A smiling woman with dark hair, wearing a light-colored top, is holding a large ice cream cone with chocolate and vanilla swirls. The background is a blurred outdoor setting with blue and white elements.

ALASKA ECONOMIC *TRENDS*

AUGUST 2025

DAIRY FARMING A niche industry

ALSO INSIDE

Wage increases outpace
inflation for a second year

FROM THE COMMISSIONER

Law change helps electricians, plumbers work in Alaska

By Catherine Muñoz, Commissioner

July 31 marked the end of the public comment period for the Department of Labor and Workforce Development's proposed regulations for Alaska's new minimum wage and sick leave laws that went into effect July 1.

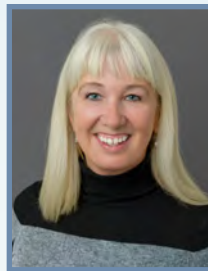
Thank you to the many Alaskans who submitted comments and questions. The department is working diligently to provide responses soon. While the process continues, you can find information about the new sick leave laws and our regulations in the frequently asked questions section on [the department's homepage](#).

Another update to department regulations was signed by the lieutenant governor last month and will go into effect Aug. 8. These regulations update the process for the Certificate of Fitness, which is statutorily required for every electrician and plumber in Alaska.

The update stems from a statutory change during the 2024 legislative session in Senate Bill 204, sponsored by Governor Dunleavy. SB 204 extended the valid period for the trainee COF from two years to six years to keep costs low for applicants and capture all valid trainee hours. Hours worked on a lapsed COF cannot be counted toward certification.

The updated regulations for the Certificate of Fitness will make it easier for electricians and plumbers to work in Alaska by allowing us to accept those licensed in other states with similar requirements.

For years, I have heard about the challenges of finding enough qualified electricians and plumbers in Alaska. The new regulations will allow the department to establish reciprocal agreements with states that have "substantially similar requirements to the state." (8 AAC 90.111).



The regulations also allow issuance of provisional COFs to workers who hold an electrical or plumbing certificate or license in another state, or from a local government within another state. The provisional certificate is valid until the other state's certificate expires, or for up to a full year. See 8 AAC 90.112(d)

(1-2). Gas work for plumbers under a provisional COF is not allowed.

Of particular importance to Alaska's large military population, the updated regulations will allow work performed as part of military service to count toward the Certificate of Fitness. The department will determine an applicant's military occupational specialty codes, or Air Force specialty codes, that qualify for hands-on experience in the electrical or plumbing trades.

Applicants with applicable military service can claim 500 hours per year in a qualifying specialty. Proof of hours is required on a copy of an applicant's application, in DD Form 214, or as a certificate issued by a vocational program.

These updated regulations for the Certificate of Fitness may seem like small tweaks, but they will expand and incentivize the skilled trades in Alaska. Exciting projects are on the horizon, and regulatory adjustments will help us meet the anticipated demand for workers.

Sincerely,

A handwritten signature in black ink that reads "Catherine Muñoz".

Contact Commissioner Catherine Muñoz at (907) 465-2700 or commissioner.labor@alaska.gov.



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ON THE COVER:

[Woman with ice cream](#)
[public domain photo](#)

ALASKA
DEPARTMENT of LABOR
and WORKFORCE
DEVELOPMENT

Governor
Mike Dunleavy
Commissioner
Catherine Muñoz

ALASKA ECONOMIC *TRENDS*

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15 GAUGING
THE ECONOMY

Trends is a nonpartisan, data-driven magazine that
covers a variety of economic topics in Alaska.

ON THIS SPREAD: The background image for 2025 is a panorama of snowy tundra at Selawik National Wildlife Refuge.
Photo by Lisa Hupp, U.S. Fish and Wildlife Service

If you have questions or comments, contact the authors listed at the end of each article or the editor at sara.whitney@alaska.gov or (907) 465-6561. This material is public information, and with appropriate credit it may be reproduced without permission. To sign up for a free electronic subscription, read past issues, or purchase a print subscription, visit labor.alaska.gov/trends.

A niche industry with a rich history

Dairies struggled to stay afloat in a changing market

By SARA WHITNEY

Americans eat far more dairy than we used to. The average person consumed 661 pounds of dairy in 2023, up from 539 in 1975.

Tastes have changed, too. Fluid milk consumption is about half of what it was in 1975, but cheese intake has more than doubled. Butter consumption has also increased, according to the U.S. Department of Agriculture.

That's not the case for ice cream, with Americans eating 30 percent less than 50 years ago. In Alaska, however, that bumps up against conventional wisdom.

Alaskans have heard for decades that we eat more ice cream per capita than any other state. While

anecdotal, some of our buying patterns back up those stories.

For the per-person amount spent on ice cream,

Anchorage and Juneau rank in the top 10 among U.S. cities surveyed, and Fairbanks is 11th.¹ Cost is surely a factor, but Alaska also ranks 16th for the density of ice cream shops.²

While numbers on overall dairy consumption in the state aren't available, we likely fall below average due to availability and cost.

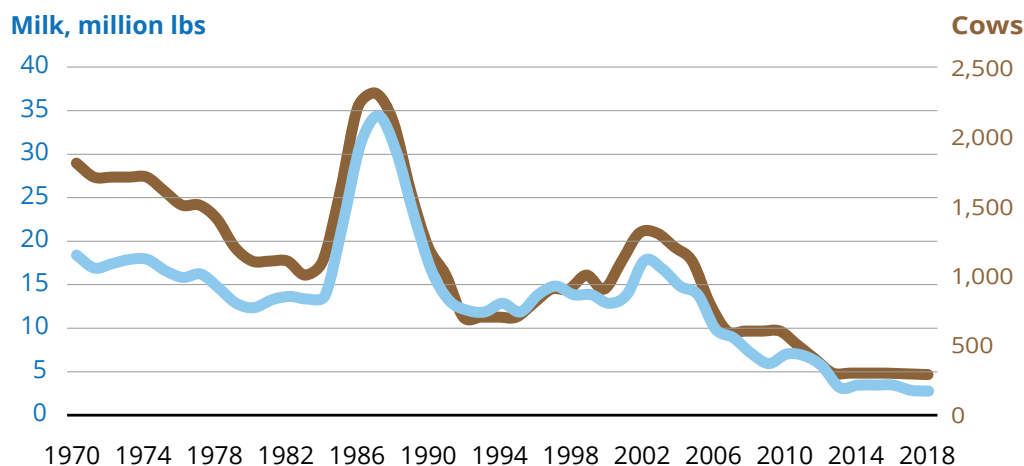
The large Matanuska Maid dairy operated from 1936 to 2007.



¹From a 2023 SiteSeer spending patterns analysis of U.S. Bureau of Labor Statistics' annual Consumer Expenditure Survey.

²July 2025 analysis by SpinBlitz via National World

Alaska dairy cows and pounds of milk produced, 1970-2018

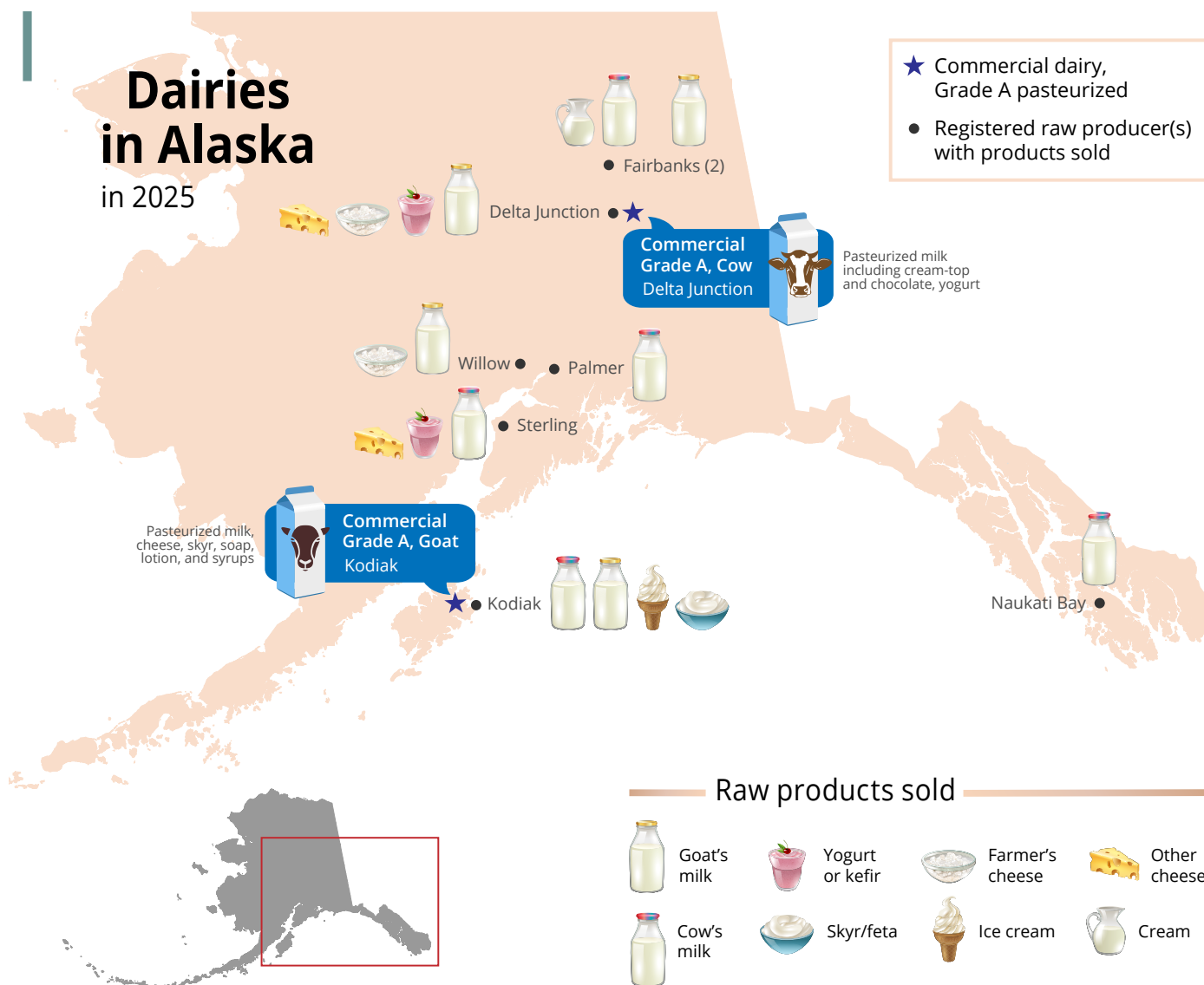


Note: This series began in 1970. After 2018, Alaska's numbers were too low for the USDA to include.
Source: U.S. Department of Agriculture, Economic Research Service

Dairies in Alaska

in 2025

- ★ Commercial dairy, Grade A pasteurized
- Registered raw producer(s) with products sold



Note: Map excludes raw milk producers that were not registered with the state as of May 8, 2025.
Sources: Alaska Department of Environmental Conservation and Alaska Department of Labor and Workforce Development, Research and Analysis Section

Our tastes and access to fresh products may differ from the rest of the country, but dairy is a staple here too. And like everything Alaskans eat today, it's mostly imported.

Alaska ranks 50th for dairy production, which tracks with our remoteness, climate, and small population. However, dairies were prominent in Alaska for more than 100 years.

The large 20th-century operations have all succumbed to market changes, but dairy remains a niche industry across the state, even in areas not associated with farming. For some producers, food independence or the labor of love can matter as much as profitability.

Industry was born in the 1800s

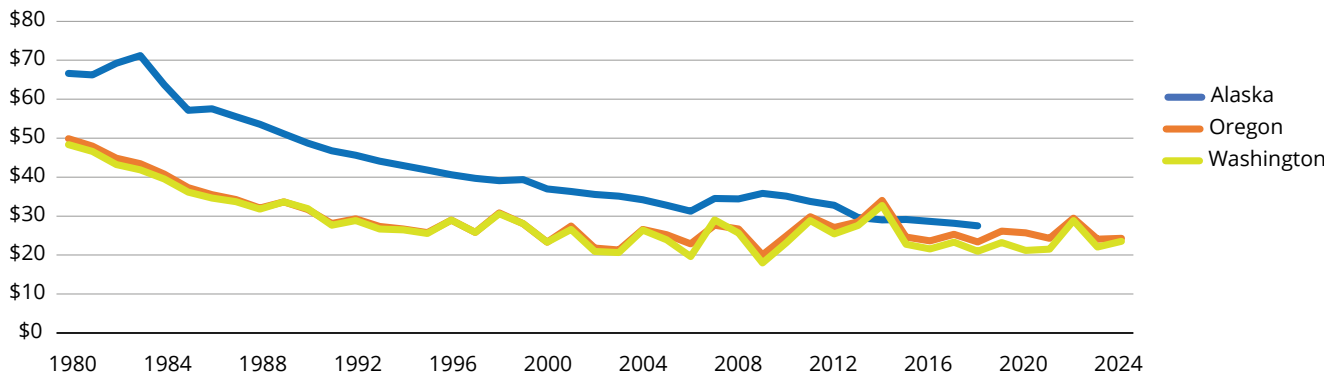
Dairy farming in Alaska dates back to the 1800s. While farms might bring the Matanuska-Susitna area to mind today, dairying was born in Southeast, especially around Sitka and Juneau.

From 1869 to 1965, Juneau had more than 12 dairies, mainly operated by European immigrants and transplants from the Lower 48. Regional demand for fresh milk was strong, but these farms were small, some with just a handful of cows.

Major production sprouted in the Interior and Southcentral regions in the early 20th century. The

Real amount farmers received from processors for their milk, 1980-2024

Received per 100 lbs of milk, in 2024 dollars



Note: After 2018, Alaska's numbers were too low for the USDA to include.

Source: U.S. Department of Agriculture, National Agricultural Statistics Service

premier Interior operation was Hinckley's/Creamer's Dairy in Fairbanks, which operated from 1904 to 1965 and is now Creamer's Field, a haven for migratory birds listed on the National Register of Historic Places.

The second-oldest commercial operation was Ohl's Dairy, the first to open in Anchorage in 1924.

The industry took a leap in the 1930s. In 1935, President Franklin D. Roosevelt sent more than 200 families to Alaska as part of a New Deal program, mainly to fertile Southcentral lands, to start farms.

The newcomers established the Matanuska Valley Colony in and around Palmer, and many became dairy farmers. The state's largest commercial operations both opened there: the Matanuska Maid Cooperative and Havemeister Dairy.

By 1959, Alaska had more than 100 commercial dairy farms and far more small operations. The number then began to fall with growing access to cheaper mass-produced milk from the Lower 48. Alaska dairies, with their higher business costs, struggled to profit, especially as federal subsidies and other price supports began to decline.

Even with fewer farms, Alaska's milk production and value grew considerably into the 1980s (see the graph on page 4), keeping the industry aloft for a few more decades before market changes made it increasingly difficult for dairies to compete.

What drove the 1980s dairy surge

The State of Alaska invested tens of millions in oil revenue into agriculture in the 1970s and 1980s, including a major dairy farming project northwest of Anchorage called Point MacKenzie. In addition to boosting Matanuska Maid and Alaska agriculture overall, the project propped up hay and barley farming in Delta Junction.

Alaska platted about 15,000 acres and awarded tracts to farmers through a competitive lottery. However, the project was plagued by administrative blunders and unrealistic production timelines.

Many farmers were already bankrupt or attempting to restructure their state loans when global oil prices collapsed in the mid-1980s. Farmers faced rising operating costs, tanking milk prices, a regional recession, the bankruptcy of Matanuska Maid, and diminishing state support.

Land ownership problems, mounting debts, lawsuits, and chronic losses made ongoing operations unsustainable. By the early 1990s, all 19 of the project's original farms had failed, making the ambitious project relatively short-lived.

The peak and then the decline

In 1970, when the USDA began collecting the

Big U.S. retailers often price milk as a loss leader, sold below cost.

The types of dairy milk sold in Alaska and what the law allows

Most states operate milk safety programs aligned with Food and Drug Administration standards in the Pasteurized Milk Ordinance, which certifies Grade A cow and goat milk producers for safe human consumption. The Alaska Dairy Program is overseen by the Department of Environmental Conservation's Office of the State Veterinarian.

Grade A milk typically refers to milk produced under set sanitary conditions suitable for pasteurization and fluid consumption. For commercial distribution, it's usually pasteurized. Pasteurization heats the milk to temperatures high enough to kill pathogens such as *E. coli*, salmonella, listeria, and campylobacter and deactivate other viruses or enzymes that can make the milk unsafe to drink or cause it to spoil. Most commercial milk is also homogenized, which breaks down the milk solids into smaller pieces so it disperses throughout the liquid rather than separating. Grade A dairy products can be unhomogenized, however; cream-top yogurt and milk are examples.

Raw milk is not pasteurized. As of March 2023, it is legal for producers to sell raw dairy products in Alaska, and while they are required to register with the state and agree to follow health and safety guidelines and notify consumers of possible risks, the state doesn't conduct routine inspections or product testing. Registered raw producers submit their proposed labels to the state for review.

Raw dairies may legally sell their products directly to consumers, sell via retail stores or food co-ops, or exchange the product through herd share agreements where consumers pay for the animals' care or other operational expenses in exchange for milk.

numbers, Alaska had 1,800 dairy cattle and produced 18.6 million pounds of milk. By 1987, these figures had risen to 2,300 cows and 34.8 million pounds of milk.

Alaska represented 0.02 percent of U.S. milk production in 1970. Even with nearly double the production by the 1987 peak, Alaska still represented 0.02 percent because the industry had ramped up so much in other states.

Alaska's dairy industry began a long, slow decline after that late '80s crest, with more and more of the state's largest and longest-running milk producers shutting down into the 2000s.

Matanuska Maid closed in 2007 after more than 70 years, citing market changes and rising shipping costs. The state had owned the large dairy since it declared bankruptcy in 1983, but even with subsidies, losses mounted.

Mat Maid had begun buying milk from Lower 48 dairies in the late 1980s in addition to in-state farmers. As its board chair, Mac Carter, told *The Frontiersman* in 2007, it was essentially priced out of business.

"There is no way Mat Maid can ever sell its milk in Alaska for a comparable price," he said, blaming large corporate farms in the Lower 48 for pushing out small operators.

Mat Maid's closure left just a few big players.

The Matanuska Creamery closed in 2012. Northern Lights Dairy in Delta Junction continued to buy from Alaska farmers and operated until 2017.

That closure was followed in 2021 by Havemeister, the oldest commercial dairy, shutting down. A labor shortage, land costs, and aging equipment were factors.

Challenges for Alaska dairies

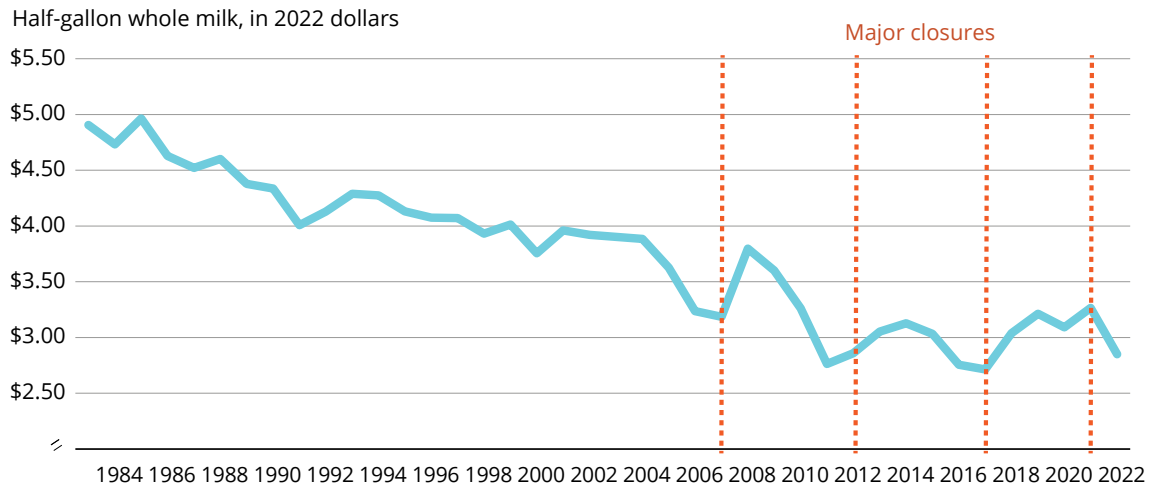
The contiguous states have numerous cost and logistical advantages in commercial dairy farming.

In addition to larger scale, more favorable climates, and easier access, most of the Lower 48 operates under the Federal Milk Marketing Order, a USDA program that regulates the price of milk sold by dairy farmers to processors.

The program, launched in 1937, stabilizes pricing and supply across regions and ensures farmers receive a minimum price for their products.

Alaska and Hawaii are far outside the main dairy-producing regions, and production is too low to support a milk marketing order. That means milk prices in Alaska are federally unregulated, leaving small farms vulnerable to price and supply fluctuations.

Retail milk prices in Anchorage and recent major dairy closures



Source: The Council For Community and Economic Research, Cost of Living Index

Another cost disadvantage for Alaska's small dairies is that big national retailers often price milk as a loss leader. A loss leader is a product — often a staple — sold below cost to attract customers to buy other, more expensive goods.

Got milk? Yes, but it's scarce now

After 2018, Alaska's numbers were too small to appear in the USDA's agricultural economic research reports. That final year, Alaska had just 300 commercial dairy cows and produced 2.8 million pounds of milk. Alaska and Hawaii as a "region" still represented 0.02 percent of U.S. production, but almost all of it came from Hawaii.

Although Alaska fell out of the main federal research, the USDA's Census of Agriculture provided an overview of Alaska's small dairy industry in 2022. The census is survey-based and only covers farms that sold or expected to sell at least \$1,000 worth of agricultural products that year.

In 2022, Alaska had 134 commercial milk cows on 28 farms. The state also had 388 dairy goats on 56 farms, with 35 reporting income from milk sales.

The number of dairy industry employees is too small to disclose for confidentiality reasons, but as of July 2025, 10 operations, some with multiple licenses, were active in the state's business licensing database in the dairy cattle and milk production category.

At last count, dairy ranked seventh for sales among Alaska's agricultural products. It generated less

than \$600,000 in 2023, the most recent year available at the state level. That represented just over 1 percent of Alaska's total agricultural sales.

Our top individual farmed commodities were ornamental plants and flowers at more than \$13 million and hay at about \$6 million.

Cannabis is excluded from the USDA data because it remains illegal federally; otherwise, it would handily take the top spot. Statewide retail sales totaled nearly \$279 million that year, according to the Alcohol and Marijuana Control Office.

Two new Grade A dairies opened, found ways to ease high costs

Today, Alaska has just two Grade A commercial dairies, both of which opened in recent years. (See the sidebar on the previous page for information on Grade A and raw dairy products.)

The Kodiak Baptist Mission opened a Grade A goat dairy on Kodiak Island in 2019, called Heritage Farm and Ranch.

In 2021, Alaska Range Dairy, a full-scale dairy farm that also grows various crops, opened in Delta Junction. Alaska Range took on some of the Have-meister herd, which gave them an initial leg up.

Alaska Range Dairy has expanded over the last few years, growing its herd and moving from co-ops and small retailers into larger chains, including Walmart and the Alaska-based Three Bears



Hinckley's Dairy in Fairbanks, which later became Creamer's Dairy, was the first commercial dairy to operate in the Interior in 1904. It began with just a few cows and grew into the largest operation in the area. The dairy closed in 1965 with changing economic conditions and distribution routes. It remains today as Creamer's Field Migratory Waterfowl refuge and is listed on the National Register of Historic Places. Creamer's Field spans about 2,200 acres of wetlands, open fields, and boreal forest and attracts dozens of bird species each year.
[Wikimedia Commons photo by user Durkeeco](#)

Grocery. Their products are available throughout the Anchorage and Mat-Su areas and Delta Junction, Fairbanks, and the Kenai Peninsula.

Both operations have used a range of cost-cutting techniques to meet the challenge of running a profitable dairy in Alaska.

Alaska Range's owners moved to Delta Junction in the late 2000s from Washington, bringing years of farming experience. In Delta, they grow their feed, use efficient automated milking machines and cleaning robots, raise their own herds, and bottle on site.

Heritage Farm and Ranch uses compact equipment tailored to the small herd size, buys local feed in bulk, produces a range of other products, and raises several types of farm animals. The farm also sells raw milk, which is less costly and labor-intensive to produce.

It recently became legal to sell raw milk in Alaska

In March 2023, a change to the Alaska Administrative Code legalized raw milk sales in Alaska, in part to

boost food security and allow lower-cost production.

Raw milk is unpasteurized, and while consuming it carries health risks, its popularity has grown nationwide in recent decades.

Raw producers can now sell their products three ways: directly to consumers, through stores or food co-ops, or via a "herd share" program. (The map on page 5 shows the state's registered raw milk producers and what they sell.)

In a herd share agreement, people don't pay for the product; they contract with farmers to fund the animals' upkeep or farm maintenance in exchange for milk. Before the code change, herd shares were the only legal way for Alaskans to buy raw milk from someone else's livestock.

Alaska currently has no routine inspections, testing, or enforcement, but raw milk sellers are required to register with the state and follow set health and labeling guidelines when producing and selling their products.

Sara Whitney is the editor of *Alaska Economic Trends*. Reach her in Juneau at (907) 465-6561 or sara.whitney@alaska.gov.

Wages outpace inflation again

Jobs have also risen, but wage growth is a more complex story

By KARINNE WIEBOLD

Jobs and earnings in Alaska have both risen over the last four years.

After the pandemic wiped out 26,000 jobs in 2020, employment rebounded at a fairly consistent rate of 1.8 to 2.9 percent per year. In 2024, the job count finally crossed our last high-water mark from 2019.

However, Alaska remained about 4,000 jobs below its count from 2015, when the statewide recession brought on by plunging oil prices dealt the first blow of the decade.

The wage increase tells a more complex story, given the dual pressures of high inflation and labor shortages.

In each of the last three years, Alaska employers paid almost \$1.5 billion more in wages. Inflation eroded those gains in 2022, but nearly all industries recorded real wage growth in 2023 and 2024.

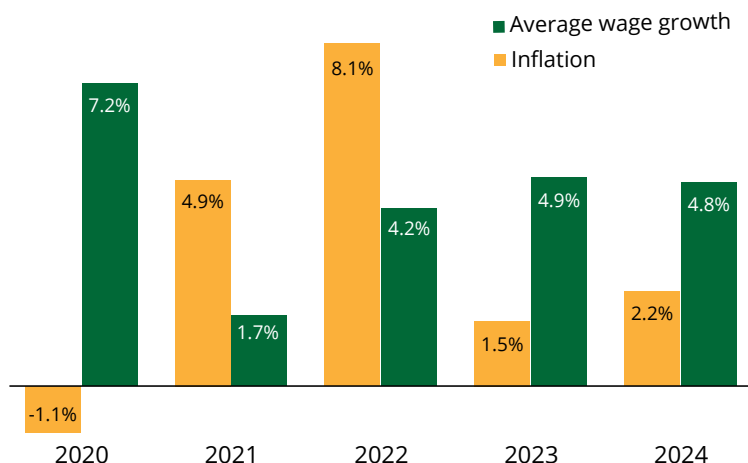
Statewide, total wages grew by \$1.5 billion from 2023 to 2024, and Alaska added 5,993 jobs. Because total wages increased more than the number of jobs, the average wage also went up.

Like the previous year, the industries that contributed the most to total wage growth were construction, health care, and professional and business services.

Most industries also added jobs in 2024, led by construction, health care, and the transportation, warehousing, and utilities sector. There were exceptions, however.

Manufacturing lost seafood processing jobs, and long-term losses continued for retail, information, and financial activities. Seafood processing wages also decreased, both total and average.

Alaska wage growth outpaces inflation



Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages; and U.S. Bureau of Labor Statistics, Consumer Price Index for Urban Alaska

Extraction areas stood out while seafood-based areas struggled

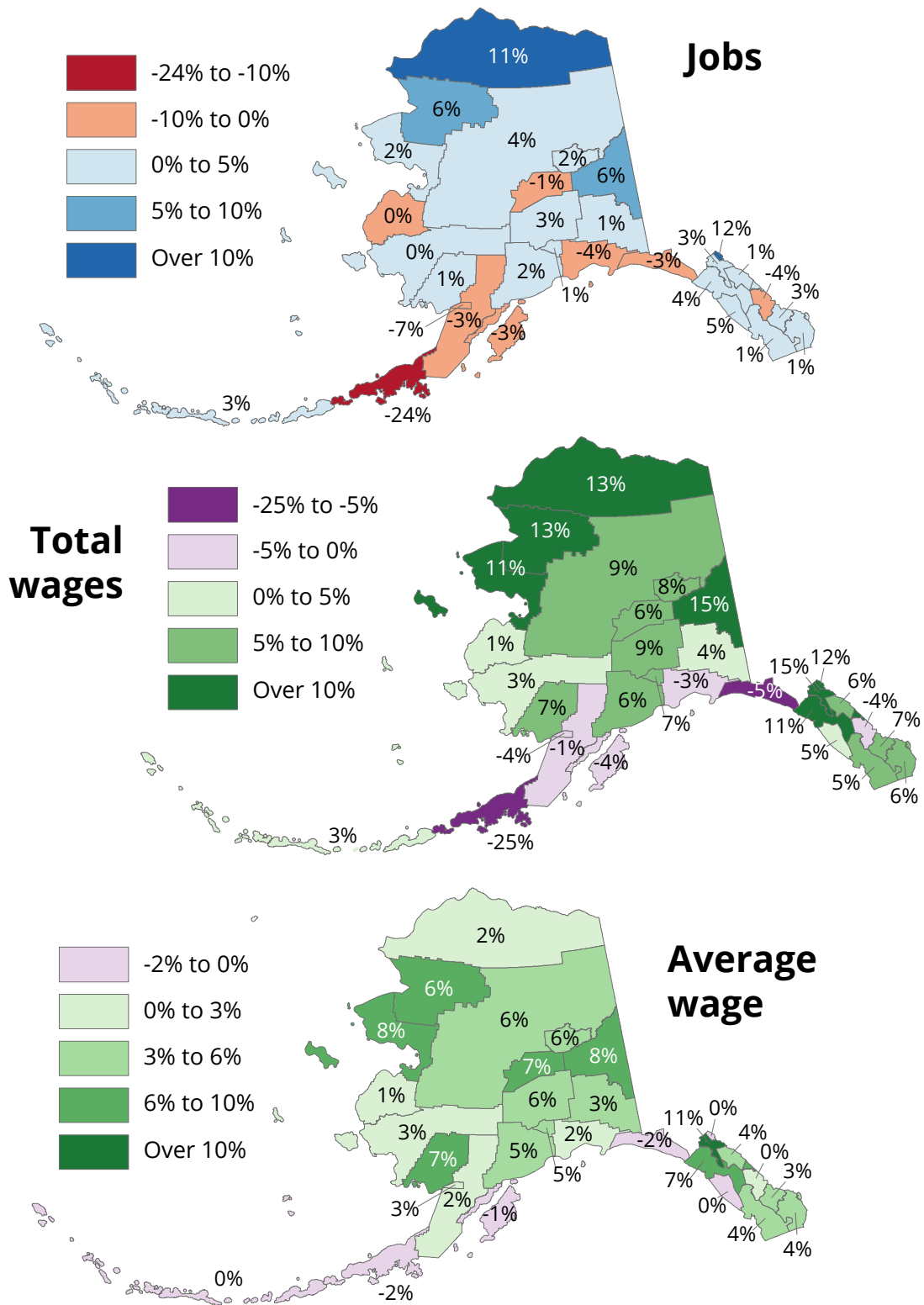
Rural areas with extraction-based economies grew the most in 2024. The Northwest Arctic Borough, the North Slope, and the rural area southeast of Fairbanks were the top performers in job and wage growth.

Fishing regions struggled. While Kodiak, Aleutians West, Copper River, and Petersburg all ranked above average for wage growth in 2023, the opposite was true last year. Aleutians East, Yakutat, Bristol Bay, Kodiak, and Petersburg lost jobs and wages as the seafood processing industry suffered.

Tourism-dependent communities flourished in 2023, and their employment and wage growth remained above average in 2024. Growth was strong in Skagway and the Hoonah-Angoon Census Area, where the Icy Strait Point cruise ship port is located.

Anchorage's job growth lagged the state average

Percent change in jobs, total wages, and average wages from 2023-24



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages

Change in jobs and wages by area from 2023 to 2024

Area	2024			2023			Change		
	Jobs	Total wages	Average wage	Jobs	Total wages	Average wage	Jobs	Total wages	Avg wage
Alaska	334,471	\$23,822,244,482	\$71,224	328,478	\$22,320,751,653	\$67,952	2%	7%	5%
Aleutians East Borough	1,768	\$123,950,963	\$70,108	2,324	\$165,936,844	\$71,401	-24%	-25%	-2%
Aleutians West Census Area	3,350	\$272,179,785	\$81,248	3,255	\$265,394,309	\$81,534	3%	3%	0%
Anchorage Municipality	148,988	\$11,058,932,407	\$74,227	146,795	\$10,374,028,119	\$70,670	1%	7%	5%
Bethel Census Area	6,567	\$353,131,677	\$53,774	6,538	\$342,216,230	\$52,343	0%	3%	3%
Bristol Bay Borough	1,243	\$86,942,113	\$69,945	1,332	\$90,820,102	\$68,183	-7%	-4%	3%
Chugach Census Area	3,617	\$269,846,222	\$74,605	3,777	\$277,258,255	\$73,407	-4%	-3%	2%
Copper River Census Area	1,142	\$63,187,547	\$55,331	1,130	\$60,533,070	\$53,569	1%	4%	3%
Denali Borough	1,971	\$132,558,139	\$67,254	1,985	\$125,089,192	\$63,017	-1%	6%	7%
Dillingham Census Area	2,132	\$141,698,136	\$66,463	2,121	\$131,986,307	\$62,228	1%	7%	7%
Fairbanks N Star Borough	38,147	\$2,608,776,432	\$68,387	37,264	\$2,415,070,187	\$64,810	2%	8%	6%
Haines Borough	1,046	\$53,807,078	\$51,441	1,015	\$46,868,226	\$46,176	3%	15%	11%
Hoonah-Angoon Census Area	1,026	\$52,510,043	\$51,179	987	\$47,182,908	\$47,804	4%	11%	7%
Juneau, City and Borough	18,036	\$1,231,616,531	\$68,287	17,780	\$1,166,052,655	\$65,582	1%	6%	4%
Kenai Peninsula Borough	21,739	\$1,344,863,541	\$61,864	21,361	\$1,264,483,886	\$59,196	2%	6%	5%
Ketchikan Gateway Borough	7,350	\$456,780,728	\$62,147	7,263	\$432,654,058	\$59,570	1%	6%	4%
Kodiak Island Borough	5,589	\$336,643,670	\$60,233	5,780	\$350,687,002	\$60,672	-3%	-4%	-1%
Kusilvak Census Area	2,063	\$76,595,481	\$37,128	2,072	\$76,101,572	\$36,729	0%	1%	1%
Lake and Peninsula Borough	896	\$44,453,645	\$49,613	924	\$45,014,241	\$48,717	-3%	-1%	2%
Matanuska-Susitna Borough	29,879	\$1,736,976,688	\$58,134	29,007	\$1,592,286,773	\$54,893	3%	9%	6%
Nome Census Area	3,955	\$293,455,251	\$74,199	3,869	\$265,217,927	\$68,549	2%	11%	8%
North Slope Borough	11,820	\$1,503,319,550	\$127,184	10,690	\$1,336,045,872	\$124,981	11%	13%	2%
Northwest Arctic Borough	3,056	\$271,000,759	\$88,678	2,871	\$239,790,364	\$83,522	6%	13%	6%
Petersburg Borough	1,265	\$68,412,855	\$54,081	1,313	\$70,974,931	\$54,056	-4%	-4%	0%
Prince of Wales-Hyder CA	2,159	\$115,282,740	\$53,396	2,141	\$109,550,132	\$51,168	1%	5%	4%
Sitka, City and Borough	4,550	\$277,487,436	\$60,986	4,335	\$265,101,509	\$61,154	5%	5%	0%
Skagway Municipality	1,138	\$61,310,587	\$53,876	1,016	\$54,760,521	\$53,898	12%	12%	0%
Southeast Fairbanks CA	3,222	\$296,063,314	\$91,888	3,042	\$258,100,732	\$84,846	6%	15%	8%
Unknown Location	3,282	\$304,766,530	\$92,860	3,112	\$277,848,343	\$89,283	5%	10%	4%
Wrangell, City and Borough	778	\$44,286,672	\$56,924	753	\$41,571,614	\$55,208	3%	7%	3%
Yakutat, City and Borough	333	\$20,612,595	\$61,900	345	\$21,740,345	\$63,015	-3%	-5%	-2%
Yukon-Koyukuk Census Area	2,365	\$120,795,367	\$51,076	2,281	\$110,385,427	\$48,393	4%	9%	6%

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages

slightly, but its average wage rose 5 percent.

The Matanuska-Susitna Borough continued to outperform the state as a whole, adding 3 percent more jobs (in line with the state average) but 9 percent more in wages, resulting in some of the strongest wage growth for an area without natural resource extraction.

Fairbanks added jobs and wages slightly faster than average. Juneau was slightly slower.

Tourism, major projects, and health care drove growth

Tourism didn't just rebound from pandemic lows; visitor numbers hit a record high in 2023. The number of cruise ship passengers leveled out in 2024, and the leisure and hospitality sector added just

257 jobs after adding 1,507 the previous year.

The industry may have grown more if workers had been available. These lower-paying jobs are less competitive when other higher-paying industries, such as construction, are ramping up.

Tourism and construction projects boosted the transportation sector, which added 1,048 jobs overall. Scenic and sightseeing transportation — whale-watching and helicopter tours, for example — grew 10 percent, and nonscheduled air transportation such as charter flights grew 12 percent.

Specialized freight trucking grew 19 percent. This industry is linked to resource extraction, particularly the Manh Choh mine outside Fairbanks and North Slope oil field development.

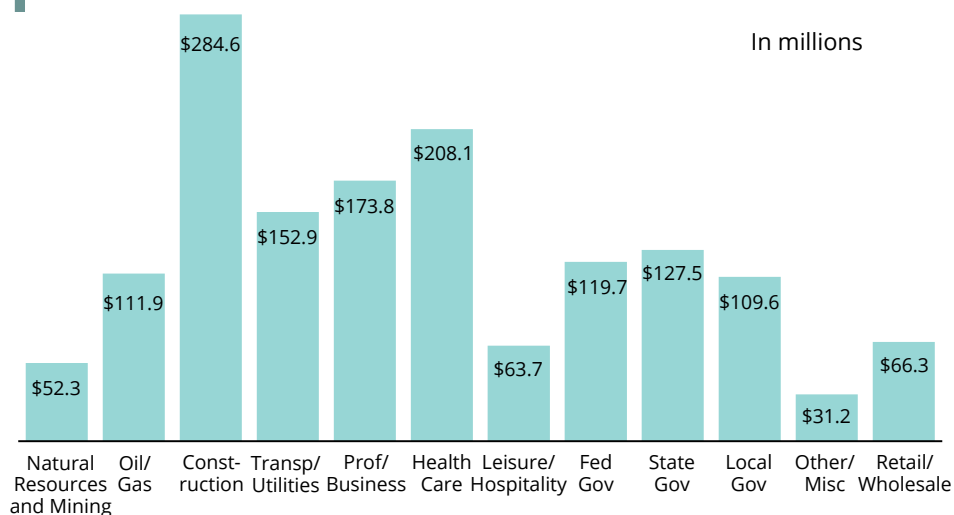
Oil and gas projects, including Willow and Pika, and federal infrastructure projects lifted

employment in construction, the oil and gas industry, and the professional services that support them.

The construction industry added 1,387 jobs and an additional \$285 million in wages — even bigger gains than in 2023. For a second year, construction's total wages grew more than any other industry (18 percent).

The heavy construction category grew the most and represented over half of construction's extra wages. Specifically, employment in utility system construction, which includes distribution lines and related buildings and structures for oil and gas, jumped 41 percent and represented nearly all

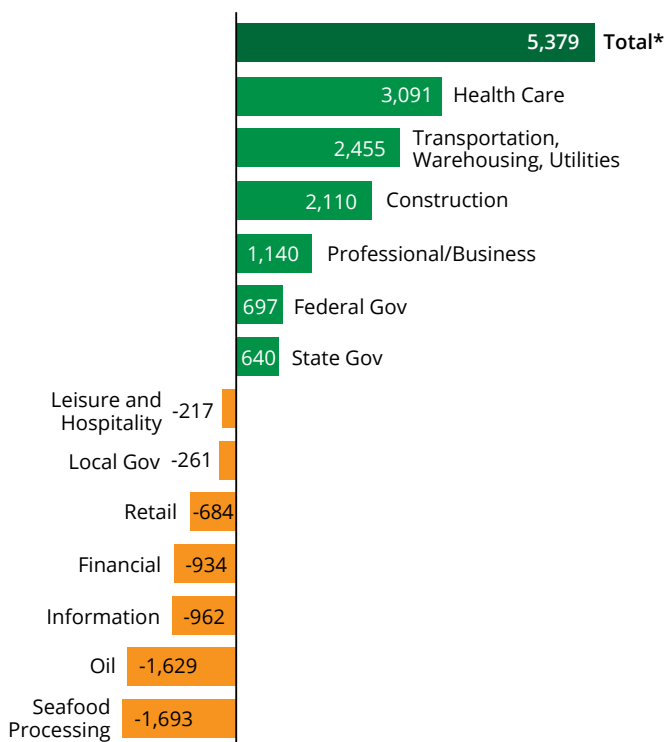
Industry contributions to total wage growth, 2023-24



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages

of the heavy construction growth.

Difference in jobs by Alaska industry from 2019 to 2024



*The select industries below do not sum to this total.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages

Highway, street, and bridge construction ticked up by less than 1 percent.

These numbers suggest most of 2024's construction job growth was linked to the oil industry rather than federal infrastructure projects, despite the billions of infrastructure dollars slated for Alaska over multiple years.

The oil and gas industry added 724 jobs over the year (10 percent) and paid 8 percent more in total wages. Although its average wage decreased by about 1 percent, this industry has the state's highest average yearly wage at \$181,205 — more than double the overall average.

Professional and business services added 639 jobs and \$174 million in wages, also stimulated by oil projects on the North Slope. Notable job growth came from facilities and building support services, architectural and engineering firms, and scientific and technical consulting.

Health care continued its long-term growth trend, adding 1,380 jobs over the year. Nursing and residential homes grew the most in percentage terms, although it's the smallest health care category. Most of the job gains came from hospitals and outpatient services.

Health care wages rose \$208 million, or 7 percent, and the average wage increased to \$79,450 a year.

Percent change in jobs and wages by industry from 2023 to 2024

Industry	2024			2023			Change		
	Jobs	Total wages	Average wage	Jobs	Total wages	Average wage	Jobs	Total wages	Avg wage
Total All Industries	334,471	\$23,822,244,482	\$71,224	328,478	\$22,320,751,653	\$67,952	2%	7%	5%
Total Private	256,198	\$18,209,951,290	\$71,078	251,530	\$17,065,201,831	\$67,846	2%	7%	5%
Natural Resources and Mining	13,904	\$2,099,063,465	\$150,968	13,053	\$1,934,939,194	\$148,237	7%	8%	2%
Oil and Gas	8,256	\$1,476,716,833	\$178,866	7,532	\$1,364,838,734	\$181,205	10%	8%	-1%
Construction	18,521	\$1,884,496,903	\$101,749	17,134	\$1,599,877,701	\$93,374	8%	18%	9%
Manufacturing	11,965	\$805,595,994	\$67,329	12,785	\$889,297,548	\$69,558	-6%	-9%	-3%
Seafood Processing	7,402	\$517,820,612	\$69,957	8,495	\$626,227,690	\$73,717	-13%	-17%	-5%
Trade, Transportation, Utilities	66,334	\$4,209,676,593	\$63,462	65,570	\$3,990,483,491	\$60,858	1%	5%	4%
Wholesale	6,455	\$484,676,299	\$75,085	6,393	\$454,336,981	\$71,068	1%	7%	6%
Retail	34,890	\$1,455,490,228	\$41,717	35,236	\$1,419,574,682	\$40,288	-1%	3%	4%
Trans, Warehousing, Utils	24,989	\$2,269,510,066	\$90,820	23,941	\$2,116,571,828	\$88,408	4%	7%	3%
Information	4,381	\$387,661,135	\$88,487	4,577	\$376,899,150	\$82,346	-4%	3%	7%
Financial Activities	11,609	\$845,892,731	\$72,865	11,736	\$816,080,635	\$69,537	-1%	4%	5%
Professional/Business Svcs	28,850	\$2,378,155,614	\$82,432	28,211	\$2,204,329,778	\$78,137	2%	8%	5%
Education/Health (private)	52,427	\$3,765,709,895	\$71,828	50,911	\$3,536,315,297	\$69,461	3%	6%	3%
Health Care	41,630	\$3,307,513,699	\$79,450	40,250	\$3,099,407,743	\$77,004	3%	7%	3%
Leisure and Hospitality	36,033	\$1,219,832,590	\$33,853	35,776	\$1,156,154,834	\$32,316	1%	6%	5%
Other Services	11,984	\$599,154,978	\$49,996	11,638	\$550,318,088	\$47,286	3%	9%	6%
Total Government*	78,273	\$5,612,293,192	\$71,702	76,949	\$5,255,549,822	\$68,299	2%	7%	5%
Federal	15,537	\$1,560,652,841	\$100,448	15,203	\$1,440,981,434	\$94,783	2%	8%	6%
State	23,897	\$1,722,252,667	\$72,070	23,071	\$1,594,737,059	\$69,123	4%	8%	4%
Local	38,839	\$2,329,387,684	\$59,975	38,675	\$2,219,831,329	\$57,397	0%	5%	4%

*Includes public schools, the University of Alaska, and tribal governments

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, Quarterly Census of Employment and Wages

A handful of industries lost ground

Retail, financial services, and information (which includes cell and internet providers as well as radio, TV, and print media) all continued their long-term declines.

The way these industries do business has shifted drastically in recent years as more services have gone online and other technological advancements have reduced the need for workers.

Although these industries have fewer jobs, their total wages and average wages rose last year.

Only one industry lost both employment and wages in 2024. Seafood processing lost 1,093 jobs and \$108 million in wages.

As mentioned earlier, seafood processing has weathered several rocky years as multiple plants were closed or sold amid tumult in the fishing industry.

Demand and prices have taken a wild ride so far this decade with the pandemic and its supply chain disruptions, volatile runs, and market flooding by other countries. (See the [April 2024](#) and [November 2024](#) issues for more.)

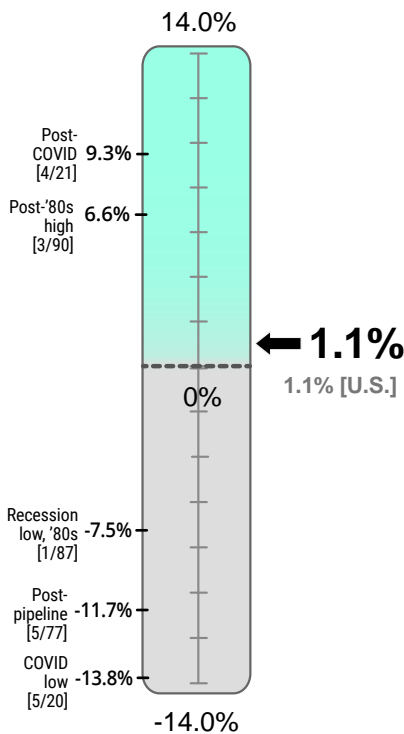
Karinne Wiebold is an economist in Juneau. Reach her at (907) 465-6039 or karinne.wiebold@alaska.gov.

Gauging The Economy



Job Growth

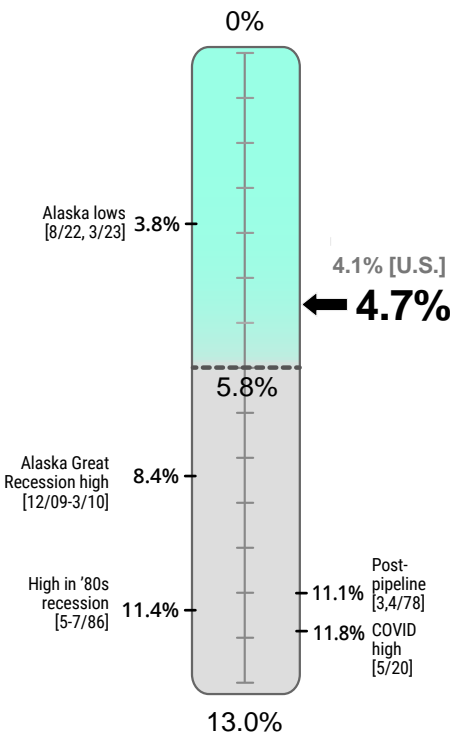
June 2025
Over-the-year percent change



Alaska's June employment was 1.1 percent above last June. National employment was up by the same percentage.

Unemployment Rate

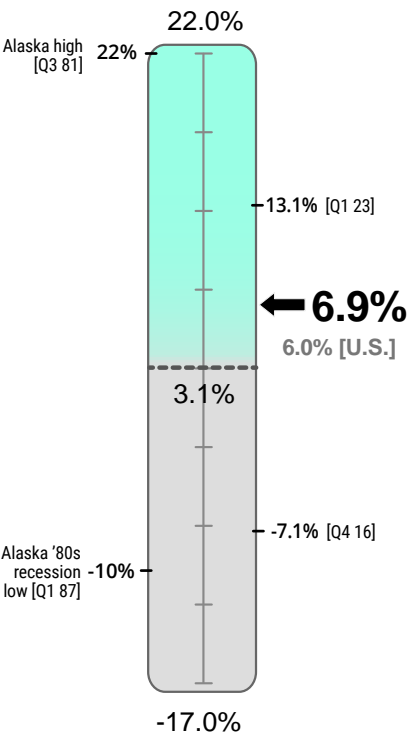
June 2025
Seasonally adjusted



Alaska's unemployment rate has climbed nearly a percentage point since mid-2022 but remains well below its 10-year average.

Wage Growth

4th Quarter 2024
Over-the-year percent change



Total wages paid by Alaska employers have shown strong growth in recent quarters.

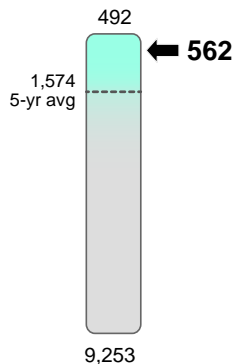
Wages were up 6.9 percent from year-ago levels in the fourth quarter of 2024 and 27.9 percent above the fourth quarter of 2019, before the pandemic.

Gauging The Economy

----- ALASKA'S
10-YR AVERAGE
← CURRENT ALASKA

Initial Claims

Unemployment, week ending June 7, 2025*

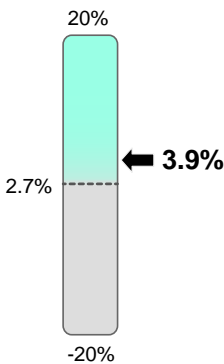


Pandemic-driven high claims loads have fallen, and new claims for benefits are well below their long-term average.

*Four-week moving average ending with specified week

GDP Growth

1st Quarter 2025
Over-the-year percent change*

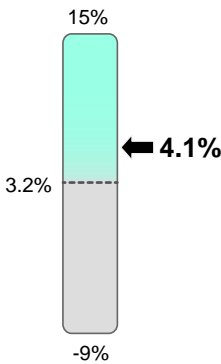


Gross domestic product is the value of the goods and services a state produces. It's an important economic measure but also a volatile one for Alaska because commodity prices influence the numbers so much — especially oil prices.

*In current dollars

Personal Income Growth

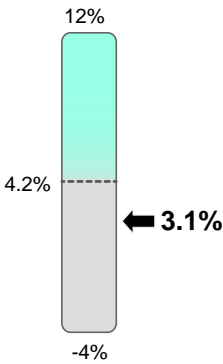
1st Quarter 2025
Over-the-year percent change



Personal income consists of three main parts: 1) wages and salaries; 2) dividends, interest, and rents; and 3) transfer payments (payments from governments to individuals).

Change in Home Prices

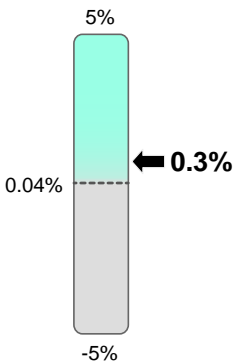
Single-family, percent change from prior year, Q1 2025



Home prices shown include only those for which a commercial loan was used. This indicator tends to be volatile from quarter to quarter.

Population Growth

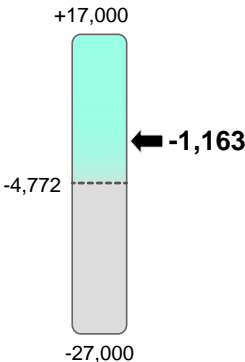
2023 to 2024



After four years of decline, Alaska's population has grown slightly in each of the last four years as natural increase (births minus deaths) has slightly exceeded migration losses.

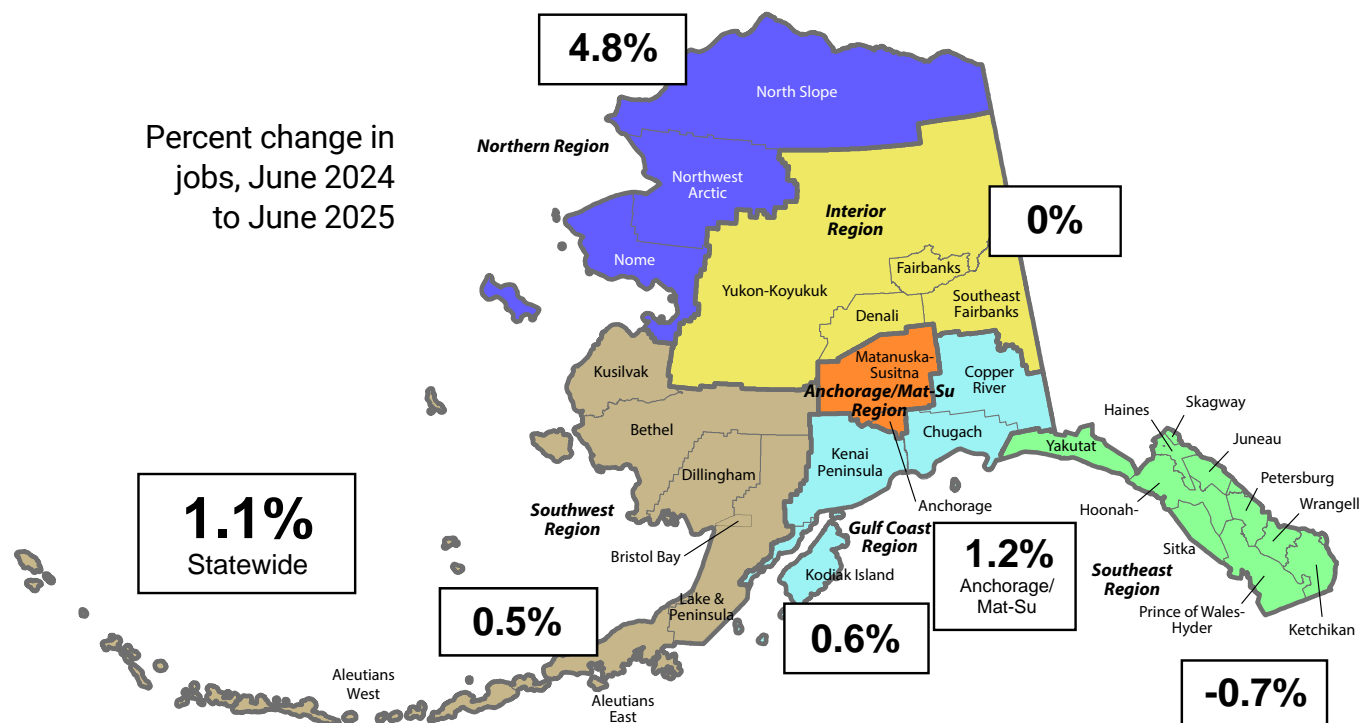
Net Migration

2023 to 2024



The state had net migration losses for the 12th consecutive year in 2024. Losses were on par with 2023 and significantly smaller than the late 2010s. Net migration is the number who moved to Alaska minus the number who left.

Employment Growth by Region



Unemployment Rates

Seasonally adjusted

	Prelim.	Revised	
	6/25	5/25	6/24
United States	4.1	4.2	4.1
Alaska	4.7	4.7	4.6

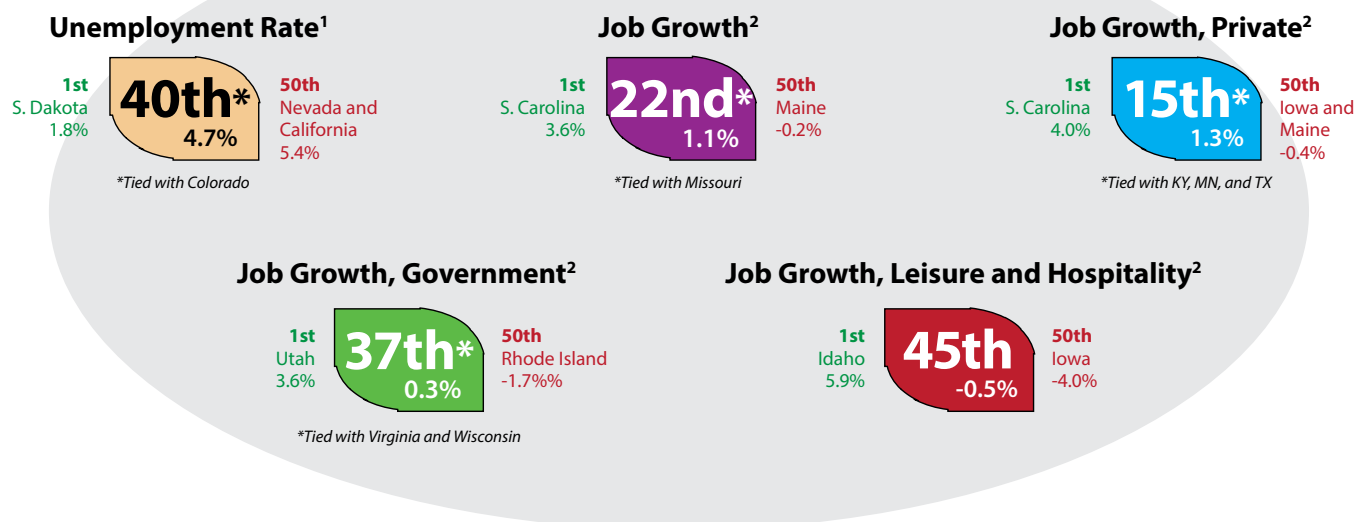
Not seasonally adjusted

	Prelim.	Revised	
	6/25	5/25	6/24
United States	4.4	4.0	4.3
Alaska	5.2	4.5	4.9

Regional, not seasonally adjusted

	Prelim.	Revised			Prelim.	Revised			Prelim.	Revised	
	6/25	5/25	6/24		6/25	5/25	6/24		6/25	5/25	6/24
Interior Region	4.9	4.3	4.6	Southwest Region	9.6	10.3	8.9	Southeast Region	4.3	3.8	3.9
Denali Borough	2.1	3.0	1.9	Aleutians East Borough	2.7	4.7	3.2	Haines Borough	7.4	7.5	6.0
Fairbanks N Star Borough	4.5	3.9	4.3	Aleutians West Census Area	3.3	5.7	3.6	Hoonah-Angoon Census Area	4.5	5.2	3.2
Southeast Fairbanks Census Area	7.3	6.4	6.4	Bethel Census Area	13.5	12.1	11.9	Juneau, City and Borough	3.7	3.1	3.5
Yukon-Koyukuk Census Area	10.1	10.0	8.3	Bristol Bay Borough	1.8	3.8	2.3	Ketchikan Gateway Borough	4.1	3.7	3.4
				Dillingham Census Area	8.0	7.9	8.6	Petersburg Borough	5.6	5.1	4.4
Northern Region	8.1	6.7	7.3	Kusilvak Census Area	21.7	17.2	19.0	Prince of Wales-Hyder Census Area	8.6	7.7	8.1
Nome Census Area	11.1	9.0	9.7	Lake and Peninsula Borough	4.4	4.2	6.4	Sitka, City and Borough	3.3	2.8	3.4
North Slope Borough	4.4	3.5	4.2	Gulf Coast Region	5.4	5.0	5.0	Skagway, Municipality	2.9	3.3	1.9
Northwest Arctic Borough	10.5	9.4	9.7	Kenai Peninsula Borough	5.5	4.9	5.2	Wrangell, City and Borough	5.4	5.1	5.3
Anchorage/Mat-Su Region	4.8	4.0	4.6	Kodiak Island Borough	4.7	4.2	4.9	Yakutat, City and Borough	4.6	3.8	4.8
Anchorage, Municipality	4.4	3.7	4.3	Chugach Census Area	4.9	5.8	3.9				
Mat-Su Borough	5.9	4.8	5.5	Copper River Census Area	8.0	8.9	5.6				

How Alaska Ranks



Note: Government employment includes federal, state, and local government plus public schools and universities.

¹June seasonally adjusted unemployment rates

²June employment, over-the-year percent change

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

Other Economic Indicators

	Current		Year ago	Change
Urban Alaska Consumer Price Index (CPI-U, base: 1982-84=100)	270.441	1st half 2025	264.376	+2.3%
Commodity prices				
Crude oil, Alaska North Slope,* per barrel	\$72.63	June 2025	\$84.36	-13.9%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	\$3.64	June 2025	\$2.81	+29.6%
Gold, per oz. COMEX	\$3,345.40	7/16/25	\$2,454.80	+36.3%
Silver, per oz. COMEX	\$38.30	7/16/25	\$30.14	+27.1%
Copper, per lb. COMEX	\$5.51	7/16/25	\$4.40	+25.2%
Bankruptcies				
	47	Q1 2025	49	-4.1%
Business	3	Q1 2025	7	-57.1%
Personal	44	Q1 2025	42	+4.8%
Unemployment insurance claims				
Initial filings	2,347	June 2025	2,366	-0.8%
Continued filings	18,555	June 2025	17,822	4.1%
Claimant count	4,005	June 2025	4,607	-13.1%

*Department of Revenue estimate

Sources for this page and the preceding three pages include Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; Bloomberg; U.S. Census Bureau; Yahoo Finance: COMEX; Alaska Department of Revenue; and U.S. Courts, 9th Circuit

EMPLOYER RESOURCES

Free fidelity bonds help employers expand their hiring pool

The Alaska Fidelity Bonding Program has proven to be an effective job placement tool that provides assurances to employers while assisting at-risk job seekers.

It offers no-cost, no-deductible bonds to employers who hire people recovering from substance abuse, those with poor credit or limited work histories, and others with barriers to employment. It is also the only program that bonds ex-offenders and has shown to combat recidivism.

Bonds are issued to employers at \$5,000 with a maximum of five bonds for any covered employee. Each bond covers six months, with renewals possible. Employers may also continue coverage directly with the underwriter if no claims were filed during the first six-month period.

These bonds insure employers against job-related theft, forgery, larceny, or embezzlement, on or off the worksite. Obtaining free fidelity bonds allows employers peace of mind so they can focus on a

worker's skills and productivity while mitigating potential risk.

While the self-employed are not eligible, employers can bond any full- or part-time, permanent or temporary, new or returning employee who meets the state's legal age requirement to work. Under some circumstances, bonds may also be available to promote or retain at-risk workers.

Bonds may be issued without signing forms, and it takes just a few minutes for Alaska job center staff to gather information about the employer, employee, and hire date for the bond to take effect.

Visit labor.alaska.gov/bonding/ for more information or contact your nearest Alaska Job Center at jobs.alaska.gov/offices to obtain bonds for your workers.

Employer Resources is written by the Employment and Training Services Division of the Alaska Department of Labor and Workforce Development.