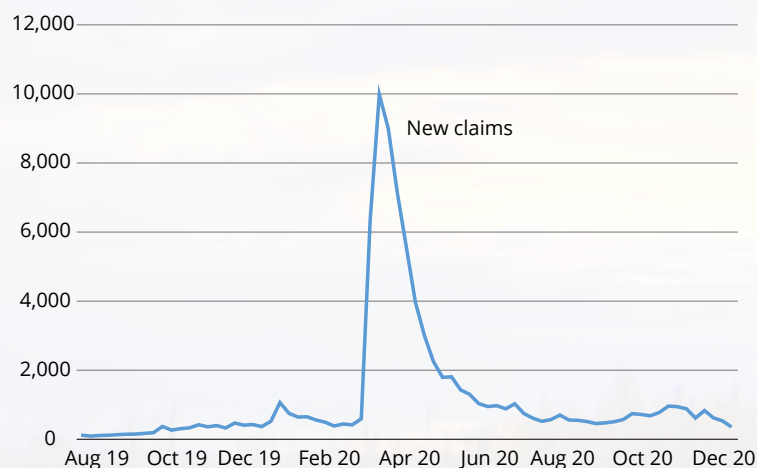
Last year represented the highest number of total unemployment insurance claimants in Alaska since the program's inception in 1937. More than 87,000 people filed for benefits in 2020.

One in three claimants — about 28,000 — exhausted their allowed weeks¹ of regular benefits at some point during the year, and one in four collected on at least one of the federal extension programs.²

In the last quarter of 2020, 61 percent of the year's claimants reported earning wages again, but the number of people who were still unemployed and collecting on an extension program increased each month in early 2021.

In March 2021, nearly 16,000 people were collecting benefits on an extension program, and 11,850 of them were unemployed long-term because of the pandemic — they exhausted their regular benefits last year.

Most claims opened over three-month period



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

A look at overall claims pattern through March

Last year's record number of unemployment insurance claims was 20 percent higher than the previous peak in 2010. The severe and sudden losses the pandemic spurred were also a first.

Job losses were deepest and benefit demand highest between March and May of 2020, when six out of 10 of the year's filers opened their claim.

¹In Alaska, claimants can qualify for 16 to 26 weeks of regular benefits.

²Extension programs refer to the federal extended benefits that become available with certain economic conditions and to Pandemic Emergency Unemployment Compensation, or PEUC. It excludes Pandemic Unemployment Assistance, or PUA. For more on these programs, see the February issue.

The number of *monthly* claims, which includes new and continuing filers, peaked at just under 55,000 in May. After that spike, demand for benefits dropped over the summer, during what would normally be Alaska's busiest employment season.

The monthly claims level settled around 30,000 and stayed there from September through March of this year. March, the most recent month available, recorded just under 32,000 total claims, which was about triple the pre-pandemic norm.

Retail represented the highest number of 2020 claims

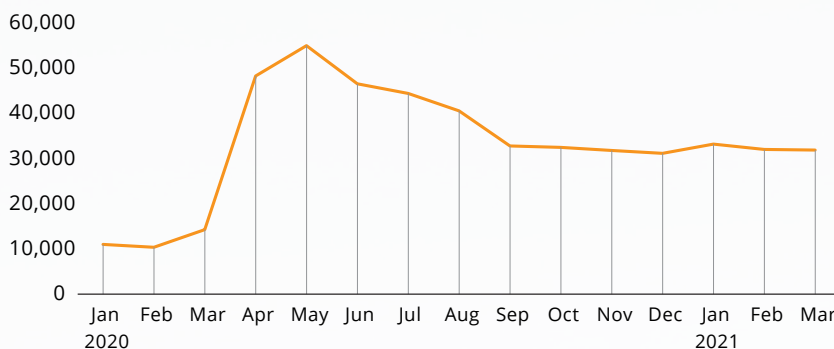
By industry, workers from retail trade, health care, and food services filed the most claims last year.

Construction and seafood processing typically represent the largest numbers of claimants, but COVID-19 hit the service industries especially hard.

Seafood processing claims still doubled during the pandemic, however. Like meat processors in the Lower 48, seafood processing's working conditions made it especially susceptible to virus spread. During the summer and early fall of 2020, Alaska's seafood processing facilities and floating processors recorded 13 outbreaks.

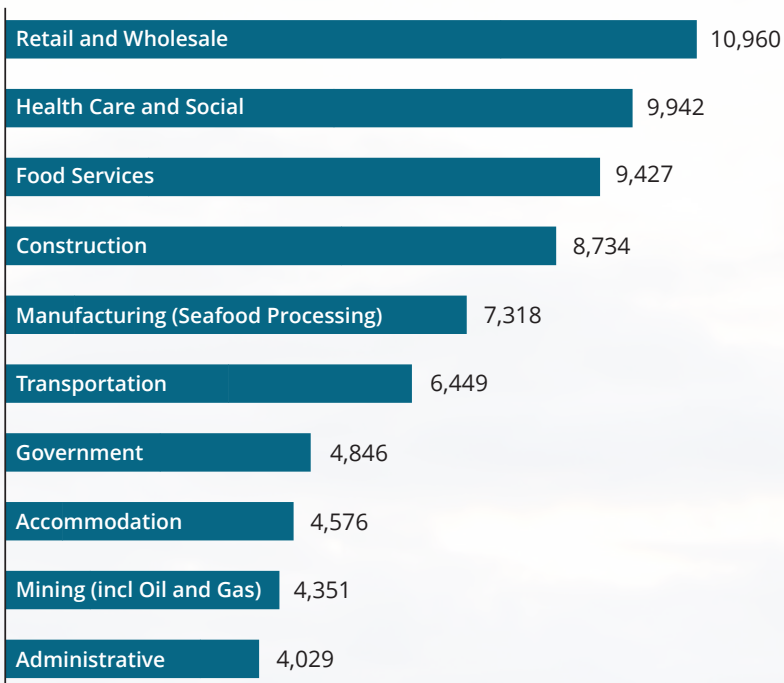
Transportation, accommodation, and oil and gas also produced high numbers of claims in 2020. The oil and gas industry's job losses were most severe from March to May and in early summer. At that time, thousands were returning to jobs in health care, retail, and food services, but not oil and gas. Although oil prices recovered in early 2021, the industry continued to lose jobs as projects on the North Slope were at least temporarily suspended.

Monthly claims haven't declined since September



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

Industries with the most total claims in 2020

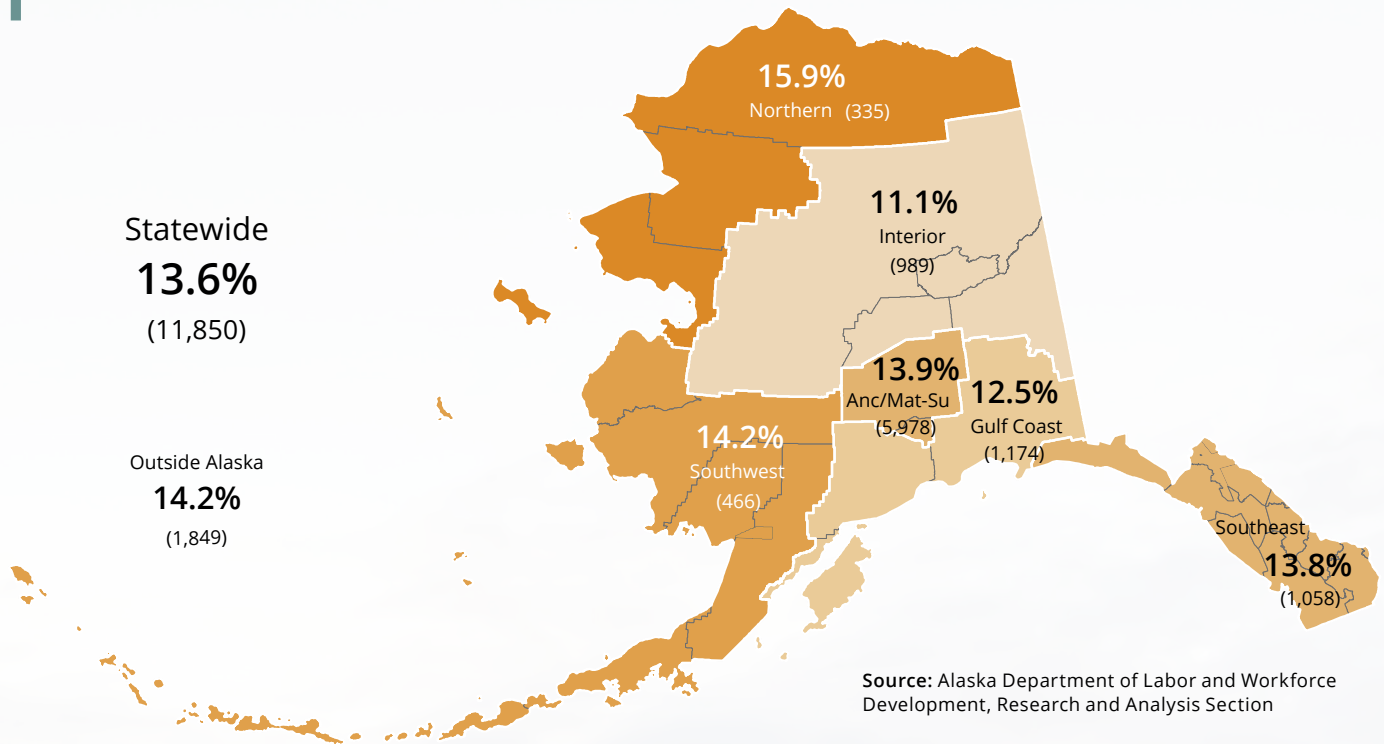


Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Who was earning wages again in the last quarter of 2020

By the end of 2020, 61 percent of claimants had returned to work. In other words, about 53,500 of the 87,000 who filed at some point last year reported earning wages again in the fourth quarter. Of those working again, 14 percent were in health

Percent of 2020 claimants still on extension programs in March 2021, by area



care, followed by retail at 13 percent, construction at 12 percent, and food services at 10 percent.

unemployed in Southeast. For the Gulf Coast, it was construction.

Who was long-term unemployed in March 2021

While the number of total monthly claims hadn't changed much since last fall, the share who had exhausted their allowed weeks of regular benefits and moved on to an extension program steadily increased in early 2021. In January, 30 percent of all claimants were long-term unemployed. That grew to over 40 percent in February and topped 50 percent in March.

Statewide, March 2021's long-term unemployed claimants represented 14 percent of everyone who filed for benefits last year. By region, it varied from 11 percent to 16 percent, as the map shows.

Statewide, long-term claimants were spread across industries, but the breakdowns varied by area. In Anchorage and the Interior, home to a majority of Alaskans, the long-term unemployed came mostly from food services. In the Northern and Southwest regions, it was government and retail. Retail was also the most common industry for the long-term

\$300 weekly add-on ended, other programs extended to September

At the end of May, Alaska joined 20 other states in halting the additional \$300 per week federal add-on for all types of benefits, which would have expired in September.

Congress extended the additional programs created for pandemic relief — Pandemic Emergency Unemployment Compensation and Pandemic Unemployment Assistance — through September. Federal extended benefits — which trigger automatically with certain economic conditions — were also still available as of the end of May.

For detailed information on extended benefits and the pandemic relief extension programs, see the February issue of *Trends*. For monthly claims by borough and census area, see: <https://live.laborstats.alaska.gov/uiprog/index.cfm>

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