



ALASKA ECONOMIC
TRENDS
JANUARY 2024

Outlook for jobs
in Alaska **2024**

ALSO INSIDE

Job forecasts for Fairbanks,
Anchorage, and Southeast

FROM THE COMMISSIONER

Budget addresses multiple workforce needs in FY 25

By Catherine Muñoz, Acting Commissioner

2024 is ringing in good news for the Alaska economy. This month, *Trends* features our annual employment forecast for the state, with detailed forecasts for Anchorage, Fairbanks, and Southeast. Economists forecast a 1.7 percent job growth rate for the state as a whole this year, which for many industries will mark a full recovery from the pandemic.

Infrastructure money and more oil and gas activity will be economic bright spots this year. This is a welcome shift for the oil industry after a few really tough years, and construction and related services have some growth on the horizon as well. Every Alaska industry this year is forecasted to either grow or hold steady.

Labor shortages continue to be a challenge due to a smaller and older population, but we're targeting our efforts to ease its effects.

In December, Governor Dunleavy unveiled the proposed fiscal year 2025 spending plan, which prioritizes public safety, Alaskan families, and education. The budget funds new public safety officers and salary increases, State Trooper investigators assigned to crimes against children and missing and murdered indigenous Alaskans, acquisition of an all-weather aircraft for public safety operations and response, and a new patrol vessel for Southeast.

Access to affordable housing, food, child care, and energy are essential for a healthy state. The FY 25 budget recognizes the importance of making Alaska an attractive place to live and raise a family.

For example, the budget proposes \$25 million for down payment assistance grants through Alaska Housing Finance Corporation and \$62.6 million for AHFC housing programs.

Funding would also be available for 30 new hires to



expedite application processing for SNAP food benefits, and for food banks and pantries across Alaska. The Governor's Task Force on Child-care is finalizing its' first major report with an extensive list of short-term to long-term recommendations to incentivize and expand availability.

The budget is presented in an informative, interactive infographic: [FY 25 Governor's Proposed Budget At a Glance – Mike Dunleavy \(alaska.gov\)](#). You can click on a department/category or select from the drop-down menu in the upper left corner for a more detailed budget breakdown.

At the Department of Labor, we are pursuing a multi-pronged effort to address Alaska's labor shortages, including greater investments in industry-recognized trainings, targeted media campaigns, and partnerships with industry. The Office of Citizenship Assistance, part of that strategy, is an effort to provide career and training navigation services to legal immigrants and refugees. OCA is funded in the FY 25 budget with three positions to help new citizens navigate employment opportunities and will address common barriers to employment such as language, licensure, and availability of biometric data processing.

The Alaska Legislature will soon reconvene. We wish all legislators and their families safe travels as they prepare for a productive session, and we look forward to many positive outcomes for the Alaskans we serve.

Sincerely,

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

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



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SARA WHITNEY
Editor

DAN ROBINSON
Chief, Research
and Analysis

Design by Sara Whitney

ON THE COVER:

A winter trail run in Fairbanks
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ALASKA
DEPARTMENT of LABOR
and WORKFORCE
DEVELOPMENT

Governor
Mike Dunleavy
Acting Commissioner
Catherine Muñoz

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

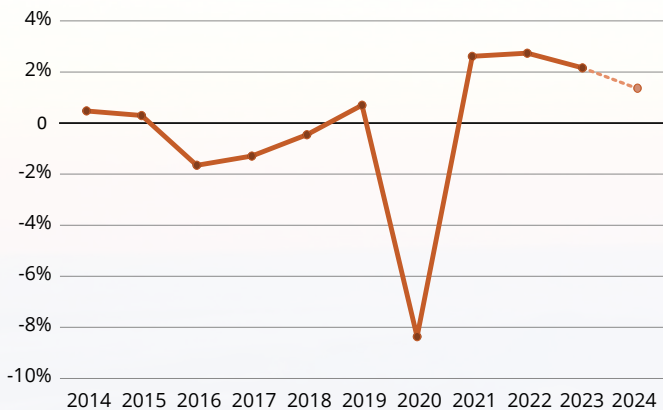
ON THIS SPREAD: The background watermark for 2024 is an aerial view of the mountains around Anchorage.
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Statewide jobs forecast for 2024

Alaska to add 5,400 jobs as all industries grow or stay flat

Jobs forecasted to increase by 1.7%



Note: 2023 is preliminary.

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

By KARINNE WIEBOLD

This year's forecasted growth of 1.7 percent, or 5,400 jobs, will be widespread as all industries either grow or hold steady, bringing Alaska's total job count and many industries above their pre-pandemic levels. Industries that remain significantly below their 2019 levels have either faced big changes in recent years or were already on long-term declines.

Most post-pandemic recovery is behind us. Unlike the last few years' growth, which came from parts of the economy normalizing after COVID disruptions, big projects will be this year's major catalyst. Federal infrastructure projects will start to materialize in 2024, and mining and oil and gas also have big investments on the horizon.

The outlook for statewide jobs, by industry

	Monthly avg, 2022 ¹	Monthly avg, 2023 ¹	Change, 2022-23	Percent change	JOBS FORECAST		
					Monthly avg, 2024	Change, 2023-24	Percent change
Total Nonfarm Employment²	318,800	326,200	7,400	2.3%	331,600	5,400	1.7%
Total Private	241,600	247,800	6,200	2.6%	252,700	4,900	2.0%
Mining and Logging	10,900	11,500	600	5.5%	12,500	1,000	8.7%
Oil and Gas	7,000	7,400	400	5.7%	8,000	600	8.1%
Construction	16,100	16,700	600	3.7%	17,800	1,100	6.6%
Manufacturing	12,100	12,600	500	4.1%	12,600	0	0%
Trade, Transportation, and Utilities	63,800	65,200	1,400	2.2%	66,000	800	1.2%
Wholesale Trade	6,200	6,400	200	3.2%	6,500	100	1.6%
Retail Trade	35,000	35,300	300	0.9%	35,500	200	0.6%
Transportation, Warehousing, and Utilities	22,600	23,500	900	4.0%	24,000	500	2.1%
Information	4,700	4,600	-100	-2.1%	4,600	0	0%
Financial Activities	11,000	10,900	-100	-0.9%	10,900	0	0%
Professional and Business Services	27,300	28,100	800	2.9%	28,600	500	1.8%
Educational (private) and Health Services	50,100	51,300	1,200	2.4%	52,000	700	1.4%
Health Care	38,900	40,000	1,100	2.8%	40,600	600	1.5%
Leisure and Hospitality	34,300	35,600	1,300	3.8%	36,100	500	1.4%
Other Services	11,100	11,400	300	2.7%	11,600	200	1.8%
Total Government	77,200	78,400	1,200	1.6%	78,900	500	0.6%
Federal, except military	15,000	15,400	400	2.7%	15,400	0	0%
State, incl. University of Alaska	22,400	22,800	400	1.8%	23,100	300	1.3%
Local and tribal, incl. public schools	39,800	40,200	400	1.0%	40,400	200	0.5%

¹Preliminary and adjusted estimates. ²Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.

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

Is it finally time to stop focusing on COVID job recovery?

Alaska has been adding back the jobs lost in 2020 for the last few years, but normalizing after COVID will no longer be the main story in 2024 as capital projects and federal investments take center stage.

We would be remiss not to address the recovery once more, however, as our total employment in 2023 still hadn't regained pre-pandemic levels, but probably for the last time.

COVID was the largest shock our economy has ever absorbed, with steeper losses in a shorter time frame than Alaska has weathered before. Alaska lost 27,600 jobs in 2020 as virus mitigation shuttered industries, governments, and schools across the world.

Since then, the state has recovered jobs each year at a fairly consistent rate. In 2021, the growth of 7,900 jobs came from a combination of reopening and huge infusions of federal money in the form of household stimulus checks, enhanced unemployment benefits, and direct support to businesses and state and local governments.

In 2022, Alaska added another 8,500 jobs through the return of cruise ships and the rise in travel, eating out, and recreation.

Recovery to pre-COVID job levels, by industry

	2019 jobs	2024 forecasted	Difference from 2019	
Total Nonfarm Employment	330,000	331,600	0.5%	1,600
Total Private	250,200	252,700	1.0%	2,500
Mining and Logging	13,400	12,500	-6.7%	-900
Oil and Gas	9,900	8,000	-19.2%	-1,900
Construction	16,400	17,800	8.5%	1,400
Manufacturing	13,100	12,600	-3.8%	-500
Transportation, Trade, and Utilities	64,600	66,000	2.2%	1,400
Wholesale Trade	6,600	6,500	-1.5%	-100
Retail Trade	35,600	35,500	-0.3%	-100
Transp, Warehousing, and Utilities	22,500	24,000	6.7%	1,500
Information	5,400	4,600	-14.8%	-800
Financial Activities	11,600	10,900	-6.0%	-700
Professional and Business Services	27,700	28,600	3.2%	900
Educational (private) and Health Svcs	50,800	52,000	2.4%	1,200
Health Care	38,700	40,500	4.7%	1,800
Leisure and Hospitality	36,200	36,100	-0.3%	-100
Other Services	11,000	11,600	5.5%	600
Total Government	79,900	78,900	-1.3%	-1,000
Federal, except military	14,900	15,400	3.4%	500
State, incl. University of Alaska	23,200	23,100	-0.4%	-100
Local and tribal, incl. public schools	41,800	40,400	-3.3%	-1,400

Note: May not sum because of rounding. Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Recovery slowed in 2023 with the easiest gains behind us, although nearly every industry grew at least a little. Growth totaled 7,400 jobs, with general recovery bolstered by a record 1.6 million cruise ship visitors. Most industries remained underwater last year, though, with total employment still 3,800 jobs below 2019 levels, or -1.2 percent.

Positives for growth this year

The federal infrastructure bill and the Inflation Reduction Act will route billions of dollars to the state over the next decade. Funds for roads, bridges, ferries, water and sewer facilities, broadband, and other longstanding priorities will make lasting and sometimes overdue improvements. Many of these projects are still in the planning phase, so we might not see significant job growth this year, but they have begun.

The projects will create jobs, at least in the short term, and the results will lay the foundation for further economic growth. For example, port upgrades

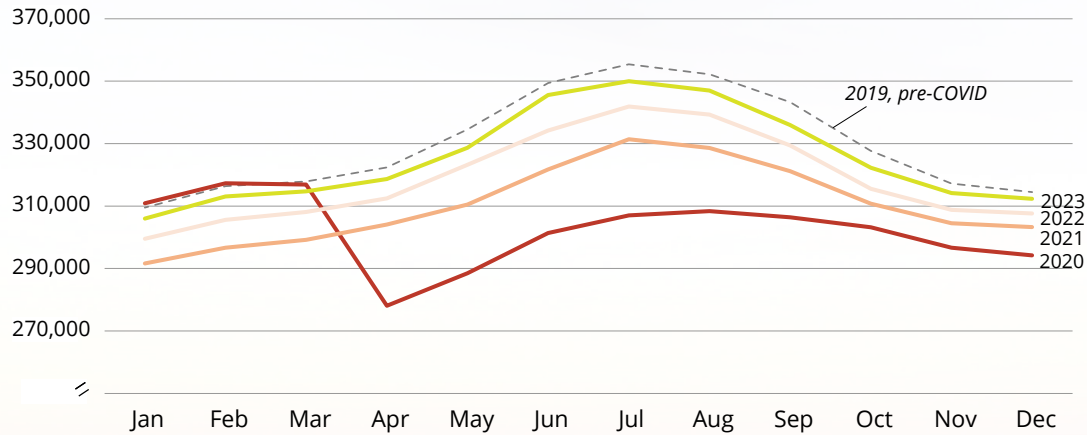
in Anchorage and the development of a far north deep water facility in Nome will raise the state's profile in the global shipping market.

Several large oil and gas projects are anticipated to move forward in 2024, although they won't start producing oil for several more years, even under the most favorable circumstances, and the potential for setbacks will continue until the oil starts to flow.

A new gold mine in the interior is set to begin production this year, spurring new jobs in mining and transportation.

Tourism is an important economic driver for Alaska, and early indicators point to a repeat of last year's

Growth slows each year as Alaska approaches full job recovery



Note: 2023 is preliminary.

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

record visitor season. Alaska's draw is strong, especially for domestic travelers, and trip demand remains high. Cruise visitor numbers are expected to meet or slightly exceed 2023's high water mark of 1.65 million.

The national economy remains strong, with job and wage growth outperforming predictions, although both started to slow in late 2023. While fears of an imminent national recession are receding, some economists are still forecasting a downturn.

What will hold us back in 2024

With pandemic checks over and payment pauses exhausted, people have less income

Households have less disposable income than they had over the last couple of years. Federal stimulus payments have largely been spent, and the Alaska Permanent Dividend was significantly smaller in 2023 than in 2022.

Inflation, which peaked in 2022 at 8.1 percent in Alaska, has slowed but prices remain high, eroding purchasing power. Interest rates shot up in 2022 as the Federal Reserve Board tried to put the brakes on the national economy to curb inflation. Federal student loan repayment, which was paused during the pandemic, resumed in late 2023.

At the same time, wages increased, bolstering some households' ability to withstand higher prices and resumed loan repayments.

Sluggish before COVID; budget woes ongoing

Another factor is hard to quantify, but how Alaska

entered the pandemic will affect how we come out of it, to the degree that the underlying conditions remain the same. Alaska's job growth before COVID was the slowest in the country.

The state continues to struggle with how to pay for services, with the tension between paying out Permanent Fund Dividends and identifying new revenue sources continuing to play out politically and in public opinion. In addition to the state's longstanding budget and revenue problems, the coming years will bring additional pressure for the state to come up with the matching funds required with these recent large federal investments.

Worker shortage is especially acute here, compounded by migration losses, aging

The worker shortage will persist in 2024, particularly for Alaska, and constrain potential growth. We have high job openings and a short supply of workers to fill them; the Bureau of Labor Statistics estimates Alaska has two job openings for every unemployed person seeking work. This makes recruitment and retention a challenge for employers but also gives workers more opportunities than we have seen in decades.

The entire country is grappling with this worker shortage, but Alaska's deficit is stark. In a double blow to worker availability, our population is slightly smaller than it was 10 years ago and is getting older. More Alaskans are aging out of the workforce, and the number in their prime working years (ages 18 to 64) fell by 30,000 from 2013 to 2022.

Alaska has always imported labor, with about 20 percent of our jobs filled by nonresidents in a typical year. Some stay — about 10 percent — but most come to work in our highly seasonal or remote

Statewide Forecast

industries such as seafood processing, tourism, and extraction. With high job openings across the nation, Alaska has less draw for workers, temporary or permanent. Alaska's high wages have given us an edge in the past, but our wage advantage over the rest of the country has narrowed over the last few decades.

Similarly, while Alaska has always seen large numbers of people flowing in and out each year, fewer people have moved here each year over the last decade, and they are not staying as long as they used to. This net migration loss was big enough in several recent years to drive down the population overall.

Movers in both directions tend to be in their 20s and 30s: prime working-age people likely to bring children with them. Losing them and their families, along with the current population aging in place, has exacerbated our labor shortage.

All industries expected to grow or hold steady in 2024

Projects to boost multiple industries, especially oil, construction, linked services

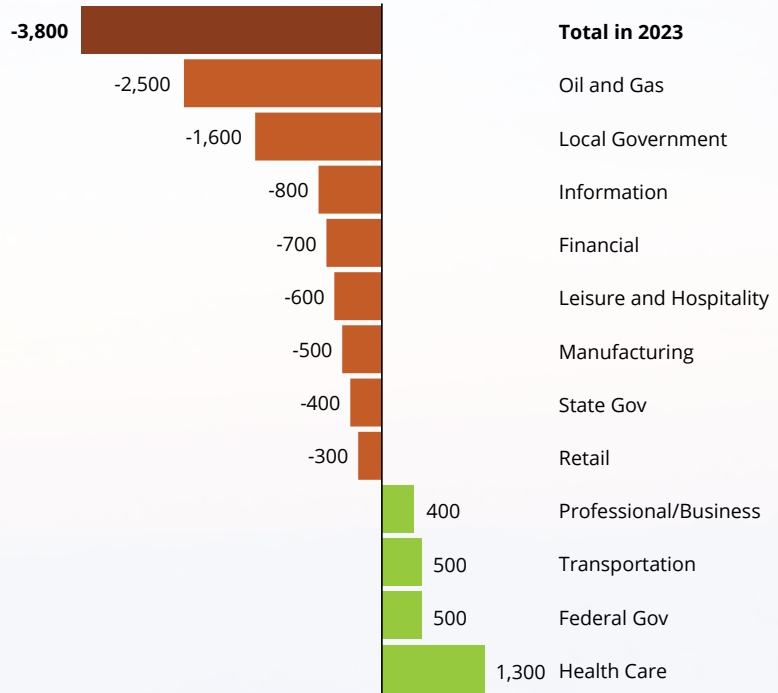
The broader mining sector is forecasted to add 1,000 jobs in 2024, with 600 coming from the oil and gas industry. Hard rock mines tolerated the pandemic downturn well, and their growth this year will come from a new gold mine opening near Tok, about 200 miles southeast of Fairbanks, and small expansions in their workforces across the board.

Oil and gas, on the other hand, was hammered by the pandemic, losing 3,200 jobs in the first two years on top of its declines from the immediately preceding state recession when the industry shed 5,400 jobs.

After those two downturns, oil and gas employment in 2021 was less than half that of 2014. Jobs rebounded somewhat over the last two years, with the industry adding 300 jobs in 2022 and 400 in 2023.

Preparation for the Pikka and Willow projects and

In 2023, many industries were still under water



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

more activity overall will boost oil and gas employment by about 600 this year, although some of the early-phase employment growth will show up in other industries such as construction, transportation, and professional and business services.

Federal infrastructure money will boost construction, although likely by small amounts in 2024 as individual projects take time to fund, bid out, and start. More oil field work, particularly in Willow and Pikka, will also buoy construction.

Construction lost just 600 jobs to COVID and has recovered and grown at an accelerating pace, adding 100 jobs in 2021, 200 in 2022, and 600 in 2023. We expect the industry to add 1,100 jobs in 2024, bringing total employment to 1,400 above 2019's annual average.

Similarly, the professional and business services that support oil and construction work will benefit this year, and we forecast an additional 600 jobs for this industry, pushing it above pre-pandemic levels.

The labor shortage is a big obstacle for the seafood processing industry

Manufacturing lost 1,300 jobs in 2020, mainly in seafood processing, and has added back 800 since. We

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don't anticipate job gains this year, and employment will probably remain below pre-pandemic levels.

In late 2023, Trident Seafoods, which has plants across Alaska, announced it plans to sell off several operations including those in Petersburg, Ketchikan, and Kodiak. When those sales take place and who buys will determine the impact in 2024, but this sale will disrupt the processing industry this year.

Finding workers will add an extra obstacle, as most come from outside Alaska and, as mentioned earlier, most of the country will see unusually plentiful job opportunities closer to home.

Manufacturing's job count has been declining over the last decade, although it can be volatile from year to year with wild swings in seafood harvesting around the state and between seasons. Recent years have brought both historically large catches and disaster-level absences. Harvest fluctuations make it hard for processors to anticipate peak labor needs, adding to the difficulty of securing an adequate workforce in remote locations of mainly nonresidents.

Manufacturing covers a variety of other goods, including makers of tents, cookies, boats, alcohol, and cannabis products. Breweries and distilleries have gained traction in recent years, as has the marijuana industry, although data suggest the niche market for cannabis products is approaching its ceiling.

Retail approaches full recovery

Retail lost 2,200 jobs in 2020 as the pandemic prompted closures, shifts in shopping behavior, and a dearth of out-of-state visitors. The industry has regained 1,900 jobs in the years since and we anticipate a small increase of 200 in 2024, bringing retail within 100 jobs of full recovery.

E-commerce continues to eat away at traditional stores' market share, although some of that decrease is simply where the jobs are counted. For example, Amazon is opening a distribution and sorting facility in Anchorage this year, jobs that will be categorized as warehousing rather than retail.

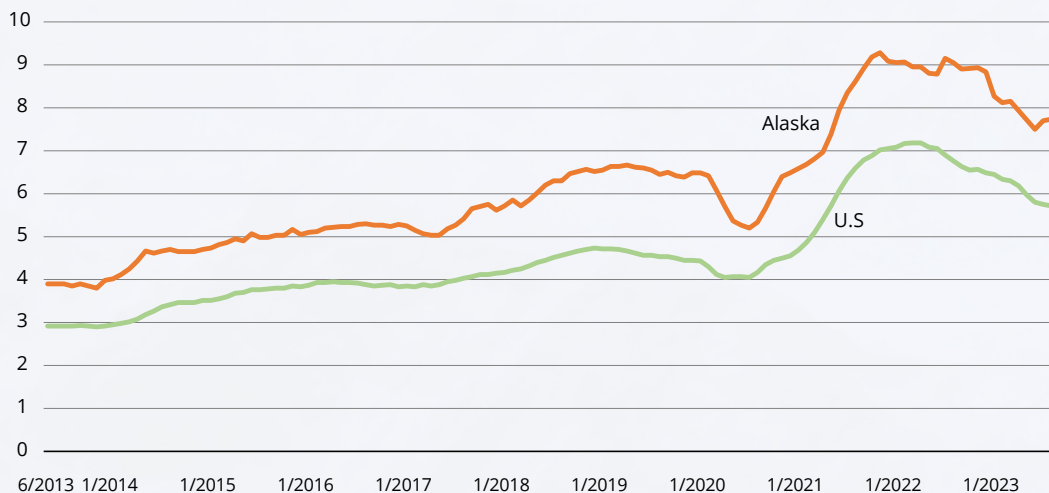
Transportation continues to flourish

Transportation lost 3,400 jobs in 2020 when travel nearly halted, then recovered in the three years that followed with more growth on the horizon in 2024.

According to Alaska Department of Transportation and Public Facilities statistics, international airport passenger numbers for Anchorage and Fairbanks in fiscal year 2023 remained below 2019 levels but cargo numbers soared. Juneau has the state's third-busiest airport, and by late 2023, Juneau's passenger numbers were just 1 percent below its pre-COVID levels.

On the air cargo side, Anchorage moved up a notch in its international ranking to become the third-busiest air cargo airport in the world. The North-Link Aviation project at the Ted Stevens Anchorage

Job opening rates remained high nationwide in 2023



Note: Six-month moving average. Rate is the number of job openings divided by total employment, multiplied by 100.
Source: U.S. Bureau of Labor Statistics

Statewide Forecast

International Airport, worth \$200 million, will increase the airport's traffic capacity with additional plane parking and a 90,000-square-foot warehouse. Construction began in 2023. The parking areas will be completed in late 2024 and the warehouse will be finished by late 2025.

Two industries continue long-term declines

Information is an example of an industry on a long-term decline, with jobs in newspapers, radio stations, and telecommunications peaking more than 20 years ago. In 2000, information had almost 7,500 jobs in Alaska, and by 2023, it was 4,600. We don't forecast any growth for 2024, although the federal infrastructure investments in broadband may stimulate some expansion in the next few years.

Long-term losses have mainly come through technological changes such as print publications and radio news and music moving online. Outsourcing call centers and other support functions has been another factor.

Financial services have faced similar declines, and for similar reasons, although the losses haven't been as dramatic. Online banking and insurance access and working with out-of-state financial managers have lessened the need for local workers, also leading to a flat forecast this year.

Health care to keep growing after new high

Health care will add about 600 jobs in 2024, continuing the long-term trend spurred by the needs of an aging population. Health care has been a mixed bag over the last three years, with ups and downs in hospitals, outpatient services, and nursing homes. Reclassification of some of those jobs further muddied the numbers. Big picture, health care's trajectory has been up, even amid COVID disruptions, with the industry adding 1,300 jobs since 2019 and hitting a high in 2023.

Private social assistance, which includes child care, suffered big losses during the pandemic and is forecasted to add 100 jobs this year, as it did last year.

Leisure and hospitality gets back to normal

Leisure and hospitality, which is strongly linked to tourism as well as local demand, lost over a quarter

of its jobs in 2020 and recovered proportionally, with big gains in the three years that followed. We forecast moderate growth of 500 jobs in 2024, as most of the pandemic losses have already been regained, especially with last year's flood of visitors.

While cruise numbers in 2024 will resemble the previous year's record, no economic changes are on the horizon that would drive up the job count as we saw over the last few years, and a tight labor market will dampen job growth.

State and local governments still struggle to regain ground, meet service demand

About a quarter of Alaska's jobs are in government, with the largest share in local governments (including public schools and tribal governments). State government is second, including the University of Alaska system, and the federal piece, which has been fairly steady in recent years, is smallest.

State government employment has been falling for a decade, and even with the additional pandemic-related hires a few years ago in public health and unemployment services, state government had about 3,700 fewer jobs in 2023 than it had in 2014, right before the statewide recession.

UA sustained similar losses, with 2022 employment, the most recent available, about 2,100 jobs below 2014, a loss of more than a quarter of its jobs.

We forecast the State of Alaska will add 300 jobs in 2024. Some state agencies reported that staffing levels in 2023 left them unable to provide basic services, some of which are statutorily required. These included public defenders, court-appointed guardians, food stamp and Medicaid offices, ferry services, and even the state's own payroll and hiring functions, which have been hobbled by staffing shortages.

Local governments lost 2,800 jobs in 2020, mainly in schools, and gained 1,200 back over the last three years. However, local government still had about 1,600 fewer jobs in 2023 than before COVID.

We forecast 200 more jobs in 2024 as some school districts continue to normalize, but growth will be tempered by the significant budget deficits districts face across the state as well as falling enrollment.

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

Anchorage jobs forecast for 2024

The largest city is unlikely to reach its 2019 job level this year

By **KARINNE WIEBOLD**

Anchorage will add an estimated 2,300 jobs in 2024, and while some industries will reach full recovery after their pandemic lows, the city's total employment is unlikely to reach pre-pandemic levels this year.

Unlike Alaska, Anchorage didn't get its head back above water briefly in 2019 after the state-wide recession, so the city has been slower than the rest of the state to claw back its pre-pandemic employment levels.

Anchorage will continue on last year's path of general pandemic recovery, juiced in 2024 by infrastructure projects and supported by strong visitor numbers, a recovering statewide economy, and increased oil activity.

Factors that will boost ongoing recovery in Anchorage in 2024

Oil, construction, and related services to grow; infrastructure funds start flowing

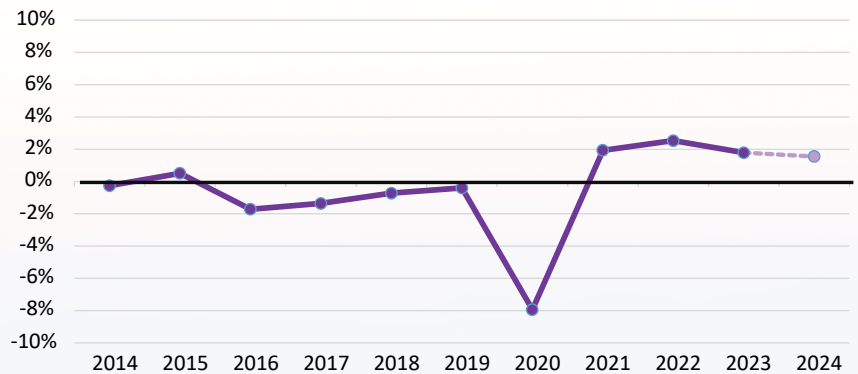
As the state's center for construction and professional and business services, Anchorage will benefit disproportionately from the multi-year infusion of federal infrastructure project funds. We expect an uptick in construction and professional and technical services specifically.

More oil activity will also boost Anchorage employment, both at headquarters and as a major supplier of oil field workers, who then return to Anchorage and spend their earnings in the local economy.

Anchorage airport now third-busiest in the world for cargo; passenger numbers up

Anchorage's transportation industry has been

Forecasted job growth in 2024 will bring Anchorage close to recovery, but not quite there



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

strong. Airplane passenger numbers reached 95 percent of pre-pandemic levels in fiscal year 2023. Air cargo swelled during the pandemic as online shopping took more of the market share from physical stores, and buyers and sellers sought alternatives to high costs and long waits at backed-up ports across the world.

Air cargo volume dropped in 2023 but remains higher than 2019. Even with the drop, Anchorage's airport jumped up a notch globally, to the third-busiest international cargo airport in the world.

Tourism is a secondary boon for Anchorage

Tourism has been strong, with cruise ship visitors hitting a high of 1.65 million in 2023 and expected to reach that level again in 2024. Independent travelers have also made a strong showing post-pandemic.

While only a handful of cruise ships dock in Anchorage, a meaningful number of tourists make it to Anchorage, either as a destination or along the way to the Interior. Anchorage is a popular in-state destination for locals, too, for pleasure, work, or health care.

Military contributes additional project funds

Joint Base Elmendorf-Richardson is a major

The outlook for Anchorage jobs, by industry

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					Monthly avg, 2024	Change, 2023-24	Percent change
Total Nonfarm Employment²	145,500	148,100	2,600	1.8%	150,400	2,300	1.6%
Total Private	118,600	121,000	2,400	2.0%	123,200	2,200	1.8%
Mining and Logging	1,800	1,800	0	0%	1,900	100	5.6%
Oil and Gas	1,500	1,500	0	0%	1,600	100	6.7%
Construction	7,200	7,400	200	2.8%	7,900	500	6.8%
Manufacturing	1,900	1,900	0	0%	2,000	100	5.3%
Trade, Transportation, and Utilities	33,300	33,700	400	1.2%	34,100	400	1.2%
Wholesale Trade	4,700	4,800	100	2.1%	4,800	0	0%
Retail Trade	15,700	15,700	0	0%	15,800	100	0.6%
Transportation, Warehousing, and Utilities	12,900	13,200	300	2.3%	13,500	300	2.3%
Information	2,900	2,900	0	0%	2,900	0	0%
Financial Activities	6,900	6,900	0	0%	6,900	0	0%
Professional and Business Services	17,400	17,500	100	0.6%	17,900	400	2.3%
Educational (private) and Health Services	25,800	26,500	700	2.7%	26,900	400	1.5%
Health Care	20,400	20,900	500	2.5%	21,200	300	1.4%
Leisure and Hospitality	16,200	17,000	800	4.9%	17,300	300	1.8%
Other Services	5,400	5,400	0	0%	5,400	0	0%
Total Government	26,900	27,100	200	0.7%	27,200	100	0.4%
Federal, except military	8,500	8,600	100	1.2%	8,600	0	0%
State, incl. University of Alaska	9,400	9,600	200	2.1%	9,700	100	1.0%
Local and tribal, incl. public schools	9,000	8,900	-100	-1.1%	8,900	0	0%

¹Preliminary and adjusted estimates. ²Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.

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

contributor to the Anchorage economy, and troop numbers have been stable.

The base also brings in additional construction dollars, such as an ongoing runway extension project that was awarded an additional \$107 million in late 2023 as part of the Defense Authorization Bill, which included a 5.2 percent pay raise — dollars that will be at least partially spent in Anchorage.

What will continue to restrain Anchorage job growth this year

Demographic changes complicate problems

A handful of things are working against growth in Anchorage this year. The city has been losing population — in stark contrast to the neighboring Matanuska-Susitna Borough — since hitting a high of 302,127 in 2013.

The population loss is a double-edged sword; the city has fewer workers to fill the large number of job openings, but fewer people also means less demand for local goods and services.

Like the rest of the state, Anchorage is aging, and some of the existing population is aging out of the workforce. They still need things from the Anchorage economy, but they are less likely to be available to work.

The unemployment rate is very low, and the prime working-age population is about 19,000 short of a decade ago, amid increased job openings. This combination has put pressure on wages and given workers more opportunities to change jobs if they want to.

By several metrics (population, jobs, school enrollment, housing construction) Anchorage has been in decline ([see the August 2023 issue](#)) in recent years. While 2024 will bring growth, the city's long-term trajectory is unclear. One of the key questions is quality of life: Do people want to live there, raise families, invest in housing and the community, and make it their home?

While a strong tourism year, increased oil field activity, and federal infrastructure and military projects will heat things up a bit in 2024, it will likely take more than that to turn around a long-lingering stagnation.

Industry forecasts

Construction, transport, and related growth

Construction, professional and business services, and transportation will all benefit from the infrastructure projects in 2024.

We forecast 500 jobs for construction, growth spurred by a combination of infrastructure and oil field activity.

Professional and business services, which includes architecture and engineering firms, will add an estimated 400 jobs to support these projects. Transportation and warehousing will add a combined 300 jobs.

Growth for the oil industry, finally

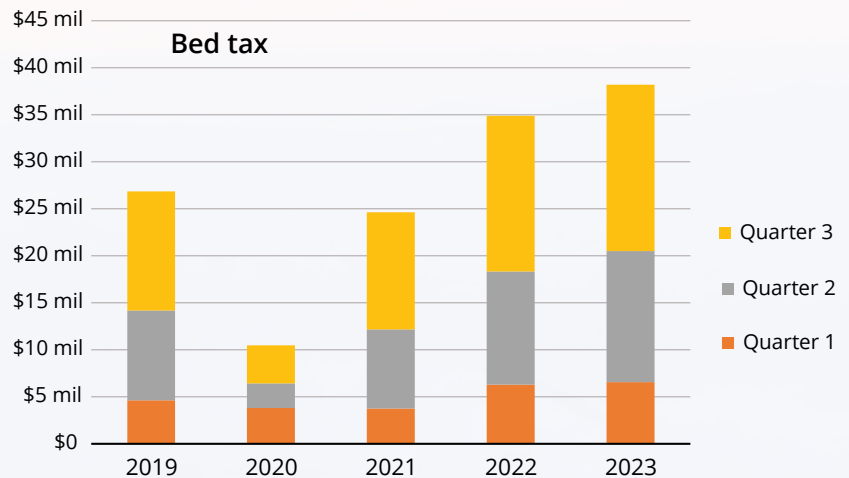
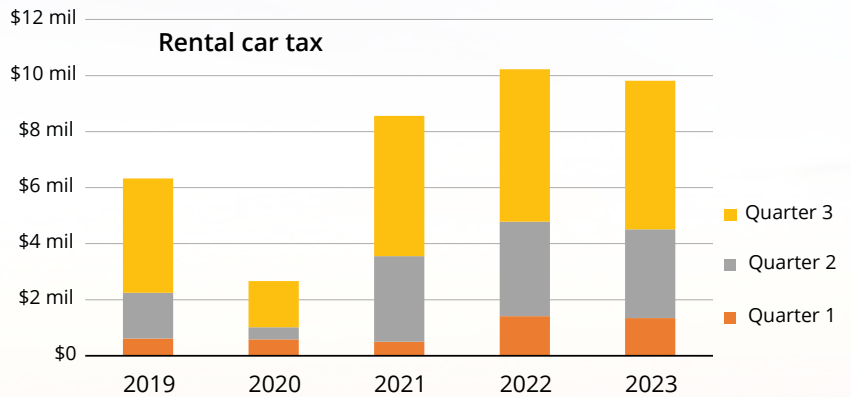
With more happening in the oil fields, we expect Anchorage to add 100 oil jobs in 2024. Anchorage is the in-state corporate headquarters for most oil and gas companies that do business in Alaska, so when the North Slope picks up, some growth in Anchorage becomes likely. That said, the oil company landscape has changed significantly from its heyday.

For example, when BP sold its Alaska interests to Hilcorp, which operates a much leaner workforce and has headquarters in Texas, in 2019, Anchorage lost oil and gas jobs that won't come back. Even with a small amount of growth, Anchorage's oil and gas industry is 40 percent smaller than in 2019 (-1,000 jobs).

Health care's upward trajectory continues

Anchorage health care will keep growing. The industry lost 700 jobs in 2020 when most elective and preventative care was suspended amid COVID. The industry added back a couple hundred jobs in the first two years of recovery, but the biggest jump came in 2023, with 500 jobs.

Anchorage rental car tax, bed tax revenues on the rise after COVID hit



Source: Municipality of Anchorage

We expect 2024 to follow that same long path, adding 300 jobs in a combination of hospitals and ambulatory care, a category that covers doctors' offices and other types of outpatient clinics.

Anchorage is the state hub for health care, providing specialties not available in smaller communities and health facilities such as the Alaska Native Medical Center, whose mission is to deliver care to more than just residents of the city.

Demand for health care has been strong, and the medical needs of our aging population will continue to escalate. Medicaid recertification issues, if they continue, could dampen health care growth, but even in that case, the constraint would be temporary.

Demand for services will stay high

Leisure and hospitality will add 300 jobs, supported

Anchorage Forecast

by local demand and another strong tourism season. Labor constraints will likely temper that growth, however. We expect leisure and hospitality to finish 2024 about 2 percent below pre-pandemic levels.

We forecast slight growth in government in 2024. State government employment in Anchorage peaked at 10,800 in 2014 and has dropped by 1,200 since, between the state recession, pandemic, and revenue woes. We expect the state to add 100 jobs in 2024 as some state functions frayed in 2023 and multiple agencies are seeking additional staff.

Local government has lost jobs most years over the decade, and there is not much to reverse that trend. In general, public education was the reason for the losses.

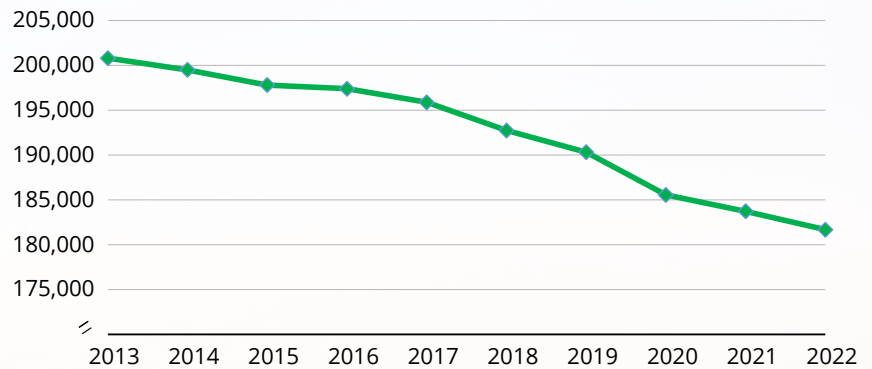
In 2020, local government lost 800 jobs, nearly all from public education. Since then, schools have recovered just a small number of those jobs. In the last couple of years, general local government has also declined by a couple hundred jobs.

While we forecast flat local government employment in 2024, there's no clear turnaround in sight. School enrollment took a blow in 2020 and recovery has been incremental.

During the 2022-2023 school year, the last available, the district remained nearly 1,900 students short of the year before COVID — and that year, the decline had already begun. For example, in 2012-2013, the district had 48,425 students. A decade later, enrollment was 5,100 fewer.

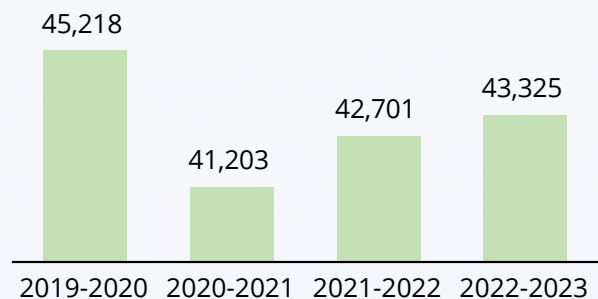
Karinne Wiebold is an economist in Juneau. Reach her at (907) 465-6039 or karinne.wiebold@alaska.gov.

Decline in Anchorage working-age population



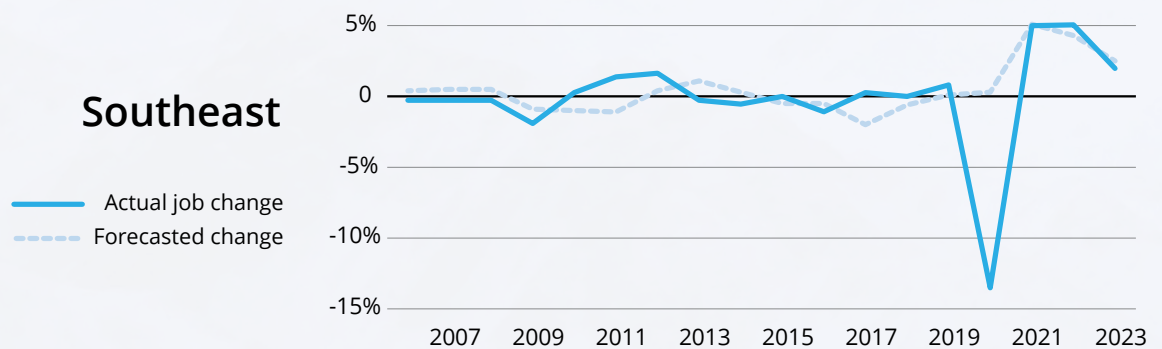
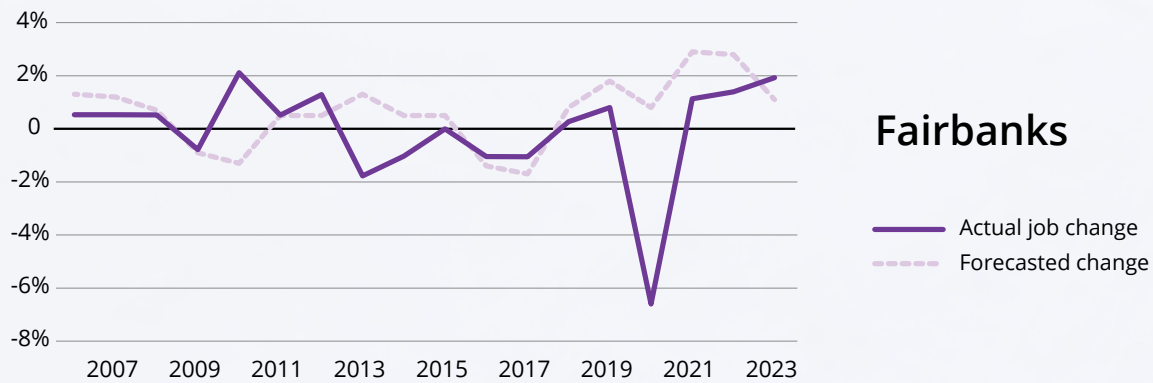
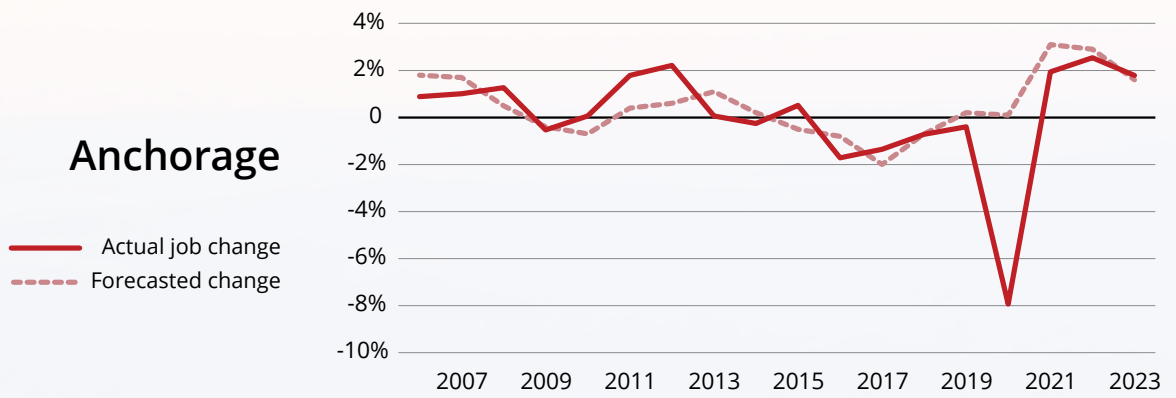
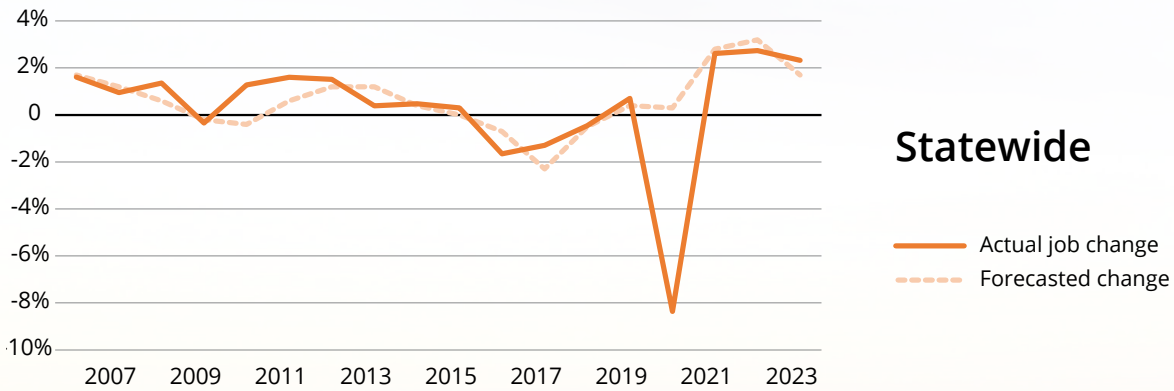
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Anchorage's public school enrollment still below 2019



Source: Alaska Department of Education and Early Development

A look at forecasted and actual employment change in recent years



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

Fairbanks jobs forecast for 2024

Area's milder recovery follows less extreme job losses

By WALTER PROVENZANO

Most of Alaska has been adding jobs at a pace well above pre-pandemic rates, which shows we're still recovering, but that type of growth naturally slows as we approach normalcy.

This is especially true in Fairbanks, where the initial decline caused by the pandemic was less extreme. Fairbanks saw fewer COVID losses because it was more insulated from the types of shocks that hit the rest of Alaska.

The military and the University of Alaska buoy Fairbanks' population and employment. The military especially is a powerful driver, as it creates jobs not just on the bases but through hiring of contractors for special construction projects and by generating secondary activity such as demand for goods and services by service members and their families.

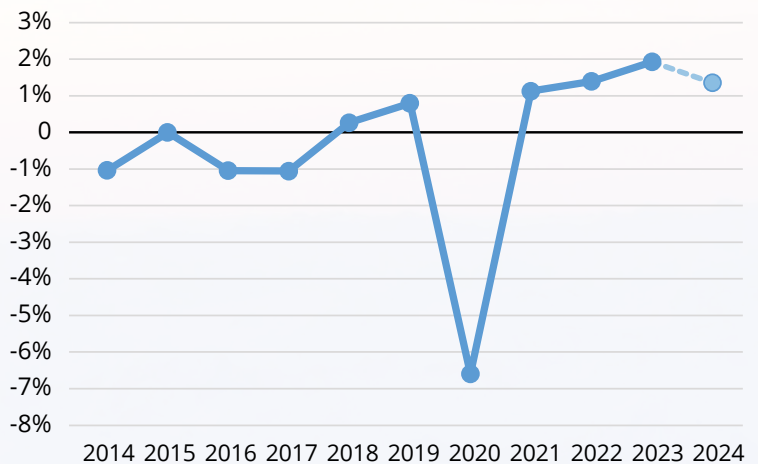
Also, more businesses in Fairbanks were considered essential early in the pandemic and stayed open, and those that did shut down reopened quickly.

These factors protected Fairbanks from steeper pandemic losses, making the corresponding recovery bump smaller — there's been less to recover from. The state lost 8.4 percent of its employment in 2020 while Fairbanks lost 6.6 percent. For 2024, we forecast total job growth of 1.4 percent for Fairbanks, or around 500 jobs, slightly slower growth than the state as a whole.

Mine, federal funds will boost jobs, but labor shortage continues

A handful of new developments will boost the borough's job growth in 2024. The two big ones are the opening of the Manh Choh gold mine near Tok and money from the Infrastructure Investment and

Growth slows as Fairbanks reaches recovery



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

Jobs Act beginning to flow in. We don't yet know what the exact effects will be, but we expect most of the new jobs to be in construction and transportation.

One of the largest constraints on Fairbanks' economy is the broad labor shortage; it doesn't matter how many new jobs open or how much money could be injected into the economy if employers can't find people to fill positions. Fairbanks' labor force has regained ground since 2020 but is significantly smaller than it was in the early 2010s, the result of population loss and aging.

After enjoying a couple of years of population growth in 2020 and 2021 with the installation of the F-35s at Eielson Air Force Base, Fairbanks returned to its long-term trend of population decline in 2022.

A smaller population also puts downward pressure on the economy in that it reduces demand for goods and services, and therefore demand for workers. For 2023 and 2024, however, it appears COVID recovery is still overpowering those effects, so we don't anticipate job loss from those population changes this year.

The outlook for Fairbanks North Star Borough jobs, by industry

	Monthly avg, 2022 ¹	Monthly avg, 2023 ¹	Change, 2022-23	Percent change	JOBS FORECAST		
					Monthly avg, 2024	Change, 2023-24	Percent change
Total Nonfarm Employment²	36,300	37,000	700	1.9%	37,500	500	1.4%
Total Private	26,000	26,700	700	2.7%	27,200	500	1.9%
Mining and Logging	900	900	0	0%	1,000	100	11.1%
Construction	2,500	2,600	100	4.0%	2,800	200	7.7%
Manufacturing	600	600	0	0%	600	0	0%
Trade, Transportation, and Utilities	7,100	7,200	100	1.4%	7,300	100	1.4%
Wholesale Trade	600	600	0	0%	600	0	0%
Retail Trade	4,600	4,600	0	0%	4,600	0	0%
Transportation, Warehousing, and Utilities	2,000	2,000	0	0%	2,100	100	5.0%
Information	300	300	0	0%	300	0	0%
Financial Activities	1,100	1,100	0	0%	1,100	0	0%
Professional and Business Services	2,600	2,500	-100	-3.8%	2,600	100	4.0%
Educational (private) and Health Services	5,400	5,500	100	1.9%	5,600	100	1.8%
Health Care	4,200	4,300	100	2.4%	4,400	100	2.3%
Leisure and Hospitality	4,500	4,500	0	0%	4,600	100	2.2%
Other Services	1,200	1,300	100	8.3%	1,300	0	0%
Total Government	10,300	10,300	0	0%	10,300	0	0%
Federal, except military	3,200	3,300	100	3.1%	3,300	0	0%
State, incl. University of Alaska	4,300	4,400	100	2.3%	4,400	0	0%
Local and tribal, incl. public schools	2,800	2,600	-200	-7.1%	2,600	0	0%

¹Preliminary and adjusted estimates. ²Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.

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

Construction, health care, and mining lead for growth

With the influx of new federal infrastructure money, we forecast gains for construction of about 200 jobs, or a 7.7 percent increase, in 2024. Construction is one of the few sectors that will regain and surpass its 2019 employment level this year, ending up about 100 jobs above its pre-pandemic level.

According to Sen. Lisa Murkowski’s website, Alaska will receive more than \$6 billion for various infrastructure projects over the next five years, including roads, runways, and broadband internet for rural areas. The growth for 2024 will depend on how much of that money we actually see this year. One of those projects is the Johnson River bridge replacement, with construction anticipated to begin late this year.

Health care is another growing sector in Fairbanks, and it has trended upward for two decades. For 2024, we forecast 100 new jobs, or 2.3 percent growth. This would also put health care over its pre-pandemic levels, by about 200 jobs. As Fairbanks’ population continues to age like the rest of the state, the local demand for health care will grow.

Mining and transportation will also grow this year with the opening of the Manh Choh Mine. To ensure smooth operations, Kinross will need people to operate the mine and drivers to transport the ore back to Fort Knox for processing. By the end of the year when production reaches its full swing, with 60 round trips per day, the mine will support about 700 jobs, 500 in mining and 200 in transportation.

State, federal government and other services to hold steady

Fairbanks’ federal employment has stabilized at around 3,300 jobs after a long decline that began in 2012. Normal federal spending is generally stable, so federal employment will likely remain flat in 2024.

State government is a similar story. Although Fairbanks saw some job growth in state government in 2023, it was out of the ordinary given the long-term downward trend for state government and the flattening-out since 2020. Without any changes in state government spending, its employment in Fairbanks will likely hold steady this year.

The hodgepodge of personal and laundry services,

Fairbanks Forecast

religious organizations, and funeral homes — found in the data as “other services” — lost jobs over the last 20 years, falling from 1,400 in 2004 to 1,000 in 2013 and staying there until the pandemic. These employers have been growing since 2020, with much of the growth in automotive repair and maintenance. We expect that will level out in 2024, leading to a flat forecast.

Leisure and hospitality to recover fully; travel may become bigger

The leisure and hospitality sector suffered the largest pandemic-related drop in employment, and it has also gained the most since businesses reopened and travel picked up. By the end of 2024, leisure and hospitality will add an estimated 100 jobs (2.2 percent), putting it back at its pre-pandemic level.

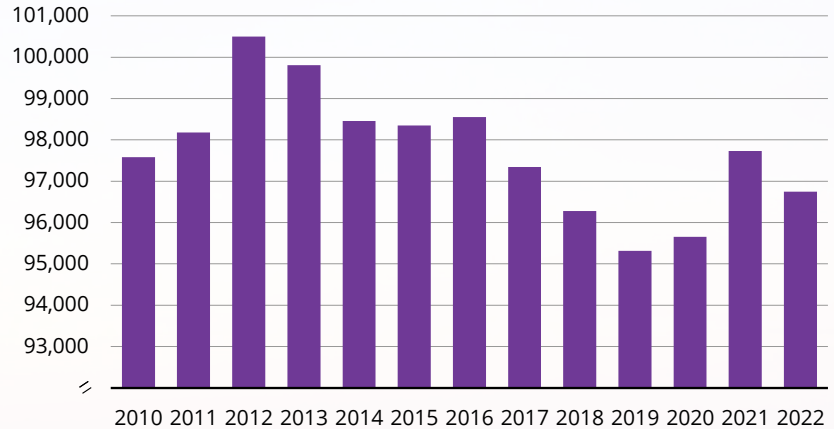
Local demand will drive most of that growth, but some evidence points to travel becoming bigger for Fairbanks. Specifically, bed tax collections are the highest they’ve been since 2018, rising 12.2 percent in 2023. While some of that increase came from high inflation, it’s still a significant jump in revenue.

On the other hand, flights in and out of Fairbanks have only recently reached pre-pandemic levels. No large movement in the number of 2024 flights suggests the sector probably won’t grow much this year.

Local government expected to stay flat after steep declines

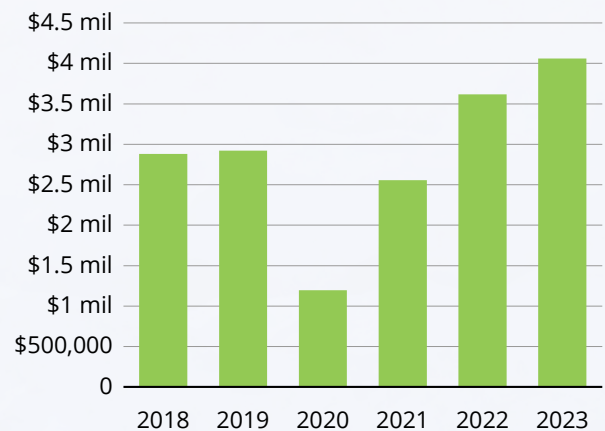
Local governments had a tough year in 2023, and we forecast employment will stay flat in 2024. Most of 2023’s losses were from education, and its challenges remain. Primary school enrollment still trails behind pre-COVID numbers, and recovery in those enrollment numbers has slowed, with the 2022-2023

Eielson build-up briefly broke population loss trend



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

Bed taxes jump, partly with inflation



Note: Reflects the first nine months of the year, to allow comparison with 2023

Source: City of Fairbanks sales tax information

school year’s enrollment increasing just 3.1 percent after jumping 8.8 percent the previous year.

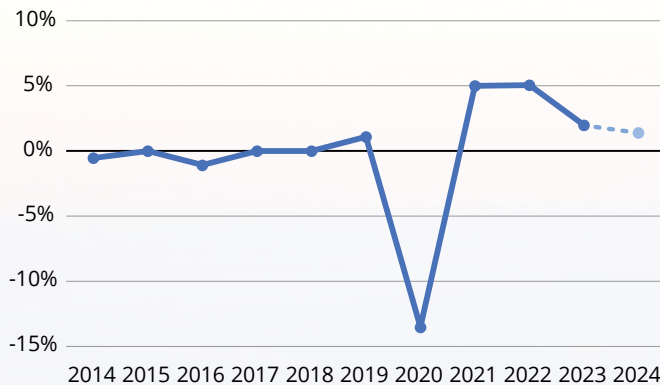
Enrollment appears unlikely to reach its 2019 level any time soon, as it’s been declining since 2012 with population loss and aging. These trends will continue for a while, and if enrollment resumes its downward trend, that will put further pressure on local government jobs, especially in schools.

Walter Provenzano is an economist in Juneau. Reach him at (907) 465-6027 or walter.provenzano@alaska.gov.

Southeast jobs forecast for 2024

More modest growth and the impact of demographics

A fourth year of job recovery on the horizon for Southeast, but smaller



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

By DAN ROBINSON

Southeast Alaska added 700 jobs in 2023 and is forecasted to add 500 more in 2024. That equates to 1.4 percent growth, a second year of modest gains after the initially strong rebound from pandemic lows.

With the COVID-related disruptions mostly behind us, this year's forecast looks at the region's key economic drivers — the industries that bring money into the region by providing goods and services to people outside of it — and also details the growing importance of demographic trends.

Southeast's economic pillars

Four sectors of Southeast's economy are

The outlook for Southeast Region jobs, by industry

	Monthly avg, 2022 ¹	Monthly avg, 2023 ¹	Change, 2022-23	Percent change	JOBS FORECAST		
					Monthly avg, 2024	Change, 2023-24	Percent change
Total Nonfarm Employment²	35,300	36,000	700	2.0%	36,500	500	1.4%
Total Private	23,300	24,000	700	3.0%	24,400	400	1.7%
Mining and Logging	1,100	1,100	0	0%	1,100	0	0%
Construction	1,400	1,500	100	7.1%	1,500	0	0%
Manufacturing	1,700	1,700	0	0%	1,600	-100	-5.9%
Seafood Processing	1,200	1,200	0	0%	1,100	-100	-8.3%
Trade, Transportation, and Utilities	6,900	7,200	300	4.3%	7,300	100	1.4%
Retail Trade	4,000	4,100	100	2.5%	4,200	100	2.4%
Information	400	400	0	0%	400	0	0%
Financial Activities	900	900	0	0%	900	0	0%
Professional and Business Services	1,700	1,700	0	0%	1,800	100	5.9%
Educational (private) and Health Services	4,100	4,200	100	2.4%	4,300	100	2.4%
Health Care	2,700	2,800	100	3.7%	3,000	200	7.1%
Leisure and Hospitality	4,000	4,200	200	5.0%	4,400	200	4.8%
Other Services	1,100	1,100	0	0%	1,100	0	0%
Total Government	12,000	12,000	0	0%	12,100	100	0.8%
Federal, except military	1,400	1,400	0	0%	1,400	0	0%
State, incl. University of Alaska	4,300	4,200	-100	-2.3%	4,300	100	2.4%
Local and tribal, incl. public schools	6,300	6,400	100	1.6%	6,400	0	0%

¹Preliminary and adjusted estimates. ²Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.

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

Southeast Forecast

disproportionately influential in determining whether it will grow or decline in 2024 and beyond: tourism, fishing and seafood, mining, and the combination of state and federal government. All of those inject dollars into the region that circulate in different ways and to varying degrees through other parts of the economy.

That's easy to see with the first three economic drivers — nearly all cruise ship passengers come from outside Southeast, most of our seafood harvest is sold outside, and the gold, silver, and other metals extracted from the Greens Creek and Kensington mines are shipped out of Southeast for further processing and industrial and commercial use around the world.

Thinking of government as an economic driver is less intuitive, but the 5,600 state and federal civilian government jobs plus the significant numbers of U.S. Coast Guard personnel in Sitka and Juneau (uniformed military are not counted in standard government employment numbers) are funded by federal and state revenue, and the services they provide benefit the entire state or nation.

Strong tourism and federal government spending in 2024

Southeast set cruise ship passenger records in 2023 — 1.65 million arrived in Juneau, all of whom made additional stops throughout the region — and the numbers are expected to hit 1.7 million in 2024.

For context, the 2023 numbers are 23 percent above the previous high set in 2019 before the pandemic halted cruise ship tourism, which returned in smaller amounts over the two years that followed.

The ships have also been arriving earlier and continuing to come until later. The first 2024 cruise ship will arrive in early April and the last ship is scheduled for late October. Historically, almost all of the ships came between mid-May and mid-September.

Growth of that magnitude will add revenue and create or stabilize jobs in a variety of industries, including leisure and hospitality, retail trade, transportation, and local government.

Another robust contributor to 2024 jobs will be federal money from the 2021 Infrastructure

Loss of working-age population by area in Southeast, 2013-2022

	2013	2022	Change	% Change
Haines	1,625	1,432	-193	-11.9%
Hoonah-Angoon	1,454	1,257	-197	-13.5%
Juneau	22,351	20,285	-2,066	-9.2%
Ketchikan	8,962	8,270	-692	-7.7%
Petersburg	2,007	1,822	-185	-9.2%
Prince of Wales-Hyder	4,027	3,265	-762	-18.9%
Sitka	5,770	5,076	-694	-12.0%
Skagway	738	716	-22	-3.0%
Wrangell	1,446	1,080	-366	-25.3%
Yakutat	420	396	-24	-5.7%
Total Southeast	48,800	43,599	-5,201	-10.7%

Note: Working age is 18 to 64.

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

Investment and Jobs Act, which will include billions in new investments nationwide covering energy and power, broadband, and traditional land and water transportation infrastructure.

Alaska will receive more per capita than any other state, and in Southeast Alaska, hundreds of millions of dollars will be dedicated to the Alaska Marine Highway System — the state's ferries. The money will help AMHS acquire new ferries, build and repair shore-based infrastructure, and improve operations.

State ferries have long provided critical connections within the region, to the Lower 48, and to the rest of coastal Alaska, but the system has struggled with declining service levels for years for a variety of reasons, including significant budget cuts.

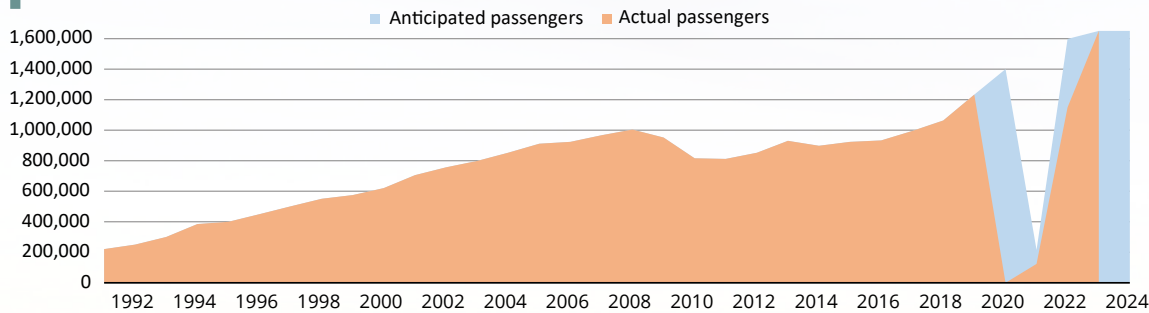
As recently as 2012, the ferries transported about 263,000 Southeast riders a year, but ridership has steadily fallen over the last decade and totaled just 152,000 by 2019. For context, ferry traffic declined 57 percent in the region over a period when the region's population fell about 3 percent.

Following the COVID-related disruptions of 2020, traffic has climbed over the last few years and reached about 114,000 in 2022, a big jump from 2021 but still less than half the ridership of 10 years earlier.

Stability in mining and state government jobs

Mining's nearly 1,000 jobs — almost all at the two

Cruise ship passenger numbers hit a new high in 2023



Sources: Cruise Industry News, 2022 Annual Report; 2021 Rain Coast data; and Cruise Lines International Association, 2022-2023

Juneau-area mines, Greens Creek and Kensington — pay well over \$100 million a year in wages and are often the largest sources of property tax revenue for the City and Borough of Juneau. Employment has been stable at that level for a decade now and no big changes are expected in 2024.

State government has had a very different decade. Since 2012, the total number of state government jobs in Southeast — including University of Alaska campuses in the region — has fallen from 5,600 to 4,300, a drop of 23 percent.

Since 2020, though, state government’s job counts have been almost flat, with some of the declines attributable to the state’s inability to fill an unusually large number of open positions. Significant budget cuts aren’t anticipated in 2024, either to state agencies or the University of Alaska.

Disruptions in Southeast’s critical fisheries in 2024

More workers harvest fish and seafood in Southeast Alaska than anywhere in the state besides Southwest. The most recent estimates show average monthly employment of more than 1,700 in 2022, with the summer peak topping 3,500. ([See the November 2023 issue.](#)) An additional 1,200 work in seafood processing jobs, a number that hit around 2,500 at the season’s peak in recent years.

After high prices and big harvests in 2022, prices for salmon fell hard in 2023, making it a tough year for fish harvesters in the region. The latest news is that Trident Seafoods, Alaska’s largest processor, plans to sell a third of its Alaska plants, including facilities in Ketchikan and Petersburg.

It’s too soon to tell what the attempts to sell the plants will mean for the 2024 salmon season, but

the market for salmon has been up and down dramatically in recent years. Although harvests are generally strong — boding well for the longer term — the next few years will probably be chaotic for prices and processing capacity.

Long-term demographic trends present additional challenges

If demographics weren’t a factor, the substantial influx of federal dollars and tourism-related spending in 2024 would likely generate strong job growth for the region. But Southeast’s working-age population — people between 18 and 64 — has declined and will likely continue to decrease for at least a few more years.

Although the region’s total population of 72,218 is about a thousand people below its 2000 level, the region’s working-age population fell by only 6,500 over that period. It’s difficult to produce job growth without growth in the working-age population.

Negative net migration — more people moving out of the region than moving into it — over the last decade or so is the main reason for those losses. That mirrors the pattern in most of the state, with the Matanuska-Susitna Borough being the most notable exception. ([See the March 2023 issue.](#))

The other major driver is that baby boomers — the especially large cohort born from 1946 to 1964 — are aging out of their prime working years.

All 10 boroughs/census areas have lost working-age people

Skagway’s working-age decline from 2013 to 2022 was smallest in Southeast at just 3 percent and

Southeast Forecast

Wrangell's was largest at 25 percent, but there were no exceptions to the region-wide downward trend. (See the table on the previous page.)

One of the challenges ahead is that a smaller percentage of the total population is working-aged. Because the overall population is nearly stable in the region, that means the number of people who need goods and services hasn't changed dramatically but the number of people available to do the work to provide them has.

Understanding how all this will affect the region's ability to add jobs is a new challenge for economists. Typically, growth in a region's basic sectors consistently produces employment and population growth.

Job openings reflect these shifts

One of the early signs that something big changed in recent years was a large increase in job openings. There have been roughly two open jobs in Alaska for every person actively looking for a job for over a year now. These numbers aren't available for Southeast but are probably similar. It's far more normal for the relationship to be reversed: up to twice as many job seekers as open positions.

Employers will navigate this much more competitive market for workers with different degrees of success, but overall there just won't be enough bodies to fill all of the positions employers would like to fill. It's one of the reasons migration and considerations about the quality of life have become increasingly important to an area's ability to compete with other places for workers.

Migration and quality of life key to staying competitive

Residents' overall assessment of the quality of life in their communities is a more nebulous economic

Places where more people are moving in than out tend to be places with strong and growing economies.

driver but a critical contributor to a region's economic health. What makes a place somewhere people want to live is partly subjective, but data suggest that the strength of the job market, housing availability and affordability, the quality of K-12 schools, the climate, recreational and entertainment options, and health care cost and access all play important roles. Being a place where people want to live also brings money into an economy and keeps it circulating once it's there.

Quality of life is a hard thing to measure. The clearest way to assess whether a community has the combination of things people are looking for is to determine whether more people are moving in than out. By that measure, South-

east and Alaska as a whole have struggled over the last decade.

From 2012 to 2022, Southeast had a net migration loss of 4,610 people, a hit of 6.2 percent. (The region's total population didn't fall that much, though, because the other factor that drives population change is births minus deaths, and that number was positive over the decade.)

Among the region's 10 boroughs and census areas, the biggest percentage losses to migration were in the Prince of Wales/Hyder Census Area (-12.6 percent), Wrangell (-12.1 percent), and Sitka (-9.4 percent).

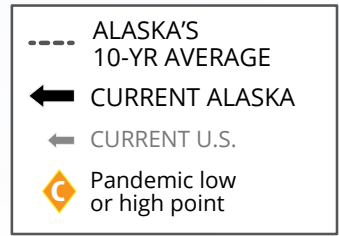
Petersburg eked out a small 0.3 percent gain while the Hoonah-Angoon Census Area added 2.8 percent and Skagway a robust 13.8 percent.

Juneau and Haines had migration-related population losses of 6.3 percent over the 2012-2022 period, Ketchikan's were slightly lower at 4.7 percent, and Yakutat was nearly flat with a loss of just 0.6 percent.

More than ever, communities that can attract people to live there and retain their existing populations will have an advantage in the competition for workers.

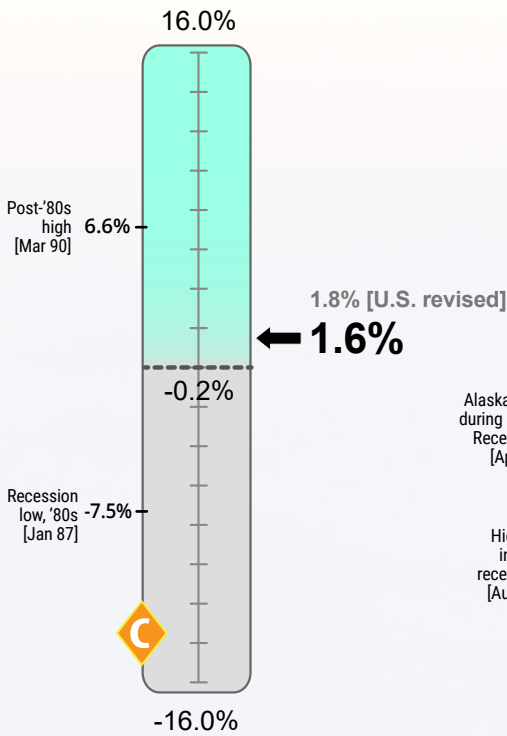
Dan Robinson is chief of the Research and Analysis Section. Reach him at (907) 465-6040 or dan.robinson@alaska.gov.

Gauging The Economy



Job Growth

November 2023
Over-the-year percent change

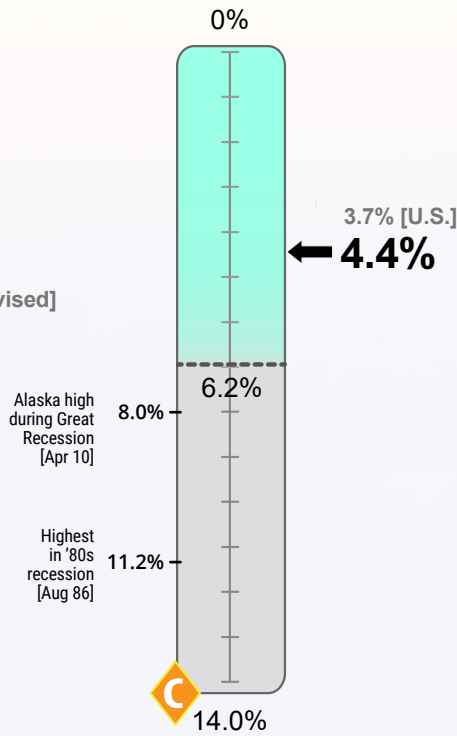


Alaska's November employment was 2.1 percent above last November but still 1.0 percent below 2019, an important reference point because that was a pre-pandemic employment level.

National employment, which was up 1.8 percent from November 2022, was 3.5 percent above its 2019 level.

Unemployment Rate

November 2023
Seasonally adjusted

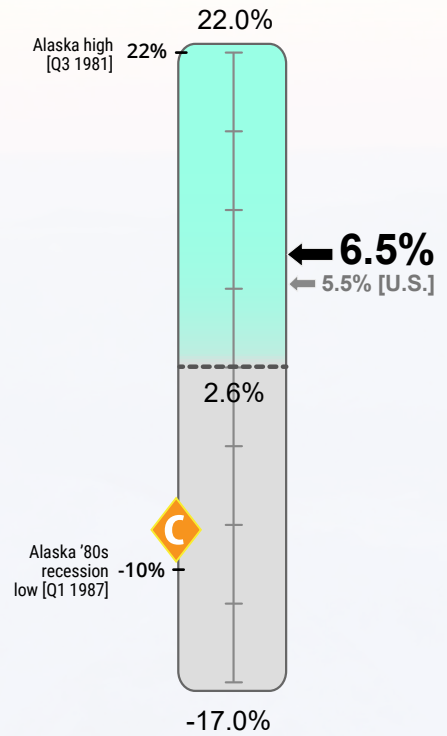


Alaska's unemployment rate has been less useful as an economic measure during the pandemic and its aftermath because of data collection difficulties.

It's clear, however, that unemployment rates in Alaska and the U.S. are historically low and that the shortage of workers is a bigger economic challenge than unemployment.

Wage Growth

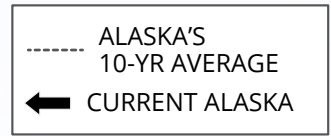
2nd Quarter 2023
Over-the-year percent change



After falling hard during the pandemic, total wages paid by Alaska employers have bounced back and show strong growth.

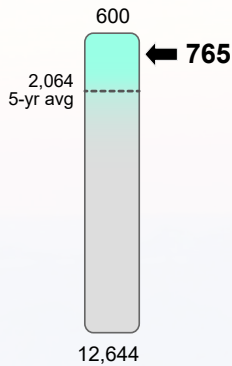
Wages were up 6.5 percent from year-ago levels in the second quarter of 2023 and 19.0 percent above first quarter 2019.

Gauging The Economy



Initial Claims

Unemployment, week ending Dec. 16, 2023*

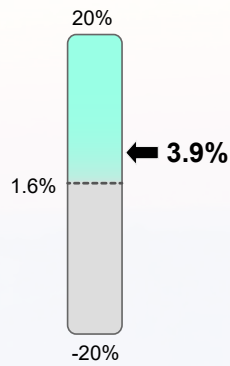


Unemployment claims jumped during the pandemic as many businesses shut down or limited services. Pandemic-driven claims loads have fallen, and new claims for benefits are well below their long-term average.

*Four-week moving average ending with specified week

GDP Growth

3rd Quarter 2023
Over-the-year percent change*

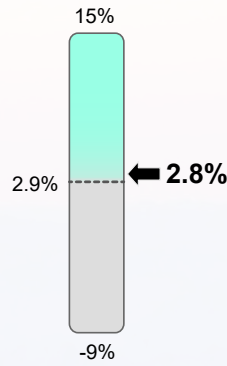


Gross domestic product is the value of the goods and services a state produces. It's an important economic measure but also a volatile one for Alaska because commodity prices influence the numbers so much — especially oil prices.

*In current dollars

Personal Income Growth

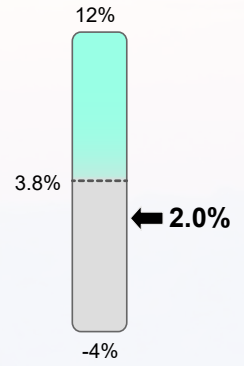
3rd Quarter 2023
Over-the-year percent change



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

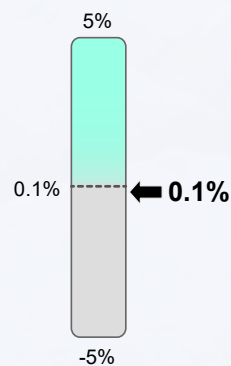
Single-family, percent change from prior year, Q2 2023



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

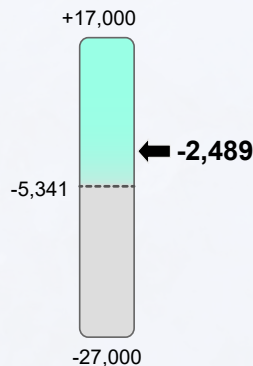
2021 to 2022



After four years of decline, Alaska's population grew slightly in 2021 and 2022, as natural increase (births minus deaths) slightly exceeded losses from migration.

Net Migration

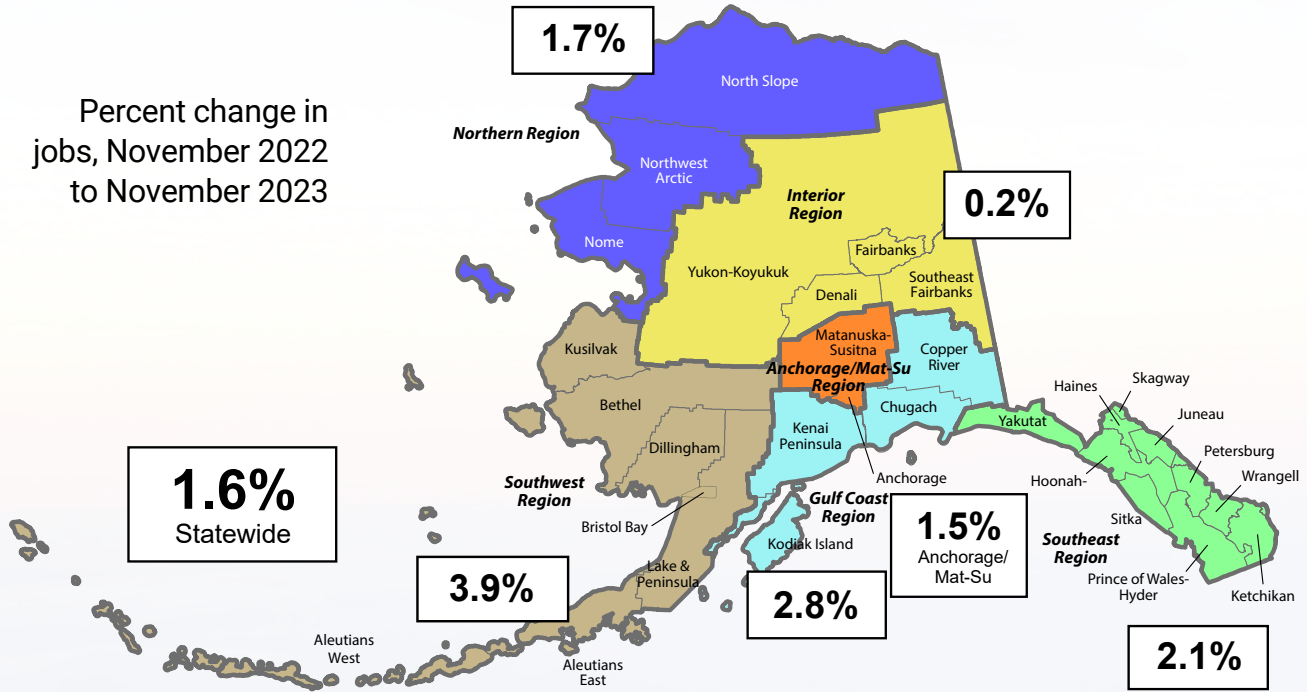
2021 to 2022



The state had net migration losses for the tenth consecutive year in 2022, although the losses have become smaller. Net migration is the number who moved to Alaska minus the number who left.

Employment by Region

Percent change in jobs, November 2022 to November 2023



Unemployment Rates

Seasonally adjusted

	Prelim.		Revised
	11/23	10/23	11/22
United States	3.7	3.9	3.6
Alaska	4.4	4.3	3.7

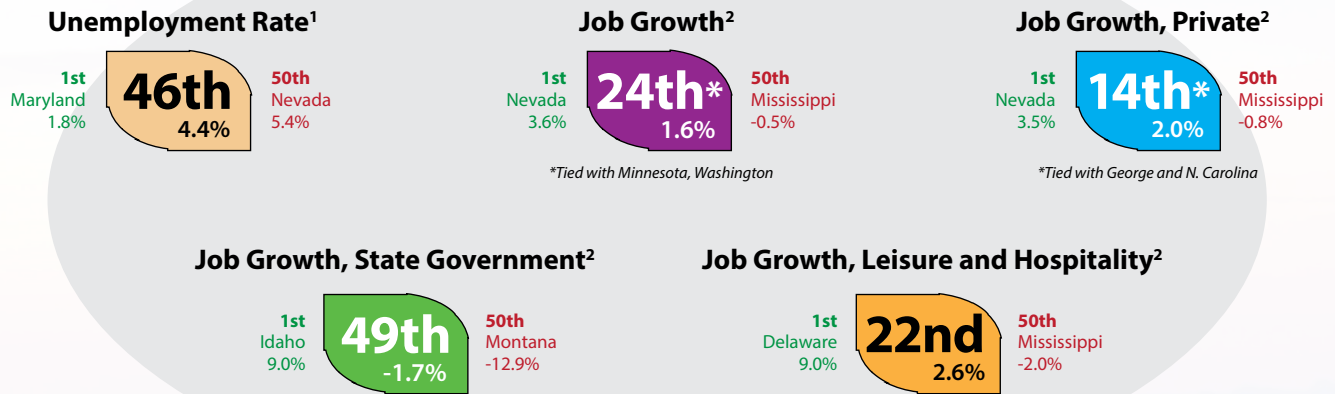
Not seasonally adjusted

	Prelim.		Revised
	11/23	10/23	11/22
United States	3.5	3.6	3.4
Alaska	4.4	4.1	3.7

Regional, not seasonally adjusted

	Prelim.			Revised				Prelim.			Revised		
	11/23	10/23	11/22	11/23	10/23	11/22		11/23	10/23	11/22	11/23	10/23	11/22
Interior Region	4.5	4.0	3.8	Southwest Region	8.8	7.9	6.9	Southeast Region	4.0	3.6	3.5		
Denali Borough	12.2	9.9	11.8	Aleutians East Borough	4.2	2.3	3.4	Haines Borough	8.0	6.3	6.9		
Fairbanks N Star Borough	4.0	3.6	3.4	Aleutians West Census Area	4.7	3.9	4.1	Hoonah-Angoon Census Area	5.9	4.1	6.8		
Southeast Fairbanks Census Area	5.6	5.3	4.5	Bethel Census Area	9.5	9.5	7.6	Juneau, City and Borough	3.2	2.9	2.6		
Yukon-Koyukuk Census Area	9.4	9.2	7.2	Bristol Bay Borough	4.7	4.8	6.4	Ketchikan Gateway Borough	3.8	3.3	3.7		
Northern Region	7.3	7.0	6.2	Dillingham Census Area	7.8	7.3	5.5	Petersburg Borough	5.3	4.8	5.7		
Nome Census Area	7.5	7.1	5.6	Kusilvak Census Area	14.7	14.1	11.7	Prince of Wales-Hyder Census Area	6.1	6.3	4.8		
North Slope Borough	5.1	5.0	4.4	Lake and Peninsula Borough	7.4	6.0	6.6	Sitka, City and Borough	3.1	3.0	2.5		
Northwest Arctic Borough	9.6	8.9	8.9	Gulf Coast Region	5.6	4.6	4.7	Skagway, Municipality	11.1	4.5	10.0		
Anchorage/Mat-Su Region	3.8	3.6	3.2	Kenai Peninsula Borough	5.0	4.4	4.4	Wrangell, City and Borough	5.8	4.6	5.0		
Anchorage, Municipality	3.5	3.4	2.9	Kodiak Island Borough	6.8	4.2	5.1	Yakutat, City and Borough	5.9	5.4	7.0		
Mat-Su Borough	4.8	4.3	4.0	Chugach Census Area	6.9	6.1	3.4						
				Copper River Census Area	9.0	7.4	12.4						

How Alaska Ranks



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

¹November seasonally adjusted unemployment rates

²November 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 yr 1982=100)	257.938	1st half 2023	252.271	+2.2%
Commodity prices				
Crude oil, Alaska North Slope, * per barrel	\$84.39	Nov 2023	\$92.58	-8.8%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	\$3.06	Nov 2023	\$6.43	-52.4%
Gold, per oz. COMEX	\$2,069.10	12/22/2023	\$1,795.30	+15.3%
Silver, per oz. COMEX	\$24.57	12/22/2023	\$23.62	+4.0%
Copper, per lb. COMEX	\$3.91	12/22/2023	\$3.76	+3.9%
Zinc, per lb.	\$1.15	11/23/2023	\$1.32	-12.9%
Lead, per lb.	\$1.00	11/23/2023	\$0.96	+4.2%
Bankruptcies				
	48	Q3 2023	54	-11.1%
Business	7	Q3 2023	3	+133.3%
Personal	41	Q3 2023	51	-19.6%
Unemployment insurance claims				
Initial filings	4,665	Nov 2023	5,236	-10.91%
Continued filings	24,560	Nov 2023	24,485	0.31%
Claimant count	6,449	Nov 2023	6,303	2.32%

*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; U.S. Energy Information Administration; Kitco; U.S. Census Bureau; COMEX; NASDAQ; Alaska Department of Revenue; and U.S. Courts, 9th Circuit

EMPLOYER RESOURCES

Key changes to foreign labor certification program

Changes to Alaska's Foreign Labor Certification processes offer improved, streamlined service to H-2A and H-2B employers.

These programs allow U.S. employers to bring foreign nationals to the United States to fill temporary agricultural and nonagricultural jobs. The H-2A program serves agricultural employers while most H-2B jobs in Alaska are in the seafood processing industry and in seasonal retail and tourism. Both programs require Alaska employers to recruit for U.S. workers via their state workforce agency in AlaskaJobs for their positions to be certified for visa application.

Instead of emailing job order requests, employers will work directly with their local Alaska job center or Seafood Office staff to set up accounts in AlaskaJobs and enter their H-2A and H-2B job orders, or do both via self-service. Staff will provide an array of services in addition to ensuring that job orders meet Alaska standards and are ready to open for recruitment.

The FLC program will review for further

program-specific compliance, arrange for timely H-2A housing inspections, and open the job order at the appropriate time for the employer's application for certification. Employers can also use AlaskaJobs to check the status of their job orders, view applicants, and even recruit.

[Click here](#) for new information, updated instructions, and links to all of the resources employers need for this process.

Employers with questions can contact Alaska's Foreign Labor Certification program at (907) 465-6471 or dol.flc@alaska.gov. For information about Foreign Labor Certification from the U.S. Department of Labor's Office of Foreign Labor Certification, see <https://www.dol.gov/agencies/eta/foreign-labor> or contact the Chicago National Processing Center at tlc.chicago@dol.gov.

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

SAFETY MINUTE

Reducing carbon monoxide risks in cold weather

The cold weather in our great state doesn't stop us from working or enjoying the outdoors. We have adapted, gotten the right gear, determined our limits, and found ways to keep warm. We enclose buildings under construction with plastic sheeting, reduce drafts, and minimize working outdoors, and all of these things affect access to fresh air and air movement.

Using fuel-burning equipment can generate carbon monoxide, a simple asphyxiant that displaces oxygen in a worker's blood and can build up in these tightly sealed buildings. According to OSHA, carbon monoxide is the No. 1 cause of death from breathing in harmful chemicals. It is so dangerous because people can't smell, see, or taste it but it can kill within minutes.

In addition to an employer's responsibility for ensuring adequate available oxygen (at least 19.5%) in the ambient air, OSHA and Alaska standards provide exposure limits for carbon monoxide and other air contaminants. Listed below are some standards that apply to fuel-burning equipment.

- [Alaska's additional air contaminants table Z-1-A](#), Limits for air contaminants.

- [29 CFR 1910.1000](#), Air contaminants, [TABLE Z-1](#) Limits for air contaminants.
- [29 CFR 1926.55](#), OSHA's Gases, vapors, fumes, dusts, and mists standard.
- [29 CFR 1926.154](#), Temporary heating devices.

Employers can use alternatives to fuel-burning heaters, equipment, and tools in enclosed areas; operate fuel-burning devices consistent with manufacturers' instructions; use carbon monoxide detectors or alarms; and train workers about these hazards to reduce the potential for carbon monoxide poisoning and as part of their cold weather safety program. A simple toolbox talk from the OSHA alliance with the Center for Construction Research and Training can help inform workers and is available [here](#).

For more information about cold weather safety or to assess potential air contaminants in the workplace, please contact AKOSH Consultation and Training at (907) 269-4950 or [submit a consultation request here](#).

Safety Minute is provided by the Alaska Occupational Safety and Health Consultation and Training Section of the Alaska Department of Labor and Workforce Development.