ALASKA ECONOMIC TRENDS

JULY 2024

THE COST OF LIVING

ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT • **RESEARCH AND ANALYSIS**

FROM THE COMMISSIONER

Helping our local economies build their future workforces

By Catherine Muñoz, Commissioner

With the Legislature's adjournment, summer is a great time to get out and visit different communities in our state. A few weeks ago, I had the privilege to visit Kodiak. Meetings with business and local leaders provided a first-hand view of the interconnectedness of the local economy that supports this community and region.

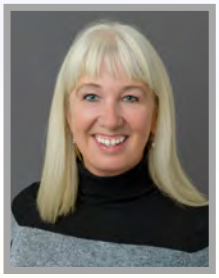
Kodiak has a large seafood industry. Many of the landmarks along Kodiak's waterfront are centered around seafood processing. We toured the Ocean Beauty plant, which operates 10 months of the year, and saw workers unloading and processing seafood. What a vibrant enterprise a seafood processing plant is!

Like other industries, the seafood processing workforce is aging, and recruiters are seeking younger workers to fill a range of jobs from direct processing to plant maintenance and operation.

The Department of Labor and Workforce Development has a long-established Seafood Unit that helps seafood businesses with their workforce needs. Those needs are changing, and our Seafood Unit is ready to help job seekers find good jobs in the industry and seafood employers of all sizes find the workforce they need. You can contact the Seafood Unit at dol.seafood@alaska.gov, (800) 770-8973, or (907) 269-4775.

Another large economic driver in Kodiak is the U.S. Coast Guard. The base in Kodiak supports approximately 1,400 service members who provide aircraft and crew search and rescue missions over a 4 million square mile area. A major housing project is in the works for the growing number of Coast Guard personnel and their families.

While on base, I met with staff who help active-duty personnel with transitioning employment and training services. Through the SkillBridge program,



transitioning service members from the Coast Guard and other military branches can acquire civilian employment in Alaska.

SkillBridge allows them to participate in the civilian workforce for up to six months as they transition out of active service, learning new skills and preparing to start a new chapter of their lives. The U.S. Department of Defense pays their salaries during this period, giving employers access to a pool of highly skilled and dedicated professionals.

Our department is ready to help Alaska employers with the application process to become a SkillBridge partner. To learn more about the program, contact our Business Connections team at (907) 269-4777.

I also had the opportunity to meet with Rep. Louise Stutes and representatives of the Kodiak Island Borough School District and Kodiak Island Economic Development Corporation, where I learned about Kodiak's growing shipbuilding industry. Our work to support the Alaska Maritime Education Consortium, a partnership between AVTEC and the University of Alaska, will be a great resource for these efforts.

Each community is unique. Getting out and seeing local economies in action helps us direct the department's training and employment resources more effectively. The more we can do to inform Alaskans about their available career options, the better Alaska's communities will be at connecting their future workforces with good jobs.

Sincerely,

Catherine Muñoz

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Fruit in an Alaska store.
Photo taken in 2017
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ALASKA ECONOMIC TRENDS

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ON THIS SPREAD: The background watermark for 2024 is an aerial view of the mountains around Anchorage. Photo by Flickr user Raúl AB under Creative Commons license by-nc-sa 2.0.

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The cost of living in Alaska

Inflation slowed considerably in 2023 after 3 erratic years

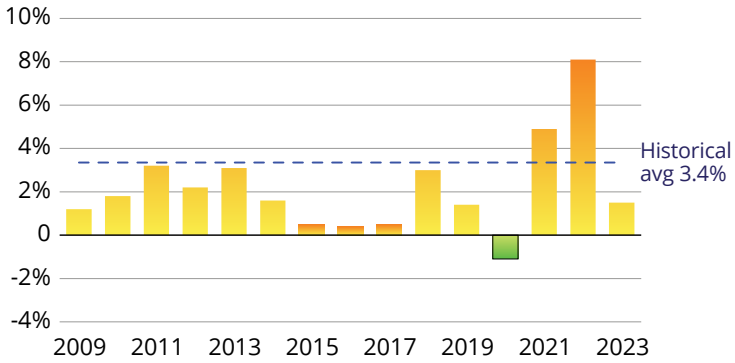
By GUNNAR SCHULTZ

After two years of rapid price increases, inflation in Alaska's consumer price index slowed to a more typical level. In 2023, urban Alaska prices rose about 1.5 percent from the previous year. National inflation, after two similarly high years, also slowed but not as dramatically, to 4.1 percent.

Over the previous few years, the Consumer Price Index for Urban Alaska recorded its only year of deflation since at least 1962 followed by the two highest years of inflation in decades. (See the chart on this page.)

Still, prices went up 14 percent between 2019, before the pandemic, and 2023. Over that time, prices increased most for transportation and other goods and services (27 percent), followed by 19 percent for food, 17 percent for medical care, 10 percent for housing, 8 percent for recreation, and 2 percent for clothes. Prices for education and communication *fell* about 1 percent from 2019-2023.

Urban Alaska inflation from 2009 to 2023



Source: U.S. Department of Labor, Bureau of Labor Statistics, CPI-U for Urban Alaska

The cumulative increase in prices over the last four years was on par with the eight years before that, from 2011 through 2019. That period, especially 2015-2017 when the state was in a recession precipitated by plunging oil prices, contained some of Alaska's lowest years of inflation on record.

The two main ways to measure the cost of living

1. In one area over time (inflation)

The Consumer Price Index for Urban Alaska is the state's only official measure of inflation: how prices change over time. Alaska's CPI tracks changes in the price level of a "market basket" of goods and services for the average consumer through surveys of consumer expenditure patterns and prices collected in Anchorage and the Matanuska-Susitna Borough.

The inflation rate, or price change between two periods, is calculated as the percent change in the index.

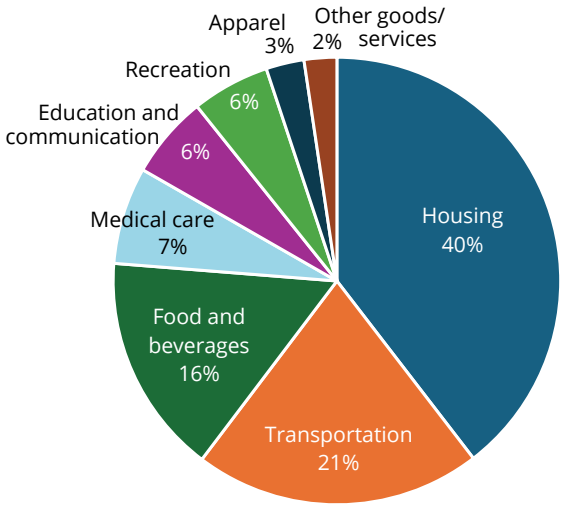
While the U.S. Bureau of Labor Statistics publishes CPIs for many cities, they can't be used to compare costs between areas because each is indexed to prices at a specific time in a given place. The index values only show how much prices have risen there since a base period, which is set at 100.

2. Between areas at the same time

Another way to assess the cost of living is to compare costs between two or more places at a given time. When prices are indexed to a base area rather than a time, the resulting index allows comparisons across areas, although not over time. These types of indexes are often called price differentials, and differences between places are calculated as the percent difference between their index values.

While inflation has a single source in Alaska, multiple sources are available to compare costs across areas. Many only cover some parts of the state, and each comes with its own methods, so it is important to consider the strengths and weaknesses. Some rely on volunteers to collect prices for their areas while others use available data from outside sources. One solution is to look for patterns in multiple sources.

Where urban Alaska households spent their money in 2022



Source: U.S. Department of Labor, Bureau of Labor Statistics, CPI-U for Urban Alaska

We covered recent inflation trends in detail in the April issue of *Alaska Economic Trends*. At that time, the only 2024 data available were for February, which measured price increases from February of last year.

An inflation update for April

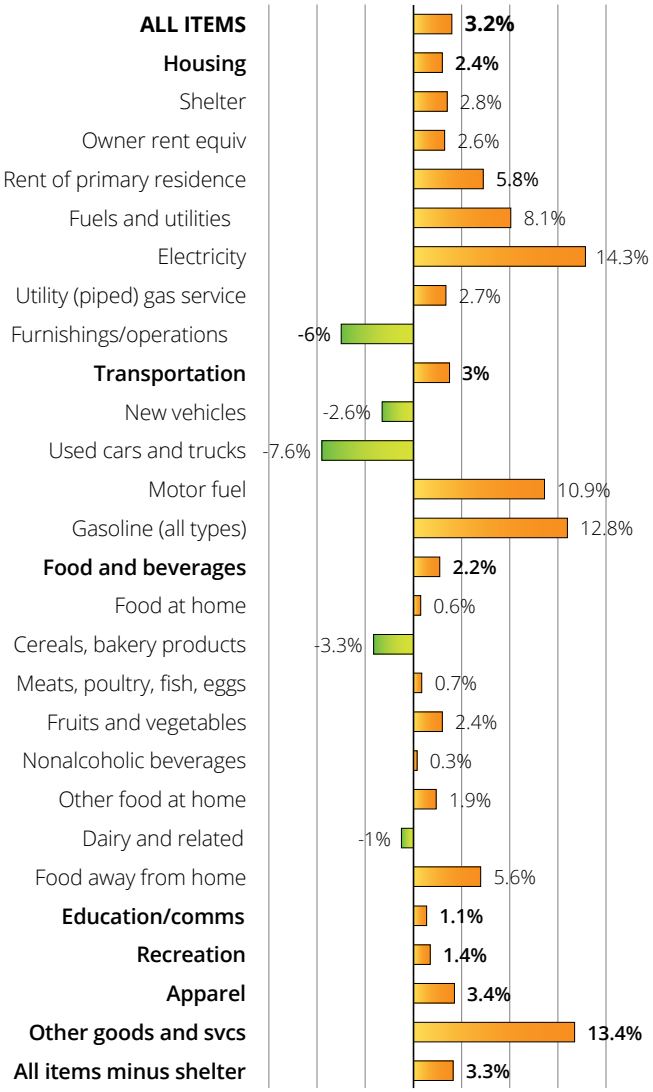
April 2024's numbers are now available, and they show urban Alaska's costs rose about 3 percent from April of last year.

Among the three largest expenditure categories in the index, prices went up about 2 percent for both housing and food and 3 percent for transportation.

Although housing costs had risen less than 3 percent overall in April, rent was up by almost 6 percent while costs in the much larger "owner equivalent rent" category had risen less than 3 percent. The CPI's housing costs are primarily based on the owner equivalent rent category, which is the estimated amount a homeowner would pay to rent out their home, based on nearby rents. This removes the investment component of home ownership costs.

Higher prices at the pump contributed to the rise in transportation costs, as gasoline prices were nearly 13 percent higher than at the same time last year. New and used vehicle prices fell, however, by about 3 and 8 percent. Used vehicle prices dropping in early 2024 was a continuation of 2023's decline after the price of used cars surged during the pandemic.

Inflation by category in April 2024 for urban Alaska



Note: No April values for medical care were reported.
Source: U.S. Department of Labor, Bureau of Labor Statistics, CPI-U for Urban Alaska

Within the food and beverages category, the cost of food at home rose less than 1 percent overall, with prices up at least slightly in all of the major food categories except the dairy category and cereal and bakery products.

In contrast, prices in the food-away-from-home category shot up almost 6 percent. Rising restaurant costs are partly due to higher labor costs — wages have risen in recent years as workers have become harder to find.

Annual inflation data for 2024 in Urban Alaska will be published in mid-January 2025.

Comparing costs within and outside Alaska

In contrast to inflation, or price changes over time, cost differentials compare prices between areas at a single point in time.

While cities in Alaska are more expensive than most, they don't come close to the highest-cost cities in the U.S., which are mainly large metropolitan areas on both coasts and Hawaii.

The Council for Community and Economic Research's cost-of-living index and regional price parities produced by the Bureau of Economic Analysis compare prices among cities, including some in Alaska. Overall, these sources tell similar stories about how costs in Alaska's largest cities stack up nationally but produce different results because of how they measure costs. (Note that most of the percentages and dollar amounts in the rest of this article are rounded.)

How one survey ranked Juneau, Anchorage, and Fairbanks in 2023

The Council for Community and Economic Research, or C2ER, produces quarterly and annual cost-of-living indexes that compare the costs for a fixed standard of living in hundreds of cities, including Anchorage, Fairbanks, and Juneau.

Volunteers collect price data for 57 items in six categories: housing, utilities, groceries, transportation, health care, and miscellaneous goods and services, which represent consumption patterns for professional and managerial households in the top 20 percent for income. Most prices in this survey exclude sales taxes, which vary considerably between cities. Cities' costs in each category are indexed to the survey average, set at 100.

The table on the next page shows how costs in Anchorage, Fairbanks, and Juneau compared to other U.S. cities in 2023. Of the 276 participating cities, the three in Alaska ranked 18th, 21st, and 24th for their overall costs, behind places in and around the highest-cost metros on both coasts such as New York City, D.C., Boston, Seattle, the San Francisco Bay area, Southern California, and Honolulu.

Index values for Alaska ranged from a low of 124 in Anchorage to a high of 128 in Juneau, meaning means their costs were 24 and 28 percent higher than the survey average. For comparison, costs were highest in Manhattan, at more than double the survey average, and lowest in Decatur, Ill., at about 20 percent below the average.

Anchorage, Fairbanks, and Juneau had similar costs. The U.S. cities that ranked closest included several near Seattle, New York City, and D.C. as well as Portland; Lake Havasu, Ariz.; and Bozeman, Mont.

To determine whether prices truly differ between areas, C2ER suggests using 4 percent as the threshold for overall cost differences and 5 percent for individual categories.

A look at C2ER cost categories

Costs in Anchorage and Juneau were significantly higher than the survey average in all six categories. So was Fairbanks, aside from housing, where its costs fell close to the survey average.

Housing costs were high in Alaska cities but still well below major coastal metros

Housing costs are a major driver of cost differences between areas, because of their weight in the index and because these costs vary more among areas than the other categories. However, the three Alaska cities stand out most among surveyed cities in other cost categories, and most of the cities with similar overall costs have significantly higher housing prices.

Anchorage and Juneau housing costs were 38 and 31 percent above the survey average last year, but both ranked lower for housing than for their overall costs (at 32nd and 42nd, respectively).

The list of cities with far more expensive housing than Anchorage included all of the cities with higher overall costs, many of the cities with similar costs, and Miami and Fort Lauderdale, Fla., which had much lower costs of living than Anchorage.

The same applied to Juneau, but the list of cities with significantly higher housing costs and much lower overall costs was longer and included Portland and Chicago.

In contrast, Fairbanks' housing costs ranked 81st and were close to the survey average.

Text continues on page 8

How selected cities compared in the C2ER survey in 2023

	Total	Groceries	Housing	Utilities	Transp	Health	Misc
Category's weight in total index	100%	15%	28%	9%	11%	5%	33%
Survey average of 265 cities	100.0	100.0	100.0	100.0	100.0	100.0	100.0
West							
Honolulu HI	180.3	116.7	313.1	151.3	135	123.1	126.8
San Jose CA	174.4	114.5	323.3	131.8	130.4	122.6	108.3
San Francisco CA	170	122.5	287.3	135.8	131.5	124.8	119.9
Orange County CA	150.3	113.1	251.4	94.1	123.9	98.8	112
Los Angeles-Long Beach CA	148.9	112.2	234.5	112.4	124.3	107.9	116.2
Seattle WA	144.6	116.3	210.1	102.1	128.2	137.6	119.5
San Diego CA	142	115.6	213.6	107.1	127	105	112.6
Oakland CA	138.8	117.2	187.8	133.7	129.2	121.2	114.1
Juneau AK	**127.8**	**122.7**	**130.5**	**140.1**	**124.6**	**151.3**	**122.2**
Everett WA	127.5	112.4	160	94.6	121.8	118	118.7
Fairbanks AK	**124.2**	**124.1**	**99.5**	**221.9**	**109.1**	**153.1**	**120.1**
Lake Havasu City AZ	123.9	101.8	182.1	83.6	100.2	94.2	107.2
Kent WA	123.8	116	150.2	96.7	125.2	115.4	113
Anchorage AK	**123.7**	**123.8**	**137.6**	**111.6**	**112.1**	**139.8**	**116.8**
Bellingham WA	123	109.1	141.8	92.2	122	115.8	122.7
Bozeman MT	120.6	106.8	151.6	92.8	99.6	95.9	118.1
Portland OR	120.2	110.5	148.9	96.2	126.3	109.6	106.2
Tacoma WA	120.1	113.1	132.8	94.8	124.2	124.6	117.1
Sacramento CA	119.4	108.2	139.6	114	120.8	113.1	109.2
Denver CO	110.3	105	129.8	85	104.2	98.7	106.4
Salt Lake City UT	108.7	100.4	122.5	93.6	110	96.2	105.9
Phoenix AZ	101.9	104.2	115.8	99	102	94	91
Las Vegas NV	97.6	104.9	103.9	106.7	110.7	88.7	83.8
Northeast							
New York (Manhattan) NY	225.2	113.4	498.9	101.7	115.2	120.6	126.8
New York (Brooklyn) NY	160.5	110.2	280.2	104.1	114.6	114.8	118.1
Boston MA	146.5	105.3	218.5	133.9	117.5	112.9	121.6
New York (Queens) NY	139.3	109	217.9	102.5	102.2	104.9	112.9
Nassau County NY	136.7	102.8	200.4	117.4	100.5	119	117.4
Stamford CT	127.3	105.4	167.4	131.4	101.8	109.9	112.9
Bergen-Passaic NJ	119.3	104.1	148.1	112.4	110.1	100.3	109.2
Philadelphia PA	101.5	102	96.3	110.4	106.7	93.5	102.8
Buffalo NY	94.4	96.9	92.8	94.2	94.6	100.9	93.8
South							
Washington DC	146.8	105.4	237.7	110.6	105.5	110	116.6
Arlington VA	136.8	113.9	212.7	101	99.5	112.4	107.8
Bethesda-Gaithersburg-Frederick MD	132.3	108.3	199.7	110.2	95.3	97.2	108.7
Alexandria VA	130.7	112.6	185	100.8	110.7	109.3	110.2
Fort Lauderdale FL	117.2	104.3	153.7	102.8	101.1	93.4	104.6
Miami-Dade County FL	116.9	104	149.9	102.8	102.6	95.8	106.1
Dallas TX	102.1	100.1	97.3	111.4	88.6	108.3	108
Baltimore MD	100.7	104.5	93	111.1	101.3	97.5	103
Atlanta GA	98.3	101.3	98.4	81.1	99.4	109.2	99.6
Tampa FL	96.2	99.5	96.1	98.9	100.4	92	93.3
Houston TX	94.1	100	82.2	102.7	90.4	93.9	100.5
Midwest							
Chicago IL	113.4	103.5	137	89.2	107.2	107.7	107
Detroit MI	102.1	103.4	105.6	94.4	99.5	102.2	101.5
Minneapolis MN	93.3	97.4	85.7	94.8	97.1	100.6	95.3
Columbus OH	91.8	103.5	84.3	95.3	90.3	85.2	93.5
Decatur IL	77.9	96.4	53	89.5	94	83.3	81.7

Notes: Based on professional households with earnings in the top U.S. quintile. Miscellaneous goods and services includes entertainment, apparel, personal care, and fast food.

Source: The Council for Community and Economic Research, Cost of Living Index 2023

The housing index is based primarily on an estimated mortgage payment for a recently purchased new home as well as rent. It excludes utility costs, which have their own category.

Fairbanks stands out for high utility costs

While Fairbanks had the lowest housing costs among the Alaska cities, it had the highest utility costs in the survey by a wide margin, at more than twice the average. Juneau was sixth, at 40 percent over the survey average, while Anchorage was 35th at 12 percent higher. Cheaper utility gas is Anchorage's primary source of residential heat. Most U.S. cities use utility gas or electricity as their main heat source.

Fairbanks, where winters are severe and most households heat with oil, usually has the highest utility costs in this survey by far.

Oil is also common in Juneau and is used to represent Juneau's utility costs in this survey. However, a significant number of households heat with electricity and Juneau's winters are much milder than Fairbanks'.

See the last section of this article and the table on page 13 for more on fuel prices across Alaska.

Alaska cities stand out for health care and grocery costs in this survey

In 2023, the three Alaska cities held the top three spots for the highest grocery and health care costs in the survey.

Groceries in Anchorage, Fairbanks, and Juneau were close to 25 percent above the survey average and on par with San Francisco, followed mostly by other Pacific cities. Alaska's smaller population and distance from the contiguous U.S. contribute to higher grocery costs.

Health care in Fairbanks and Juneau was significantly more expensive than in Anchorage, which ranked third for medical costs that were similar to Seattle's.

Medical costs in the survey are mostly based on the prices of visits to a doctor, dentist, and optometrist. Because health care costs represent the smallest category in this index, they have the least influence on an area's overall cost of living.

Anchorage, Fairbanks, and Juneau also ranked toward the top for the prices of "miscellaneous goods and services," ranking 17th, eighth, and fourth respectively, at about 20 percent above the survey average, amid many of the cities with the highest costs overall. This category has the largest weight in the index and includes a mix of expenditures such as fast food, haircuts, clothing, and entertainment.

Transportation is expensive in Alaska but still costs much more elsewhere

The Alaska communities stood out less among Pacific cities for transportation costs, partly because of taxation. Transportation costs are based primarily on the price of a gallon of gas, including excise taxes. Excise taxes vary widely around the country, from around 9 cents a gallon in Alaska to 78 cents a gallon in California.

Transportation costs ranked 14th in Juneau at 25 percent above average, and lower in Anchorage (37th) and Fairbanks (46th), with respective costs at 12 percent and 9 percent above average.

The cities with the highest transportation costs included Honolulu and several in Washington and California. See the table on page 13 for gasoline prices in about 100 Alaska communities and several U.S. cities in early 2024.

Another measure compares prices for Anchorage/Mat-Su, Fairbanks

Regional price parities and how this index measures differently from the C2ER survey

Regional price parities, or RPPs, from the Bureau of Economic Analysis also compare prices among cities. RPPs measure price differences for the average consumer among metropolitan statistical areas, including Fairbanks and a combination of the Matanuska-Susitna Borough and Anchorage. Prices are indexed to the U.S. average, set at 100. (See the table on the next page.)

While this index tells a similar story to the C2ER, it differs in several ways that can lead to different results when comparing costs.

The RPP index breaks costs into four categories: housing, utilities, goods, and other services, and weights these categories using BEA personal consumption expenditure data, which vary by state. Unlike C2ER's cost-of-living index, the RPP index includes sales taxes, which can make a big difference in area cost comparisons.

One downside is that the bureau uses national prices for health care when calculating RPPs, so they don't

Text continues on page 10

Regional price parities by metropolitan area in 2022

	All items	Goods	Housing	Utilities	Other services
U.S. averages	100	99.55	100.595	98.779	100.2
West					
San Francisco-Oakland-Berkeley CA	117.895	114.457	206.37	164.303	105.739
San Diego-Chula Vista-Carlsbad CA	114.511	108.232	183.903	161.069	102.726
Seattle-Tacoma-Bellevue WA	113.676	116.231	154.776	85.686	104.716
Los Angeles-Long Beach-Anaheim CA	113.109	106.333	176.96	144.009	103.524
Urban Honolulu HI	112.85	111.845	148.449	196.297	102.143
Portland-Vancouver-Hillsboro OR	108.756	109.057	128.525	90.21	104.448
Denver-Aurora-Lakewood CO	107.394	105.465	145.767	95.012	99.948
Riverside-San Bernardino-Ontario CA	106.43	102.37	129.199	149.275	100.765
Chico CA	104.268	108.871	91.37	145.92	103.978
Phoenix-Mesa-Chandler AZ	103.683	98.349	122.909	87.9	103.172
Anchorage/Mat-Su AK	**103.067**	**104.149**	**112.895**	**96.603**	**100.689**
Fairbanks AK MSA	**98.629**	**104.149**	**79.903**	**112.029**	**100.689**
Las Vegas-Henderson-Paradise NV	96.526	97.001	112.704	82.749	92.184
Provo-Orem UT	94.781	94.705	108.942	71.604	92.368
St. George UT	94.771	94.705	106.686	71.641	92.368
Northeast					
New York-Newark-Jersey City NY NJ PA	113.048	107.631	154.156	118.387	107.227
Boston-Cambridge-Newton MA NH	111.954	110.078	150.302	154.508	104.137
Hartford-East Hartford-Middletown CT	104.949	101.249	108.222	139.98	105.109
Philadelphia-Camden-Wilmington PA NJ DE MD	100.689	95.469	115.828	106.957	100.337
Buffalo-Cheektowaga NY	93.882	96.429	78.656	126.46	96.712
Pittsburgh PA	93.854	97.668	74.852	109.756	96.562
South					
Miami-Fort Lauderdale-Pompano Beach, FL	111.512	104.661	147.331	105.631	106.625
Washington-Arlington-Alexandria, DC VA MD WV	111.316	107.17	156.292	101.993	104.626
Dallas-Fort Worth-Arlington, TX	103.523	102.198	116.302	88.241	102.005
Baltimore-Columbia-Towson, MD	102.428	100.859	120.495	101.44	98.281
Tampa-St. Petersburg-Clearwater, FL	99.701	97.449	118.62	92.504	96.386
Houston-The Woodlands-Sugar Land, TX	98.762	97.881	108.033	92.265	97.119
Atlanta-Sandy Springs-Alpharetta, GA	98.753	99.344	107.381	103.567	95.571
Raleigh-Cary, NC	98.379	95.823	104.473	84.408	99.623
Charlotte-Concord-Gastonia, NC-SC	96.888	95.651	93.908	85.971	99.582
San Antonio-New Braunfels, TX	95.106	93.574	94.619	86.302	97.145
Huntsville AL	92.684	94.618	76.845	88.065	96.923
Baton Rouge LA	92.454	93.857	75.672	82.868	97.511
Winston-Salem NC	92.387	95.823	69.595	83.448	99.623
Oklahoma City OK	91.351	93.48	74.531	83.694	96.552
Brownsville-Harlingen TX	85.427	93.574	54.33	85.777	97.145
Florence-Muscle Shoals AL	84.17	94.618	45.789	88.818	96.923
Midwest					
Chicago-Naperville-Elgin IL IN WI	105.744	106.748	110.883	87.65	104.723
Minneapolis-St. Paul-Bloomington MN WI	102.948	102.684	119.175	86.292	99.873
St. Louis MO IL	96.671	101.789	79.982	76.778	99.454
Detroit-Warren-Dearborn MI	96.134	94.475	94.26	101.28	97.577
Milwaukee-Waukesha WI	94.926	91.74	95.665	90.98	97.497
Columbus OH	94.013	92.125	87.646	89.414	97.577
Cincinnati OH KY IN	93.479	92.404	83.722	88.288	97.664
Cleveland-Elyria OH	93.073	92.125	82.729	89.23	97.577
Omaha-Council Bluffs NE IA	92.073	93.95	87.236	86.389	92.445
Wichita KS	89.166	93.679	67.471	106.461	93.075

Source: U.S. Department of Labor, Bureau of Economic Analysis, Regional Price Parities 2022

reflect medical cost differences between areas.

A second limitation is that, because the CPI only collects prices in certain cities, RPPs for cities without CPI data are calculated using prices from a similar area. For example, the RPP index for Fairbanks uses Anchorage/Mat-Su prices for goods and other services, so their index values in those categories are the same. As a result, RPP comparisons are most reliable when they use cities with their own consumer price indexes.

The table on the previous page shows how regional price parities for Anchorage/Mat-Su and Fairbanks stack up with other cities with area-specific consumer price indexes in 2022, the most recent year available.

Anchorage/Mat-Su and Fairbanks regional price parities in 2022

Anchorage/Mat-Su and Fairbanks ranked 19th and 29th, respectively, in the RPP index. In 2022, prices in Anchorage/Mat-Su were 3 percent higher than the U.S. average and Fairbanks was 1 percent below average.

For comparison, prices ranged from about 16 percent lower than the U.S. average in Florence-Muscle Shoals, Ala., to 18 percent higher in San Francisco.

The list of cities with higher prices than Anchorage/Mat-Su included many of the same cities that were high in the C2ER survey as well as some of the lower-cost cities such as Miami, Chicago, and Denver.

Anchorage/Mat-Su prices were similar to Phoenix and Dallas while Fairbanks prices were closer to Houston and Atlanta.

Anchorage/Mat-Su ranked above the U.S. average in three of the four cost categories, with utilities as the exception, while Fairbanks' utility costs were significantly higher than average and its housing costs were much lower, pulling Fairbanks' overall price level slightly below the national average.

Similar to the C2ER survey, housing costs varied far more across cities than other categories or overall. RPPs also showed the contrast in housing and utility costs between Anchorage and Fairbanks.

Anchorage/Mat-Su ranked 22nd for rents excluding the costs of utilities, at about 12 percent higher than the U.S. average, and 24th for utility costs at 2 percent below average.

Fairbanks ranked 47th for housing costs, which were 21 percent lower than the U.S. average, but 14th for utilities at 13 percent above.

Because the same prices were used for their goods and other services, Anchorage/Mat-Su and Fairbanks were tied for the 15th and 19th highest prices in those categories. Goods in Anchorage/Mat-Su ran about 4 percent higher than average in 2022 and 10 percent less than Seattle, which was the highest.

Prices for "other services" were less than 1 percent above average and 6 percent lower than New York City, which was the highest. For reference, the combined state and local sales tax rates in Seattle and New York City are around 10 and 9 percent, respectively, but zero in Anchorage and the Mat-Su Borough and between 2 and 3 percent in the Mat-Su communities that have a sales tax.

A few other measures look at Alaska's costs in different ways

Most places in Alaska don't have an up-to-date cost-of-living comparison

Aside from Alaska cities included in the C2ER and RPP indexes, the most up-to-date overall cost comparison for many places in Alaska is from 2008, and for some small communities, no such comparison exists. The broad conclusions in the Alaska Geographic Differential Study, last published in 2009, are still relevant for showing how much costs vary across the state, but how much they have changed since then is unknown.

That study indexed areas' costs to the Anchorage average and found lower costs on the road system and in the Southeast and Gulf Coast regions and significantly higher prices for most things in the remote Southwest and Northern regions and the roadless interior, which includes villages along the Yukon and Koyukuk rivers.

Anchorage, Mat-Su, Fairbanks, and the Kenai Peninsula had among the lowest costs in 2008 while prices were about 60 percent higher than Anchorage in Kotzebue and Unalaska/Dutch Harbor.

Several more up-to-date measures compare different cost *components* within Alaska, though, such as housing and fuel prices. In general, they also show that nonhousing prices are lowest in and around the state's population centers and rise with remoteness and smaller populations.

Military 'overseas' cost-of-living index for nonhousing costs in Alaska towns

An overseas cost of living allowance index published by the U.S. Department of Defense measures differences in nonhousing costs for military service members stationed outside the contiguous U.S. and includes a longer list of Alaska cities than the C2ER and RPP indexes. This index excludes housing costs because they are covered by a separate allowance.

The military index is based on surveys of service members' consumption patterns, which may differ from an area's average household, and includes prices at the outlets where they shop, which can include military commissaries and exchanges. Anchorage, Fairbanks, and Kodiak have commissary and exchange facilities and Ketchikan has a limited Coast Guard Exchange.

Several Alaska communities where these surveys are not conducted are assigned the same index value as areas with survey data, so areas with area-specific consumption and price data are more reliable.

The table at the top of this page shows the index values from May 2024 for the 12 surveyed Alaska areas. They range from a low of 124 in Anchorage to a high of 138 in Cordova, which means costs other than housing for service members in Anchorage were about 24 percent higher than for their Lower 48 U.S. counterparts, and Cordova's costs were about 11 percent higher than Anchorage's.

Alaska's average house prices and mortgage payments by area in 2023

Area	Avg single-family sales price	Est monthly mortgage payment
Juneau, City and Borough	**$509,285**	**$2,530**
Ketchikan Gateway Borough	$494,697	$2,457
Anchorage, Municipality	$490,596	$2,437
Kodiak Island Borough	$484,538	$2,407
Bethel Census Area	$439,508	$2,183
Statewide Total	$436,407	$2,168
Matanuska-Susitna Borough	$430,076	$2,136
Kenai Peninsula Borough	$395,054	$1,962
Rest of State	$355,651	$1,767
Fairbanks North Star Borough	$340,555	$1,692

Note: Monthly payments are the estimated cost of a 30-year fixed rate mortgage (principal and interest only) on an average-priced single-family home, assuming a 20 percent down payment and an interest rate of 6.33%, the average during 2023.

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

How the military ranked Alaska towns' costs* in May 2024

City	Index value
U.S. continental average	**100**
Cordova	138
Homer (incl Anchor Point)	136
Petersburg	134
Sitka-Mt. Edgecombe	133
Valdez	133
Ketchikan	132
Seward	131
Kodiak	129
Fairbanks	128
Juneau	128
Eielson AFB	126
Anchorage (Incl Eagle River)	124

*Excludes housing
Source: U.S. Department of Defense, Overseas Cost of Living Allowance tables

Anchorage, Fairbanks, and Juneau costs were on the low end of the spectrum, and smaller Southeast and Gulf Coast communities were slightly higher.

What our recent housing cost surveys show

As mentioned earlier, because housing is most households' largest single expense, housing costs are a major determinant of the overall cost of living.

We conduct surveys of mortgage lenders and landlords each year on behalf of the Alaska Housing Finance Corporation. Another source is the U.S. Census Bureau's American Community Survey, which includes estimates for all U.S. county-equivalents, including Alaska's 30 boroughs and census areas.

The table at the bottom of this page shows average sales prices for single-family houses in 2023 from our survey of mortgage lenders as well as their estimated monthly mortgage payments for a 30-year fixed-rate mortgage, using the average interest rate from the survey (6.33 percent) and a 20 percent down payment.

Prices ranged from a low of $340,000 in Fairbanks to a high of nearly $510,000 in Juneau in 2023, with estimated payments ranging from $1,692 a month in Fairbanks to $2,530 in Juneau. Mortgage payments are only based on principal and interest and do not include utilities, property taxes, or insurance.

Anchorage and Juneau typically have the highest home prices among Alaska's population centers, and prices trend lower in Mat-Su, Fairbanks, and the Kenai Peninsula. Many Mat-Su residents live there because

of its lower housing costs and work in Anchorage where wages are much higher.

Home prices increased rapidly in recent years, spurred by record low interest rates during the pandemic and limited availability, but have slowed as interest rates climbed. In 2023, the statewide average sale price for a single-family home rose about 3 percent after increasing almost 9 percent in both 2021 and 2022.

Rents were highest in Kodiak, lowest in Wrangell-Petersburg in March 2024

In March 2024, the median adjusted rent for a two-bedroom apartment in our survey of landlords ranged from $1,081 in the Wrangell-Petersburg combined area to $1,713 in Kodiak. Adjusted rents include the cost of utilities, whether or not the landlord includes them in the rent payment. Rents in Bethel do not have a utility adjustment, but even without those costs included, they are still among the highest. (See the table on this page.)

In contrast to sales prices, rents in Fairbanks resemble rents in Anchorage and Juneau, in part because they include utility costs, which are high in Fairbanks. Rents are lower in the Mat-Su and Kenai Peninsula boroughs.

In early 2024, two-bedroom apartment rents were up an average of 5 percent from the previous year across surveyed areas, including about 4 percent in Anchorage and Fairbanks and 5 percent in Juneau. Kodiak recorded the largest increase in 2024 by far at 16 percent.

Yearly rent changes can be especially volatile in small areas. This year's rental survey results will be published in the September issue of *Trends*.

The Census Bureau also assesses housing

The American Community Survey reports housing cost data, including estimates of median monthly housing costs, selected monthly costs for homeowners with and without mortgages (mortgage, utilities, property taxes, etc.), median rents, and median home values. These can be used to compare housing costs among all 30 boroughs and census areas in Alaska and every county in the U.S. as well as other geographies such as states and cities.

ACS housing cost estimates are only available for five-year periods for most areas in Alaska, the most recent of which ended in 2022. (See the table on page 18.) Each estimate also includes a margin of error, which can be large — especially for small areas.

Two-bedroom apartment median adjusted rents by area, Mar 2024

Area	Rent plus utilities
Kodiak Island Borough	$1,713
Bethel Census Area*	$1,700
Anchorage, Municipality	$1,610
Ketchikan Gateway Borough	$1,600
Juneau , City and Borough	$1,561
Fairbanks North Star Borough	$1,542
Sitka, City and Borough	$1,509
Chugach Census Area	$1,420
Matanuska-Susitna Borough	$1,279
Kenai Peninsula Borough	$1,152
Wrangell-Petersburg Combined Area	$1,081

*Bethel rent does not include a utility adjustment.

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

For 2018-2022, estimates of median monthly housing costs ranged from $462 in the Kusilvak Census Area, which includes Hooper Bay, to $1,767 in the Aleutians West Census Area, which includes Unalaska/Dutch Harbor.[1] Most of the population centers fell on the high end of the spectrum while costs tended to be lower in remote and less populous areas.

An area's monthly housing costs can vary for multiple reasons, including the percentage of households with mortgages, utility costs, property taxes, and the percentage of households that own versus rent.

A big range in fuel costs within Alaska

Fuel costs are another major expense for many Alaska households, especially in areas where heating oil is the main residential heat source. In contrast to most states, heating oil is the second-most common source in Alaska. A quarter of Alaska households primarily heat with oil, and it's the main source in most areas outside of Southcentral, where utility gas is available.

The table on the next page shows how gasoline and heating oil prices varied in a list of 101 Alaska communities compared to the U.S. average and selected U.S. cities in early 2024.

Except for residential heating oil in North Slope Borough, which is subsidized, fuel prices in Alaska are lowest on the road system or in places that receive year-round barge shipments and far higher in remote

[1]The ACS inflation-adjusts dollar amounts for years prior to 2022.

Text continues on page 18

Gas and heating oil prices in Alaska and select U.S. cities, January 2024

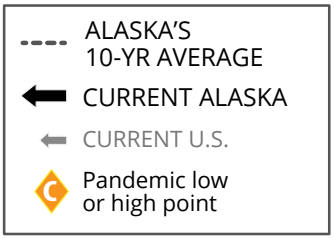
Place	Gas/gal	Heat oil/gal
Hughes	**$11.50**	**$13.00**
Alatna	$11.50	$8.00
Saint George	$10.49	$9.99
Arctic Village	$10.00	$15.00
Kokhanok	$9.50	$10.00
Sleetmute	$9.36	$8.75
Atqasuk*	$9.02	$1.50
Pilot Station	$8.90	$9.07
Galena	$8.79	$8.29
Kiana	$8.76	$8.50
Mountain Village	$8.65	$8.85
Kotlik	$8.58	$8.59
Quinhagak	$8.56	$8.19
McGrath	$8.43	$8.21
Hooper Bay	$8.33	$9.40
Tanana	$8.23	$5.50
New Stuyahok	$8.08	$7.86
Kotzebue	$8.03	$7.94
Grayling	$8.00	$8.50
Upper Kalskag	$8.00	$7.50
Chenega	$7.98	$8.09
Kwigillingok	$7.96	$7.87
Kaltag	$7.75	$7.00
Point Hope*	$7.60	$1.74
Holy Cross	$7.57	$8.48
Russian Mission	$7.50	$7.50
Anvik	$7.50	$7.00
Kaktovik*	$7.50	$2.50
Emmonak	$7.46	$7.01
Toksook Bay	$7.36	$7.48
Scammon Bay	$7.26	$7.26
Togiak	$7.24	$7.10
Noorvik	$7.21	$6.80
Brevig Mission	$7.16	$4.45
Anaktuvuk Pass*	$7.12	$1.50
Saint Michael	$7.02	$7.99
Stebbins	$7.02	$7.99
Nondalton	$7.02	$7.03
Ruby	$7.00	$7.50
Marshall	$7.00	$7.00
Nulato	$7.00	$7.00
Minto	$7.00	$6.85
Nunapitchuk	$7.00	$6.67
Atmautluak	$6.97	$5.20
Tuntutuliak	$6.91	$7.64
Utqiagvik*	$6.90	NA
Gambell	$6.90	$6.90
Savoonga	$6.90	$6.90
Deering	$6.90	$5.92
Wainwright*	$6.89	$1.75
Dillingham	$6.76	$6.22
Wales	$6.75	$6.25
Bethel	$6.71	$6.75
Nelson Lagoon	$6.50	$6.45
Akiak	$6.47	$5.95
Nuiqsut*	$6.47	$1.50
Teller	$6.44	$6.95
Goodnews Bay	$6.27	$5.24
Atka	$6.25	$7.50
Larsen Bay	$6.03	$6.19
Huslia	$6.00	$6.25
Eagle	$6.00	$5.25
Chignik	$5.96	$6.31
Kake	$5.87	$6.05
Port Lions	$5.85	$4.95

Place	Gasoline/gal	Heat oil/gal
Seldovia	$5.81	$6.56
Circle	$5.75	$4.60
Unalakleet	$5.74	$5.74
Koyuk	$5.68	$6.34
Angoon	$5.65	$6.00
Pelican	$5.65	$5.09
Akutan	$5.65	$4.85
Chitina	$5.63	$3.96
Thorne Bay	$5.53	$4.99
Old Harbor	$5.41	$5.73
King Cove	$5.34	$4.66
White Mountain	$5.30	$4.70
Shishmaref	$5.29	$5.09
Edna Bay	$5.27	$5.13
Hoonah	$5.21	$5.60
Ouzinkie	$5.19	$5.60
Golovin	$5.10	$5.00
Wrangell	$5.09	$5.28
Clark's Point	$5.00	$5.00
Cordova	$4.90	$4.82
Petersburg	$4.85	$5.23
Kodiak	$4.77	$4.74
Unalaska	$4.71	$5.67
Craig	$4.67	$4.95
San Francisco-Oakland-Hayward, CA	$4.66	NA
San Diego-Carlsbad, CA	$4.64	NA
Los Angeles-Long Beach-Anaheim, CA	$4.60	NA
Gustavus	$4.59	$5.12
Urban Hawaii (Honolulu)	$4.51	NA
Riverside-San Bernardino-Ontario, CA	$4.47	NA
Seattle-Tacoma-Bellevue WA	$4.22	NA
Valdez	$4.21	$3.99
Glennallen	$4.15	$3.96
Sand Point	$4.14	$4.40
Juneau	$3.59	$4.98
Homer	$3.59	$4.75
Fairbanks	$3.59	$4.53
Urban Alaska (Anchorage/Mat-Su)	$3.59	NA
Delta Junction	$3.58	$4.60
Nenana	$3.58	$4.08
Healy	$3.46	$4.35
Anderson	$3.44	$3.92
New York-Newark-Jersey City, NY-NJ-PA	$3.25	NA
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	$3.23	NA
Chicago-Naperville-Elgin, IL-IN-WI	$3.22	NA
Phoenix-Mesa-Scottsdale, AZ	$3.21	NA
Boston-Cambridge-Newton, MA-NH	$3.20	NA
Miami-Fort Lauderdale-West Palm Beach, FL	$3.18	NA
Washington-Arlington-Alexandria, DC-VA-MD-WV	$3.13	NA
Tampa-St. Petersburg-Clearwater, FL	$3.09	NA
Baltimore-Columbia-Towson, MD	$3.09	NA
U.S. average	**$3.08**	**$3.99**
Atlanta-Sandy Springs-Roswell, GA	$2.98	NA
Detroit-Warren-Dearborn, MI	$2.95	NA
St. Louis, MO-IL	$2.86	NA
Minneapolis-St.Paul-Bloomington, MN-WI	$2.84	NA
Dallas-Fort Worth-Arlington, TX	$2.76	NA
Houston-The Woodlands-Sugar Land, TX	$2.64	NA
Denver-Aurora-Lakewood, CO	$2.57	NA

*North Slope communities' residential heating oil costs are subsidized by the borough. Residential heating oil is not sold in Utqiagvik, where homes are heated with natural gas.

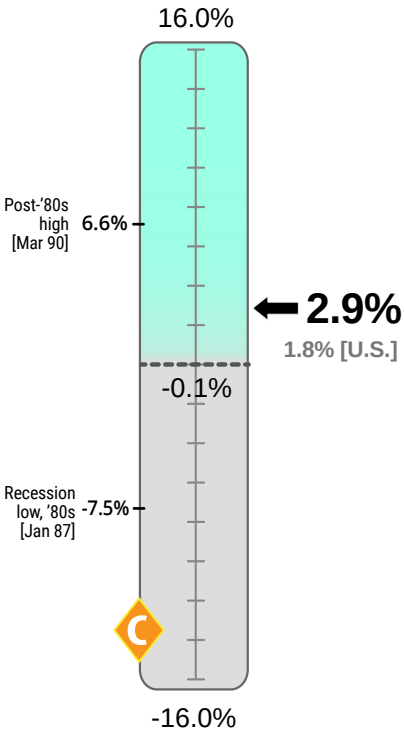
Source: Alaska Department of Commerce, Community, and Economic Development; and U.S. Bureau of Labor Statistics, Consumer Price Index; and U.S. Energy Information Administration

Gauging The Economy



Job Growth

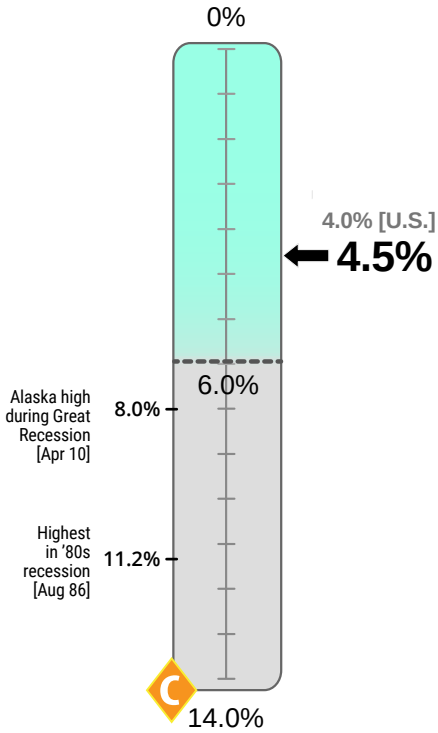
May 2024
Over-the-year percent change



Alaska's May employment was 2.9 percent above last May while national employment was up 1.8 percent over the same period.

Unemployment Rate

May 2024
Seasonally adjusted

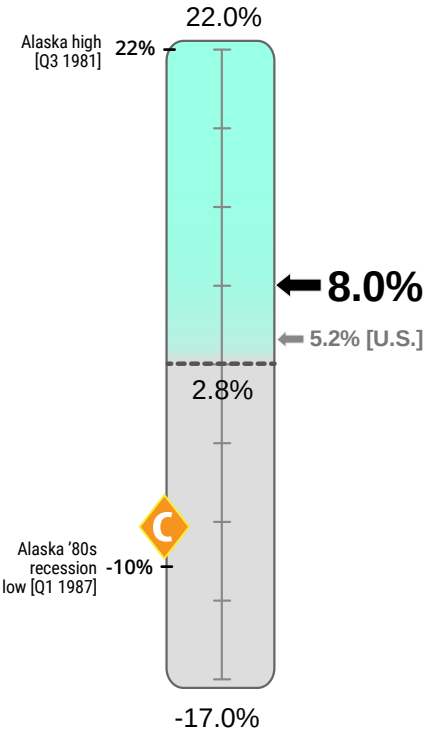


Alaska's unemployment rate has been less useful as an economic measure since the pandemic because of data collection and other technical difficulties.

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

4th Quarter 2023
Over-the-year percent change



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

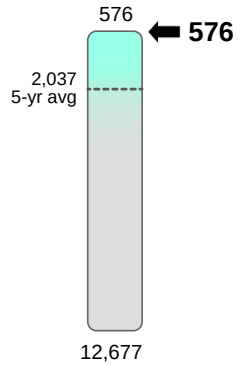
Wages were up 8.0 percent from year-ago levels in the fourth quarter of 2023 — well above the 5.2 percent growth for the U.S. — and 20.3 percent above fourth quarter 2019.

Gauging The Economy

ALASKA'S 10-YR AVERAGE
CURRENT ALASKA

Initial Claims

Unemployment, week ending June 8, 2024*

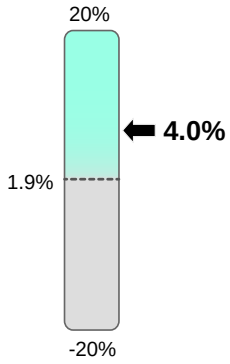


Pandemic-driven high claims loads have fallen, and new claims for benefits are well below their long-term average.

*Four-week moving average ending with specified week

GDP Growth

4th Quarter 2023
Over-the-year percent change*

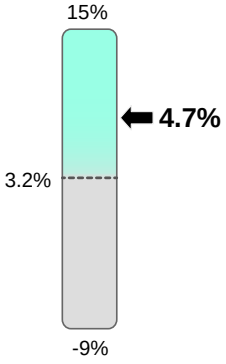


Gross domestic product is the value of the goods and services a state produces. It's an important economic measure but also a volatile one for Alaska because commodity prices influence the numbers so much — especially oil prices.

*In current dollars

Personal Income Growth

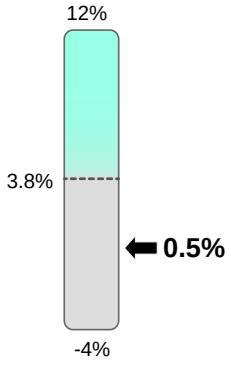
4th Quarter 2023
Over-the-year percent change



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

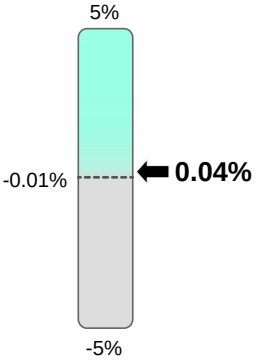
Single-family, percent change from prior year, Q4 2023



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

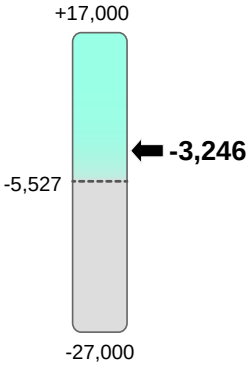
2022 to 2023



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

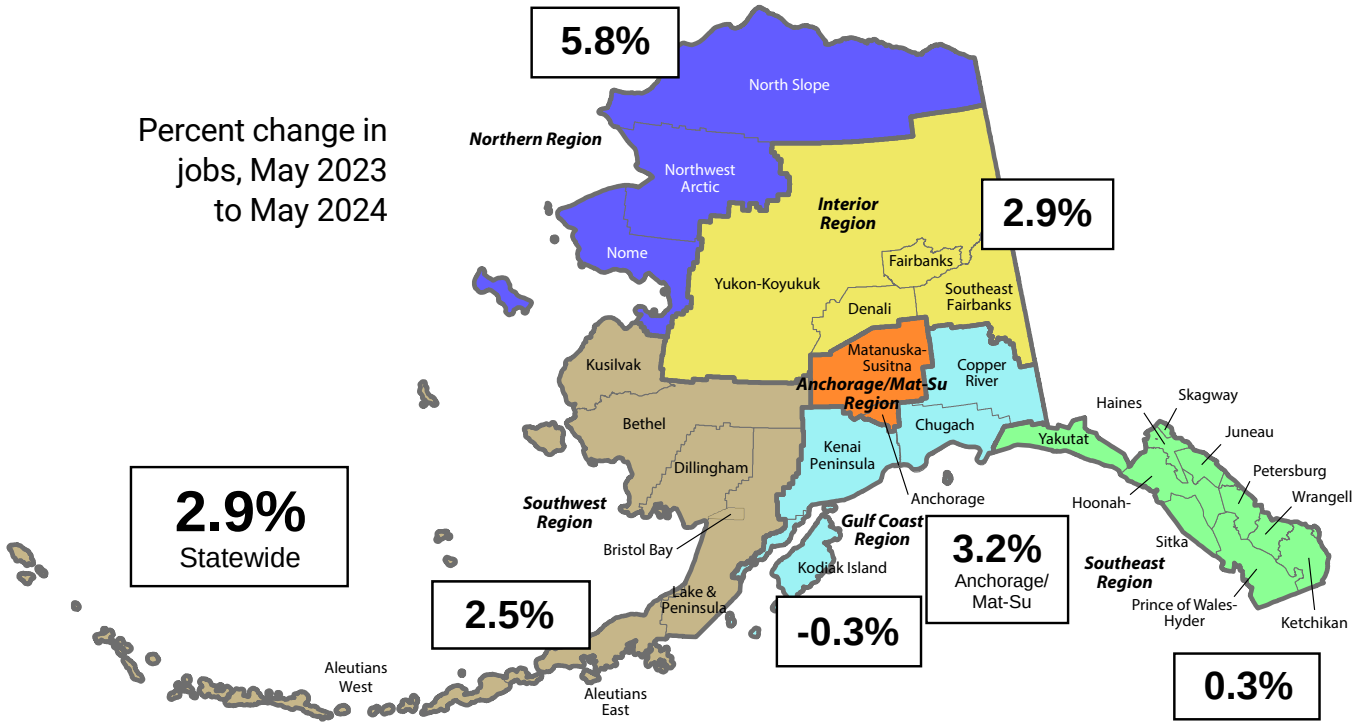
Net Migration

2022 to 2023



The state had net migration losses for the 11th consecutive year in 2023. Losses were larger than the previous two years but 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	
	5/24	4/24	5/23
United States	**4.0**	**3.9**	**3.7**
Alaska	**4.5**	**4.6**	**4.0**

Not seasonally adjusted

	Prelim.	Revised	
	5/24	4/24	5/23
United States	**3.7**	**3.5**	**3.4**
Alaska	**4.3**	**4.5**	**4.0**

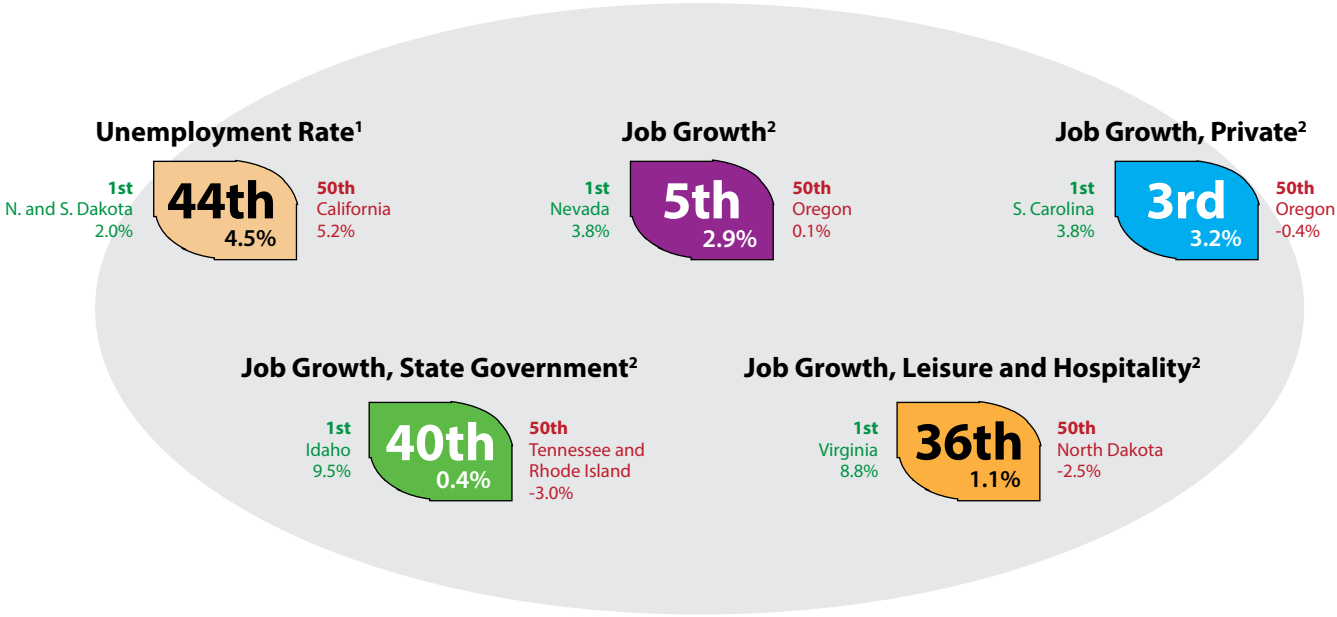
Regional, not seasonally adjusted

	Prelim.	Revised	
	5/24	4/24	5/23
Interior Region	**4.2**	**4.3**	**3.9**
Denali Borough	3.7	8.6	4.1
Fairbanks N Star Borough	3.8	3.9	3.6
Southeast Fairbanks Census Area	5.2	5.6	4.9
Yukon-Koyukuk Census Area	9.5	9.4	9.2
Northern Region	**7.5**	**7.6**	**7.4**
Nome Census Area	7.9	8.0	7.6
North Slope Borough	5.5	5.1	5.2
Northwest Arctic Borough	9.0	9.7	9.4
Anchorage/Mat-Su Region	**3.9**	**4.1**	**3.6**
Anchorage, Municipality	3.6	3.7	3.3
Mat-Su Borough	4.6	5.0	4.6

	Prelim.	Revised	
	5/24	4/24	5/23
Southwest Region	**9.3**	**7.8**	**8.5**
Aleutians East Borough	5.1	2.5	4.0
Aleutians West Census Area	6.2	3.2	5.4
Bethel Census Area	10.4	10.1	9.8
Bristol Bay Borough	4.3	4.7	4.3
Dillingham Census Area	7.1	7.2	5.9
Kusilvak Census Area	15.0	14.6	14.7
Lake and Peninsula Borough	7.7	7.3	5.5
Gulf Coast Region	**4.6**	**5.2**	**4.2**
Kenai Peninsula Borough	4.5	5.1	4.1
Kodiak Island Borough	4.4	3.9	3.6
Chugach Census Area	4.7	6.9	3.8
Copper River Census Area	6.8	8.2	7.4

	Prelim.	Revised	
	5/24	4/24	5/23
Southeast Region	**3.5**	**4.1**	**3.3**
Haines Borough	5.7	7.8	5.1
Hoonah-Angoon Census Area	3.7	5.5	4.0
Juneau, City and Borough	3.0	3.2	2.7
Ketchikan Gateway Borough	3.4	4.0	3.2
Petersburg Borough	4.4	4.7	4.6
Prince of Wales-Hyder Census Area	6.6	7.1	6.2
Sitka, City and Borough	2.9	3.2	2.7
Skagway, Municipality	3.1	8.9	2.9
Wrangell, City and Borough	4.5	5.4	4.4
Yakutat, City and Borough	6.0	6.1	5.0

How Alaska Ranks



Note: Government employment includes federal, state, and local government plus public schools and universities.
[1]May seasonally adjusted unemployment rates
[2]May 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)	262.806	2nd half 2023	260.576	+0.9%
Commodity prices				
Crude oil, Alaska North Slope,* per barrel	$85.55	May 2024	$75.65	+13.1%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	$2.42	May 2024	$2.30	+5.1%
Gold, per oz. COMEX	$2,331.20	6/21/2024	$1,944.90	+19.9%
Silver, per oz. COMEX	$29.94	6/21/2024	$23.02	+30.1%
Copper, per lb. COMEX	$4.43	6/21/2024	$3.91	+13.2%
Bankruptcies	49	Q1 2024	52	-5.8%
Business	7	Q1 2024	4	+75.0%
Personal	42	Q1 2024	48	-12.5%
Unemployment insurance claims				
Initial filings	2,928	May 2024	3,326	-11.97%
Continued filings	18,722	May 2024	19,312	-3.06%
Claimant count	4,984	May 2024	4,820	3.40%

*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

THE COST OF LIVING

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areas, most of which receive seasonal fuel deliveries by barge, such as towns in the Southwest, Northern, and roadless interior regions.

In the Alaska Fuel Price Report for winter 2024, gasoline ranged from a low of $3.44 per gallon in Anderson to $11.50 in Alatna and Hughes. Anderson, in the Denali Borough, is about 80 miles by road from Fairbanks toward Anchorage while Hughes and Alatna, in the Yukon-Koyukuk Census Area, are about 50 miles apart on the Koyukuk River and receive seasonal fuel shipments from barges that travel hundreds of miles up the Yukon and Koyukuk rivers.

In the parts of Alaska with the lowest gas prices, gas was still above the U.S. average but lower than several large West Coast cities and Honolulu. The most expensive was San Francisco at $4.66, but 89 of the 101 Alaska communities had more expensive gasoline than San Francisco.

Heating oil prices ranged from $1.50 a gallon subsidized in Atqasuk, Anaktuvuk Pass, and Nuiqsut in the North Slope Borough to $15 in Arctic Village, where fuel is flown in.

Heating oil in Alaska was more expensive than the U.S. average in 89 of the areas surveyed, except for the seven subsidized communities on the North Slope and a few places on the road system.

Average prices for gasoline and heating oil in the Alaska Fuel Price Report this winter were down slightly from the previous year but remained much higher than in winter 2022.

In winter 2024, the survey average for gasoline was $6.61, down about 1 percent from last winter but 24 percent above 2022. Similarly, earlier this year, the survey average heating oil price, excluding the North Slope Borough, was $6.54, down 3 percent from last winter but 30 percent higher than in 2022.

Median monthly housing costs by Alaska area from 2018-2022

Area	Median costs
Aleutians West Census Area	$1,767
Anchorage Municipality	$1,650
Kodiak Island Borough	$1,636
Juneau City and Borough	$1,560
Matanuska-Susitna Borough	$1,501
Ketchikan Gateway Borough	$1,414
Fairbanks North Star Borough	$1,411
Sitka City and Borough	$1,391
Chugach Census Area	$1,263
Kenai Peninsula Borough	$1,061
Petersburg Borough	$1,058
Bristol Bay Borough	$1,051
Skagway Municipality	$969
North Slope Borough	$917
Wrangell City and Borough	$903
Haines Borough	$894
Southeast Fairbanks Census Area	$882
Nome Census Area	$877
Aleutians East Borough	$821
Northwest Arctic Borough	$803
Yakutat City and Borough	$794
Dillingham Census Area	$781
Copper River Census Area	$754
Bethel Census Area	$739
Denali Borough	$731
Prince of Wales-Hyder Census Area	$631
Yukon-Koyukuk Census Area	$533
Lake and Peninsula Borough	$527
Hoonah-Angoon Census Area	$512
Kusilvak Census Area	$462

Source: U.S. Census Bureau, American Community Survey, 5-Year Estimates 2018-2022

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EMPLOYER RESOURCES

The multiple benefits of hiring immigrants and refugees

Over the past few years, Alaska has seen a rise in the number of legal immigrants and refugees throughout the state who typically search for sustainable employment soon after arrival. Employers can benefit from hiring these workers, as they bring valuable experience, multilingual skills, and potential for federal tax credits to the workplace.

Immigrants and refugees bring a wide range of experience and technical skills. Many individuals such as doctors, nurses, teachers, engineers, lawyers, accountants, and others have attained degrees or technical licenses in their home countries. While their degrees or licenses may not be readily transferrable in the U.S., these professionals are eager to begin working in other occupations, and employers can tap into their expertise and experience.

For a large portion of immigrants and refugees, English is only one of the languages they have mastered or are learning. This opens doors for an employer to increase their customer base as well as access an expanded labor pool by having someone on staff with whom English language learners will feel comfortable communicating in their native language.

Employers who hire immigrants and refugees may also qualify for federal tax credits through the Work Opportunity Tax Credit program. Federal tax credits are available to employers that hire eligible workers who have faced barriers to employment, including receiving cash assistance such as Temporary Assistance for Needy Families and food stamps. Click here for more information on Alaska WOTC.

For more information about hiring an immigrant or refugee and how it can benefit your business, contact your nearest Alaska job center today.

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

SAFETY MINUTE

OSHA updates hazard communication standard in July

The Occupational Safety and Health Administration is updating its Hazard Communication Standard to align with the United Nations' Globally Harmonized System of Classification and Labelling of Chemicals, specifically Revision 7. This amendment, effective July 19, aims to resolve issues that surfaced during the 2012 HCS update, harmonize regulations with other U.S. agencies and international partners, and enhance the standard's effectiveness.

In line with Executive Order 13563 and the Regulatory Flexibility Act, OSHA has reviewed and revised the HCS to improve rule efficiency and efficacy. The updates are designed to ensure employees are well-informed about chemical hazards, reducing chemical-related occupational illnesses and injuries. Key changes include:

- Revised criteria for classifying certain health and physical hazards
- Updated provisions for label updates
- New labeling requirements for small containers
- New provisions regarding trade secrets
- Technical amendments for safety data sheets
- Updated definitions of terms in the standard

This Safety Minute was written by Mitch Wallace, acting chief of the Alaska Occupational Safety and Health Consultation and Training Section of the Alaska Department of Labor and Workforce Development.