

ALASKA ECONOMIC TRENDS

JUNE 2024

Women in construction

ALSO INSIDE

How private and public
sector jobs interact

FROM THE COMMISSIONER

We are strengthening our military employment partnerships

By Catherine Muñoz, Commissioner

The Alaska Department of Labor and Workforce Development continuously strives to build and maintain partnerships that will enhance the state's ability to provide training and employment services to transitioning service members, military spouses, and veterans.

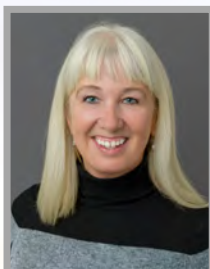
Later this month, I will participate in a signing ceremony with the Alaska Army National Guard for the U.S. Army's Partnership for Your Success program, or PaYS. The department will sign a memorandum of understanding to cement our relationship with the Army PaYS program and offer a new pathway for transitioning service members to find job opportunities within the department.

The PaYS program is a collaboration between the U.S. Army and a cross-section of corporate industries and government agencies. The program supports qualified Army PaYS participants by guaranteeing up to five job interviews and potential employment opportunities. Eligible participants include transitioning active-duty soldiers, Army National Guard and Army Reserve soldiers, and ROTC Cadets. We are honored to grow our partnership with the Army through this program.

Partnered employers enhance their candidate pool with applicants who bring important qualities to their organization. These include the ability to perform under pressure, an accelerated learning curve, dependability, teamwork, leadership, and a strong sense of responsibility. Employers wanting more information on the benefits of the PaYS program can visit [their website](#).

In another military partnership, the department recently became an authorized U.S. Department of Defense SkillBridge site, and we can help other interested Alaska employers become approved industry partners.

Through SkillBridge, the Department of Defense will



cover up to the first six months of wages during the orientation and training period for new employees. Further information on SkillBridge and the employer application process is available on our [SkillBridge page](#). The department's Business Connections Team can assist employers with the SkillBridge application process, includ-

ing creating program training plans. You can reach Business Connections at (907) 269-4777 or anchorage.employers@alaska.gov.

The department also partners with the Hilton Honors™ Military Program. This program allows veterans, transitioning service members, National Guard/Reservists, and military spouses to receive up to 100,000 points to stay at Hilton hotels for the following employment-related needs: travel for verifiable job interviews, training needed to get or keep a job or obtain a certification, or pre-employment testing such as physicals, drug testing, and aptitude/agility tests. Eligible individuals can register at any Alaska job center.

A range of career advancement opportunities are available in the public as well as the private sector. This includes our department; like other departments in the State of Alaska, we project a growing number of job openings as more staff reach retirement age. Innovative partnerships like SkillBridge, Army PaYS, and the Hilton Honors™ Military Program help employers attract valuable talent and fill vacancies, and they help job seekers find a range of opportunities in government as well as the private sector.

Sincerely,

A handwritten signature in black ink that reads "Catherine Muñoz". The signature is written in a cursive style.

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



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ON THE COVER:

Vickie Brown of SECON works on the Lemon Creek roundabout and sidewalk project in Juneau in 2021.
Photo by Kim Andree

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ALASKA
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and WORKFORCE
DEVELOPMENT

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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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Alaska women in construction

Women a small slice of an industry facing growing demand

By KARINNE WIEBOLD

The U.S. construction industry is adding jobs at a faster clip than the overall economy, and its job openings are at a data series high. Estimates for 2024 show U.S. construction outperforming total employment growth at 3 percent over the year compared to 1.8 percent, and the industry had 434,000 open positions.

Construction openings are only available at the national level, but it's reasonable to assume Alaska is also at a high point. Alaska's job openings across all industries put us above the national rate as well as our neighboring states.

Alaska's construction job count hit an eight-year peak in 2023. The pandemic's damper on the industry was brief, with 2020's job losses just half as severe as all industries combined. Despite supply chain snarls, construction resumed adding jobs the next year and then boomed in 2023 with an additional 1,000 jobs. (For an overview of the industry in Alaska, see the sidebar on page 9.)

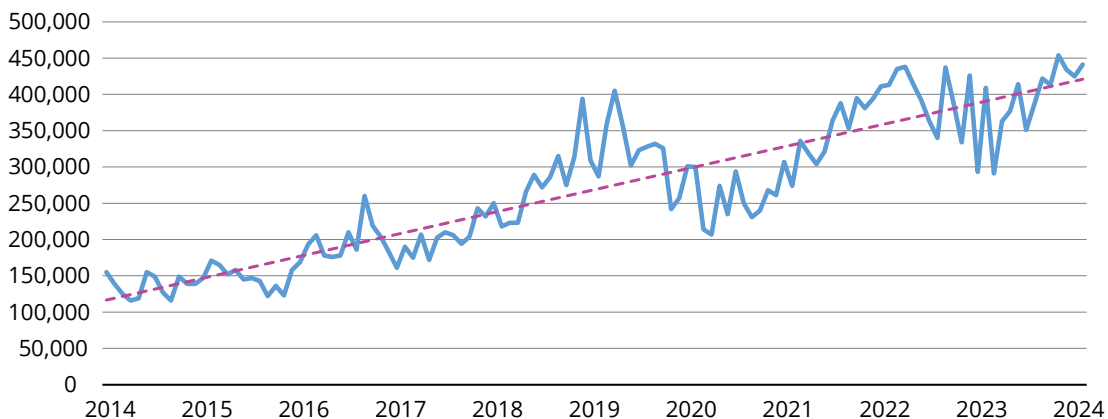
Federally supported infrastructure and broadband projects are getting started and oil activity is up on the North Slope, which will juice employment for at least the next several years.

We forecast an additional 1,100 jobs in 2024, and the Associated General Contractors of Alaska's annual construction industry spending report anticipates 2024 will be \$810 million higher than 2023, with growth in both public and private spending.

The federal and oil project spending windows are limited, however — the federal infrastructure projects will wrap up around 2031 and Willow and Pikka are set to produce before 2030 — so the demand for workers will be high and Alaska will compete for workers as other states carry out similar infrastructure projects. Even in a typical year without that additional demand, nearly 20 percent of construction workers come from out of state and work primarily in the summer.

The growing need for construction workers comes amid an already tight labor market, driven by

National construction job openings are on a long upward trajectory



Note: Seasonally adjusted

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey

The top 15 occupations for women in Alaska construction industry, 2022

Occupation	Women	Avg wage	Avg age	Pct women	Pct of wages	Earnings ratio*
Construction Laborers	410	\$34,860	37	11%	10%	82%
Bookkeeping, Accounting, and Auditing Clerks	279	\$51,608	47	85%	82%	84%
Office and Admin Support Workers, All Other	227	\$46,929	41	66%	57%	68%
Office Clerks, General	216	\$41,507	42	74%	66%	69%
Secretaries/Admin Assts (exc Legal, Medical, Exec)	153	\$38,784	41	87%	86%	96%
Operating Egrs/Other Const Equip Operators	129	\$61,575	39	8%	6%	75%
Chief Executives	68	\$48,055	36	13%	11%	80%
Carpenters	68	\$32,429	36	3%	2%	57%
1st-Line Supervisors of Office/Admin Support	64	\$55,790	43	77%	66%	57%
Receptionists and Information Clerks	58	\$31,564	42	89%	92%	142%
Executive Secretaries and Admin Assistants	57	\$48,862	46	85%	92%	203%
Electricians	56	\$49,094	31	5%	3%	72%
Helpers, Construction Trades, All Other	52	\$34,902	36	15%	15%	100%
Construction and Related Workers, All Other	51	\$33,690	39	9%	6%	59%
Construction Managers	48	\$78,758	46	9%	6%	67%

Office jobs

Field jobs

*The earnings ratio is women's average annual earnings as a percentage of men's.
 Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

changing demographics — an older population nationwide and fewer people at the prime working ages.

One possible way for the industry to broaden its worker pool is to recruit from a large group vastly underrepresented in its numbers: women.

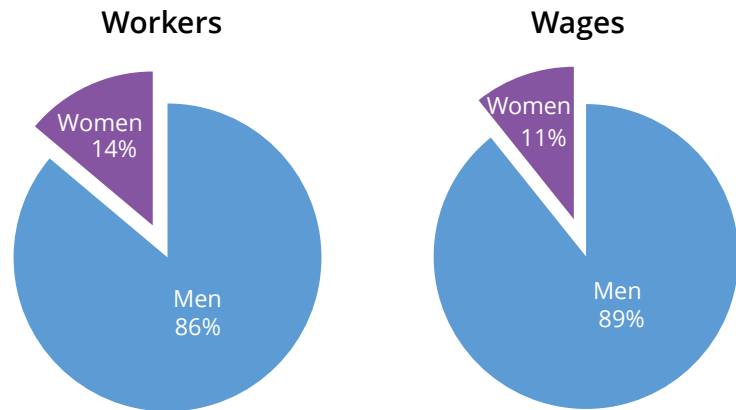
What might make a difference?

Women work in construction in Alaska, but you might not see it when driving past work sites. That's because they represent just 14 percent of the state's construction workers, and most of them work in the office.

Making construction more attractive to women could benefit the industry beyond filling open positions. Multiple national reports show women bring a range of complementary qualities to the work site.

For example, a 2023 study conducted by the National Center for Construction Education and Research found that women are team-oriented on-site and cautious with materials and machinery. The disparity in strength and size is less of an issue with modern tools such as hydraulic lifts and

Gender breakdown in Alaska construction, 2022



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

cranes — and one of the reasons women are less likely to get hurt on the job is they are more likely to use assistive tools than rely on strength.

Another possible benefit in the coming years could come through competitive federal contracts, which offer preference to women-owned construction businesses. With billions in federal funding coming into the state for infrastructure projects, an advantage like that could provide a leg up on the competition.

The most compelling reason to hire more women may simply be that the industry needs more workers, and women are another potential source.

Women and men in the largest construction occupations, 2022

	Total wkrs	Men	Men's avg wage	Women	Women's avg wage	Percent women	Earnings ratio*
Construction Laborers	3,576	3,166	\$42,665	410	\$34,860	11%	82%
Carpenters	2,039	1,971	\$56,542	68	\$32,429	3%	57%
Operating Egrs/Other Const Equip Opers	1,698	1,569	\$82,638	129	\$61,575	8%	75%
Electricians	1,230	1,174	\$68,569	56	\$49,094	5%	72%
Plumbers, Pipefitters, Steamfitters	892	874	\$69,971	18	\$32,961	2%	47%
Construction Managers	553	505	\$117,839	48	\$78,758	9%	67%
Construction and Related Wkrs, Other	541	490	\$56,650	51	\$33,690	9%	59%
Painters, Construction/Maintenance	530	488	\$37,460	42	\$28,560	8%	76%
Chief Executives	506	438	\$60,308	68	\$48,055	13%	80%
Heavy/Tractor-Trailer Truck Drivers	478	443	\$64,190	35	\$55,370	7%	86%

*The earnings ratio is women's average annual earnings as a percentage of men's.

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

About the data

This article refers to both workers and jobs. Those numbers differ because a single job can be held by more than one worker over a specific period, and one worker can hold multiple jobs.

For jobs data, we used the Quarterly Census of Employment and Wages and the Current Employment Statistics. For workers, we matched worker data the Department of Labor and Workforce Development collects through the state's unemployment insurance program with demographic data from Alaska Permanent Fund Dividend applications.

Because we included only those who were eligible for unemployment insurance and applied for a dividend, this analysis doesn't capture most nonresidents, who make up about 18 percent of the state's construction workforce. It also excludes those who didn't specify a gender, the self-employed, and federal civilian and military workers. We assigned workers with multiple jobs to the industry and occupation where they earned the most money.

The difference between women's and men's wages is influenced by many factors, including experience, training, education, hours worked, job and industry choice, and discrimination. Multiple studies have attempted to measure and explain the reasons for the wage gap. While that type of analysis is mostly outside the scope of this article, the data shown here suggest where further research could be promising.

The challenges of making these jobs more accessible to women

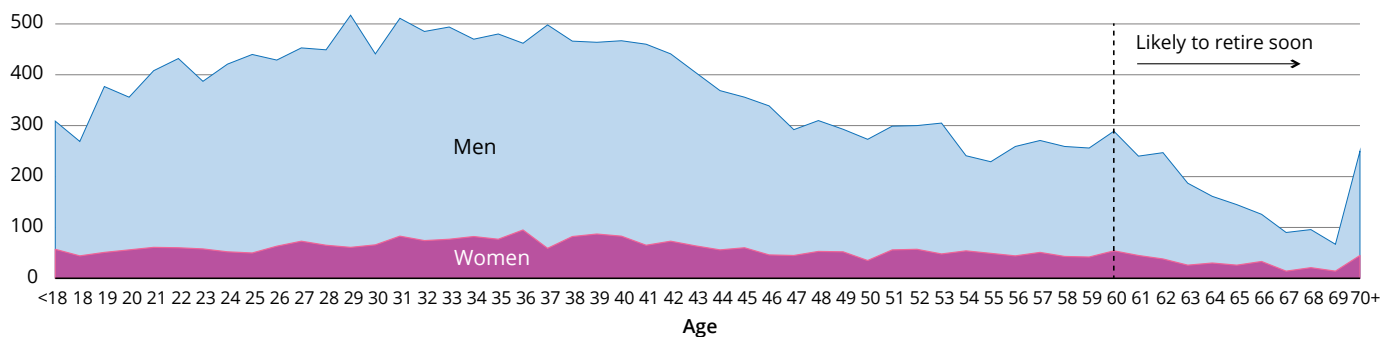
Unlike most major Alaska industries, where men and women work in fairly equal numbers, construction has long been the realm of men; only oil and mining are similarly tilted. Some of the reasons, such as simple occupational preference, are less likely to change, but addressing practical barriers to women working in construction could narrow the gap.

For example, women need appropriate personal protective gear such as hard hats, work gloves, and ear and eye protection. For a long time, "shrink it and pink it" was the approach to outfitting female construction workers — that is, take whatever personal protective gear men use and make it smaller and more feminine-looking. The Occupational Safety and Health Administration has confirmed what women already knew, though, that women are not just smaller versions of men, and equipment should be specific to their needs and proportions.

Worksites also need secure and designated bathrooms and an inclusive and safe culture. That includes protection from obvious harassment and discrimination, but women in construction also report feeling uncomfortable bringing problems to management's attention because they are indirectly or directly punished for doing so. Some remedies besides training include formal complaint processes and whistleblower protections.

Other obstacles affect all workers, but disproportionately women. Remote work sites and long

Men in construction are younger, but far more are headed for retirement, 2022



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

shifts discourage women with caretaking responsibilities, for example. The ability to take leave on short notice, paid or unpaid, is important to many women as they carry more of the burden with household interruptions from school, child care, or medical care.

While short seasons, tight timelines, and long commutes are often the nature of the work, increased flexibility when possible makes these occupations more accessible to women.

Finally, more women might consider construction if they are encouraged to enter training programs and apprenticeships and believe hiring procedures

will give them a fair shot. Employers can have blind application processes to avoid the distraction of name and gender when assessing an applicant. They can also guard against inadvertently limiting their female workers by automatically giving them the physically easier jobs.

A look at the women already working in construction

Even though Alaskan women are scarce in construction, almost 3,000 worked in the industry in 2022 and earned a combined \$136 million. (For

The top 20 federally funded infrastructure projects in Alaska

Location	Project	Amount
Statewide	National Highway Performance Program	\$362,707,359
Nome	Port of Nome	\$250,000,000
Statewide	Rural Ferry Service	\$209,000,000
ALCAN Border	ALCAN Border Station	\$187,000,000
Seward	Lowell Creek	\$185,000,000
Statewide	Surface Transportation Block Grant Program	\$176,452,228
Kodiak	USCG Base Kodiak Fuel Pier Upgrade	\$130,000,000
North Pole	Moose Creek Dam	\$88,000,000
Statewide, Anc, Fbx	FTA FY22 Apportionment	\$77,401,427
Statewide	Denali Commission	\$75,000,000
Anchorage	Port of Alaska	\$68,700,000
Calista Region	Calista for fiber across 10 villages	\$52,600,000
Statewide	Bridge Formula Program	\$45,000,000
Bethel, Platinum, Eek, Napaskiak, Oscarville	Bethel Native Corporation for fiber network	\$42,000,000
Kodiak	USCG Base Kodiak Housing	\$40,000,000
Kodiak	USCG Base Kodiak Childcare Development Facility	\$40,000,000
Statewide	Highway Safety Improvement Program	\$39,902,549
Statewide	Alaska Marine Highway System, FHWA Ferry Boat Program	\$35,625,580
Bristol Bay Region	Deploy fiber for the Bristol Bay region	\$34,885,420
Haines Borough, Hoonah Angoon Census Area, Skagway	Alaska Telephone Company fiber-to-premises network	\$33,017,636

Source: Office of U.S. Sen. Lisa Murkowski, projects funded by the Infrastructure Investment and Jobs Act

worker and occupational data, 2022 is the most recent full year available.)

Overall, women's wages in construction are about 75 percent of men's. Roughly half of the women work office jobs, where women earn more than men. However, the disparity in wages for nonoffice construction jobs — those in the field — is large enough to pull women's average wage in the industry down to the 75 percent level.

We found women in more than 171 construction-related occupations, but they were concentrated in a few. (See the tables on pages 5 and 6.) Two-thirds worked in 15 occupations, with almost all of the other occupations — 126 out of 156 — having fewer than 10 women each.

Of the top five construction jobs for women, four are in the office and just one is in the field: construction laborer.

Wage trends and the pay gap

The top jobs list also shows that when women make up the majority of an occupation's workers, the wage gap shrinks or even disappears. This is also the case in other industries, but the phenomenon is dramatic in construction.

Several types of jobs pay women more than men, but the earnings ratio was 73 percent for the top 15 occupations combined in 2022 — slightly less than for the overall industry. (The earnings ratio is the percentage of men's average wage that women earn for the same types of work. It's sometimes expressed as "women in construction make 75 cents on a man's dollar.") Occupations with a large pay gap and significant numbers of men — for example, carpenters, construction workers, and construction managers — pull down the female earnings ratio for the top 15 jobs.

Eight of the top 15 jobs for women paid more than average for women in construction overall, which was \$46,095 a year. These include physically

demanding jobs such as operating engineers, electricians, and construction managers.

Women working as construction managers made \$78,758 on average and operating engineers (think heavy equipment operators) brought in \$61,575. Although women in these positions made the most money, the construction managers earned just 67 percent of what men made in that job and operating engineers earned 75 percent.

Women made a relatively strong showing as construction laborers (410 workers), operating engineers (129), carpenters (68), and electricians (56), but they still only represented between 3 and 11 percent of those occupations.

What the age distribution shows

Women in construction are slightly older than men on average (40.4 years and 39.3, respectively, in 2022), with the disproportionate number of office workers pulling up women's average age. However, it isn't just office workers. Construction laborer was the largest occupation overall for both men and women, and the women averaged 2.2 years older.

In other field work, however, women working as operating engineers and carpenters averaged four years younger than the men. Among electricians, women were seven years younger. A significant age gap suggests women in these jobs are less experienced and may earn less as a result, but it also shows women are increasingly entering those fields.

In the oldest age group, those 60 and older, 85 percent of the 2,244 workers were men. That split is similar to the industry overall, but it's worth noting that 10 percent of the construction workforce is 60 or older, so the industry will continue to need a pipeline of younger workers of both genders to meet demand.

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An overview of Alaska's construction industry

The construction industry in Alaska represents just 5 percent of total jobs, similar in size to the oil and gas industry. Both are small but pay much higher-than-average wages. Alaska's average 2022 wage was \$64,706, and construction paid 31 percent more at \$85,035. (Oil and gas paid a whopping 140 percent more, at \$155,074 on average.)

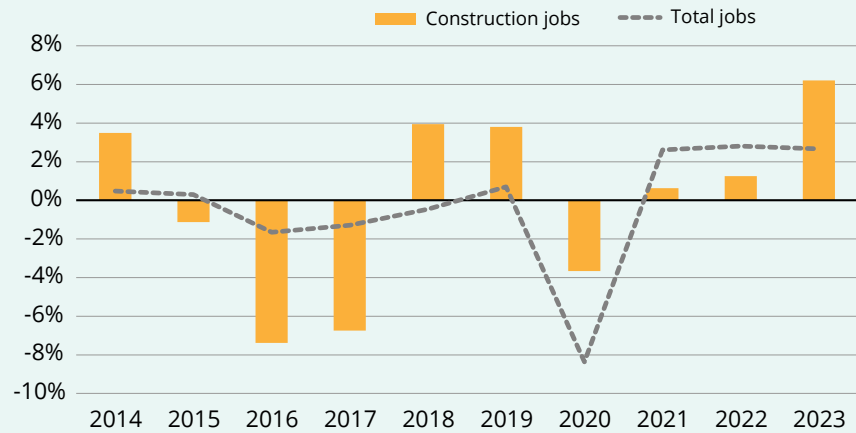
Construction's job count peaked in 2005 at 19,100, around the same time home building hit a high, although housing is just one category. In the most recent decade, 2014 was the high at 17,800 jobs.

The statewide recession that followed hit construction especially hard, but the industry also pulled out of the hole faster than the overall economy. In 2016 and 2017, construction's job losses were four and five times steeper than all industries combined, but growth resumed the following year with extra private spending in the oil and gas sector (the same sector that precipitated that recession). The next year, earthquake repairs in Southcentral added to the growth from oil and gas and national defense spending.

The industry lost 4 percent of its jobs when the pandemic hit in 2020, but it added back small numbers of jobs over the next two years and then boomed in 2023 to an eight-year employment high. (See the main article for more on recent job counts.) While 2024's forecast is similarly high — another 1,000 jobs and billions more in spending — the outlook further into the future, after the current infrastructure and extraction spending winds down, is muted.

The industry is split into three major categories: heavy and civil engineering construction (roads, bridges, dams, etc.), construction of buildings (residential and nonresidential), and specialty trade contractors

Construction hit during recession, less during COVID



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

(electric, plumbing, tile, etc.). Specialty trade contractor is by far the biggest group, with 7,271 jobs in 2022, followed by the construction of buildings with 5,094 jobs, and then heavy construction at 3,749.

The national distribution is similar but with a higher percentage of companies listed as specialty trade contractors, likely because Alaska companies act more as general contractors on projects.

Heavy construction pays the highest wages, followed by construction of buildings. That's because heavy construction is often at remote work sites, mainly outdoors, and relies on heavy equipment with a shorter season that often requires overtime.

July's construction job count is more than 40 percent higher than January's, and that seasonality combined with remote work and the need for specialized skills requires additional nonresident labor.

In recent years, nonresidents made up about 18 percent of the industry, bringing an additional 4,500 workers into the state each year. That percentage used to be higher, though, and it's likely to go up again over the next few years with the increase in projects and competition for more workers.

How private, public jobs interact

Government, private employment tend to grow together

By DAN ROBINSON

Economies are a complicated blend of relationships, and one way to understand them better is to look at how different parts have interacted historically. The relationship between private-sector and government jobs, for example, has mostly followed a few basic patterns.

From 2014 to 2019, private-sector jobs in the U.S. consistently grew at a higher rate than government jobs (see the sidebar on page 13 for what's included). Pandemic-related disruptions hit the private sector hard in 2020, causing losses twice as severe as in government.

Private-sector employment rebounded strongly in 2021 and 2022, and government jobs resumed growing in 2022, although at a much slower rate. In 2023, the private sector and government both continued to add jobs but government growth was slightly stronger.

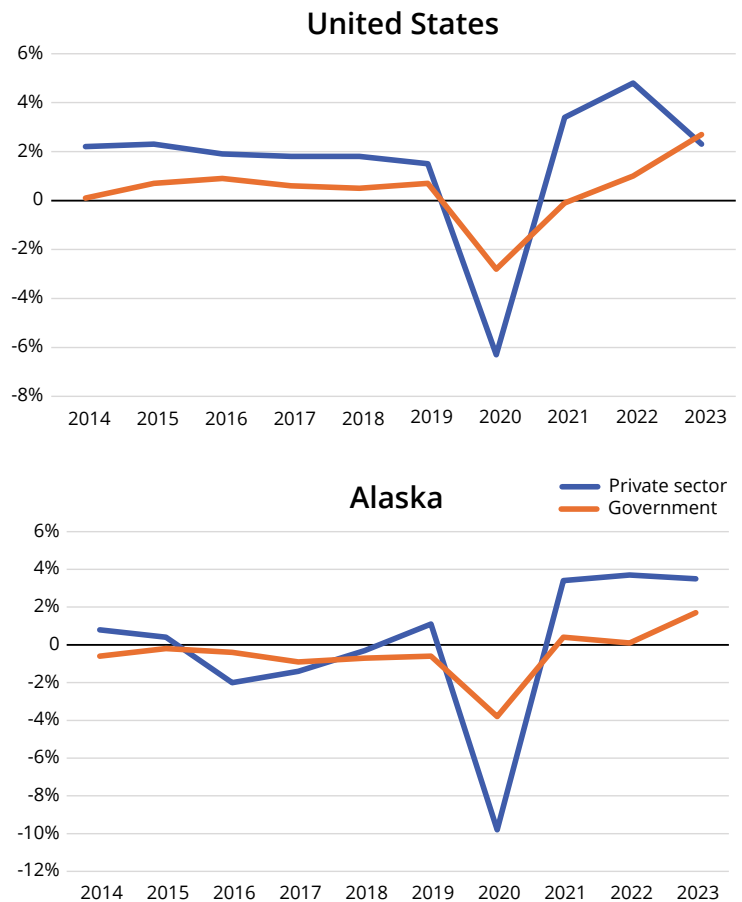
Alaska, for its part, had a weaker decade for job growth than the nation, although some of the same relationships were visible nationally, including a blow to the private sector during the pandemic followed by rapid growth over the three years that followed.

Two observations from the data

An analysis of U.S. and the 50 states' job numbers over the last several decades shows government and the private sector are far more likely to grow or decline together than to move in opposite directions. The relationship is not zero-sum, in other words, but complementary.

Another observation, specific to Alaska, is that state government job declines were unusually large relative to the private sector in the last decade.

Public, private job growth in Alaska, U.S.



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

A long-term trend for the U.S.

Government as a share of total U.S. employment peaked in the mid-1970s. In 1975, a little over 19 percent of the nation's jobs were in federal, state, or local government.

That percentage has steadily declined since, and by 2023 it was 14.6 percent. The largest category was local government at 9.3 percent followed by 3.4 percent in state government and 1.9 percent in federal government.

Private-sector growth by state, 2014 to 2023

Rank	State	Avg annual growth
1	Idaho	3.3%
2	Utah	3.2%
3	Nevada	3.0%
4	Florida	2.9%
5	Arizona	2.8%
46	Vermont	0.2%
47	Wyoming	0.1%
48	Alaska	-0.1%
49	West Virginia	-0.2%
50	N Dakota	-0.2%

Government job growth by state, 2014 to 2023

Rank	State	Avg annual growth
1	Utah	1.6%
2	Colorado	1.6%
3	Nevada	1.6%
4	Texas	1.0%
5	Idaho	1.0%
46	Pennsylvania	-0.5%
47	Kentucky	-0.5%
48	Alaska	-0.5%
49	Connecticut	-0.5%
50	Louisiana	-0.7%

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

Alaska's long-term trend is similar

Alaska has followed a similar trend, with private-sector job growth generally exceeding that of government, resulting in a steady decline in the government percentage of the state's total employment.

Government has long represented a higher percentage of Alaska's jobs than in most states or the nation. In 2023, 24 percent of Alaska's employment was in government: 4.6 percent federal, 7 percent state, and 12.3 percent local.

State rankings show private sector, government job link

The three states with the highest average annual private-sector job growth in the last decade — Idaho, Utah, and Nevada — were also in the top five for government job growth (see the tables above). Texas' private-sector growth was sixth-highest and its government growth ranked fourth.

At the other end of the spectrum, Alaska ranked 48th for private-sector job growth and 48th for government. Three of the four other states in the bottom five for the private sector — West Virginia, Wyoming, and Vermont — also ranked in the bottom third for average yearly government job growth.

How different parts of government connect to the private sector

Federal employment is the least connected to the

private sector. Overall, private-sector jobs in the U.S. have increased 114 percent since 1975 and federal employment was essentially flat, growing just 1.5 percent in 48 years.

Declines in federal employment don't necessarily equate to federal spending decreases, though, which is important to remember at the state and local levels as well. Many functions once performed by governments have been privatized since the 1970s.

At the state level, federal jobs wax and wane for a variety of reasons, most not directly related to the health of a state's private-sector job market. Virginia and Maryland both benefit from their proximity to Washington, D.C., and the federal jobs that cluster around the nation's capital. Federal research facilities like the Los Alamos National Laboratory in New Mexico are another example.

Alaska has a higher share of federal employment than most states because of its extensive federal land ownership, national parks, and military facilities, including large Coast Guard bases. Although active-duty military is not counted in the federal government's job numbers, related federal civilian workers are.

State and local government jobs more tied to private sectors

Because the bulk of state and local government revenues come from property, personal income, and sales taxes, there's a natural connection between private-sector health and growth or decline in state and local government jobs.

A thriving private sector tends to attract people to a city or state, creating a need for more government services such as schools, roads, and police and fire protection. The costs of those extra services are partly paid by the increased tax revenue a growing private sector generates.

The relationship shouldn't be oversimplified or assumed to be one-directional. While private-sector growth often creates the revenue needed to fund the government services it requires, high-performing schools and public universities, good infrastructure, and safe and functional cities and neighborhoods also help create private-sector jobs.

Alaska's local governments resemble other places

With a few exceptions, local governments in Alaska are funded like they are elsewhere, with property tax revenue and, in some places, local sales taxes. As a result, Alaska's local government job count tracked with the private sector over the last decade: a 2.3 percent loss of private-sector jobs and a 1.2 percent drop in local government.

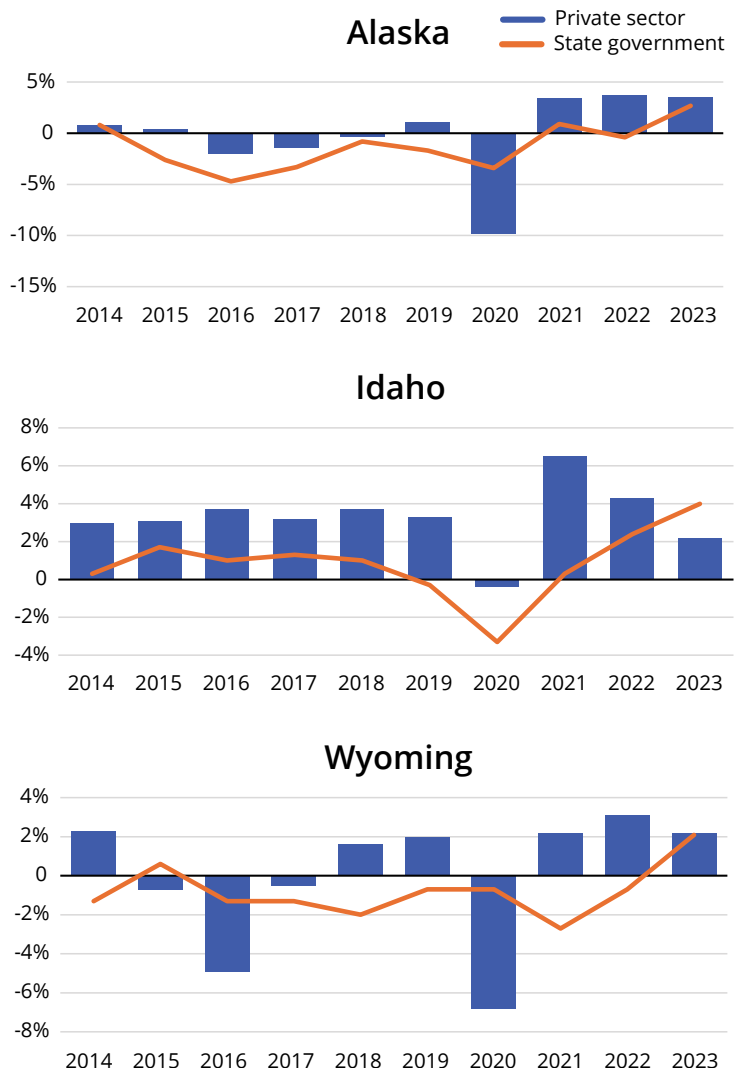
One outlier is the North Slope Borough. Despite a 37 percent decline in private employment from 2014 to 2023, the borough's local government job count fell by less than a percent.

The dominant share of the borough's revenue comes from property taxes on the high-value North Slope oil and gas infrastructure, including pipelines, rather than the residential property taxes that fund most local governments. Another reason for the dissonance is that most of the borough's private-sector jobs are held by people who don't live in the borough. Consequently, the ups and downs in those jobs have little direct, short-term effect on the borough's population and the demand for services.

Our state government stands out

Although there are plenty of exceptions, the most typical relationship between a state's private sector and state government jobs is for state

State government and private job growth



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

government to grow slower than the private sector when it's adding jobs and to fall less than the private sector when the private sector is cutting jobs.

States with strong private-sector growth over the last decade also tended to have stronger-than-average state government job growth. Idaho, for example, added 34 percent to its private sector over the decade and 8 percent to its state government job count. (See the exhibits above.)

Interestingly, though, Idaho's state government growth rate kicked up to its highest level over the decade in 2023, exceeding private sector growth that year for the first time in the decade. That suggests the demand for more state government

services has accelerated as a strong Idaho economy produced equally strong population growth.

Idaho has a state income tax as well as a state sales tax, which generate about 80 percent of its total revenue. Most relevantly, those revenues grew as the state's private sector grew: state income tax revenue climbed from \$1.7 billion in 2014 to \$2.8 billion in 2023 and state sales tax revenue rose from \$1.4 billion in 2014 to \$3.1 billion in 2023.

Alaska's state revenue picture is quite different. As the only state without a statewide income or sales tax — Alaska eliminated its statewide income tax in 1980 — Alaska relied for decades almost exclusively on oil taxes and other oil-related revenue.

Beginning in 2019, after a decline in oil-related revenue, the state used a portion of the investment returns generated by its nearly \$80 billion Alaska Permanent Fund to help fund state government. That revenue is now the largest share of the state's total.

Unlike state income or sales taxes, neither oil-related revenue nor investment-related revenue from the Permanent Fund are directly connected to growth or decline in the state's private sector. Investment returns have almost no connection to the factors that drive private-sector job growth in Alaska and oil-related revenue has only a weak link.

One result is that state government jobs fell 13 percent over the last decade, significantly more than the 2 percent decline in private-sector employment. That ran counter to the nationwide pattern for state

What government includes

The job numbers in this article do not include the military. They do include state university and K-12 public school employment in state and local government numbers. They also include jobs in hospitals and other facilities when they are owned and operated by state or local governments.

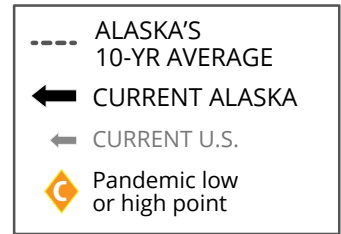
government jobs to grow slower than the private sector during good years and to decline less than the private sector during economic downturns.

Wyoming's connection between its private sector and state government job count is a hybrid of Idaho's and Alaska's. Unlike Alaska, Wyoming has a statewide sales tax, but like Alaska, it also relies on resource-related taxes and royalties as well as investment revenue from its much smaller Wyoming Permanent Fund.

Private-sector job losses in Wyoming generally corresponded with down years for state government, although unlike Alaska, in the years Wyoming had private-sector losses, its state government losses were much smaller. Similar to Alaska, the private sector and state government both grew in 2023 after a few years of relatively stable oil and gas prices.

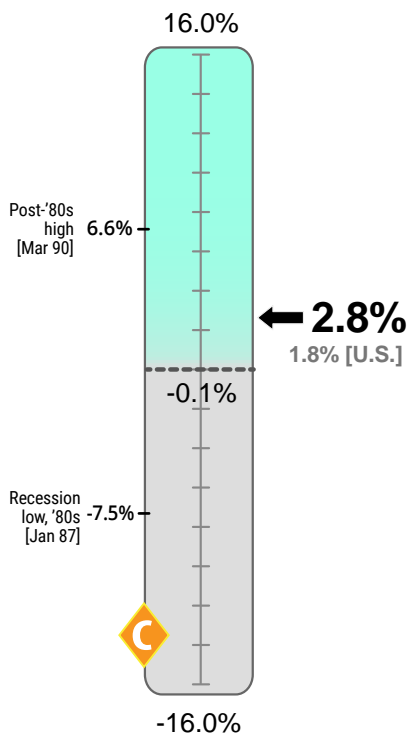
Dan Robinson is chief of the Research and Analysis Section. Reach him at (907) 465-6040 or dan.robinson@alaska.gov.

Gauging The Economy



Job Growth

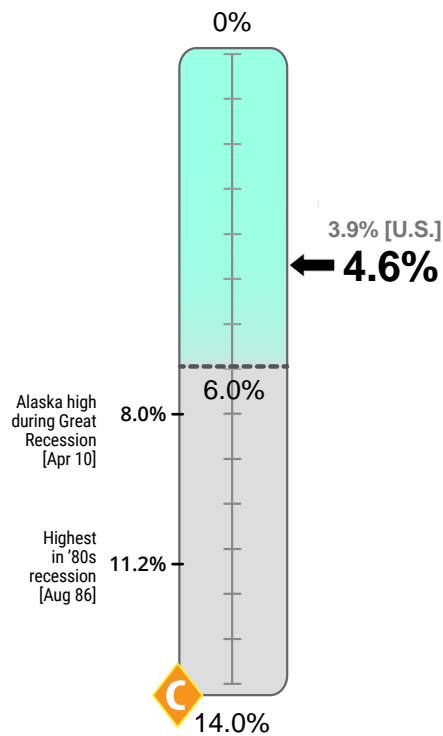
April 2024
Over-the-year percent change



Alaska's April employment was 2.8 percent above last April while national employment was up 1.8 percent over the same period.

Unemployment Rate

April 2024
Seasonally adjusted

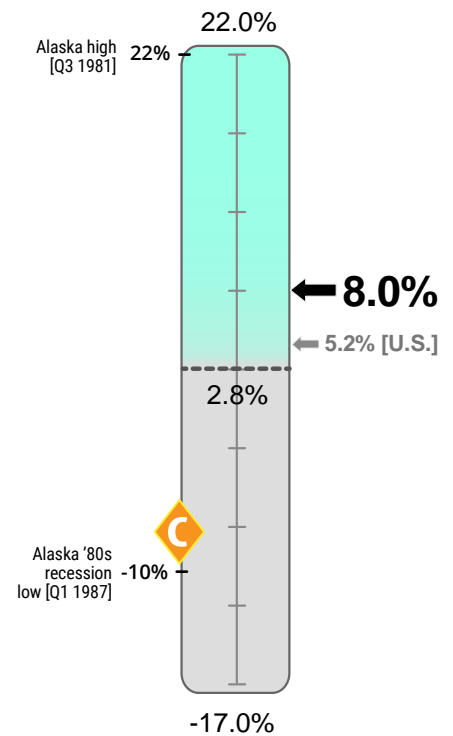


Alaska's unemployment rate was less useful as an economic measure during the pandemic and its aftermath because of data collection difficulties.

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

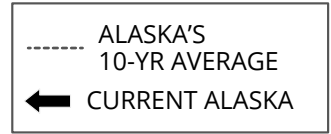
4th Quarter 2023
Over-the-year percent change



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

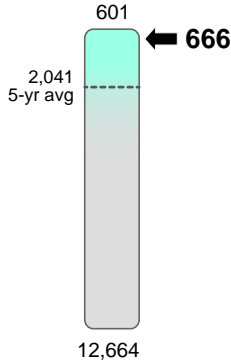
Wages were up 8.0 percent from year-ago levels in the fourth quarter of 2023 and 20.3 percent above fourth quarter 2019.

Gauging The Economy



Initial Claims

Unemployment, week ending May 11, 2024*

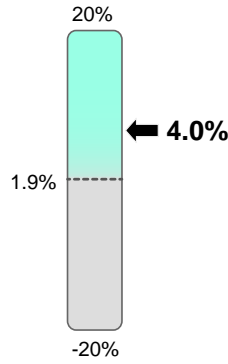


Unemployment claims jumped during the pandemic as many businesses shut down or limited services. Pandemic-driven claims loads have fallen, and new claims for benefits are well below their long-term average.

*Four-week moving average ending with specified week

GDP Growth

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

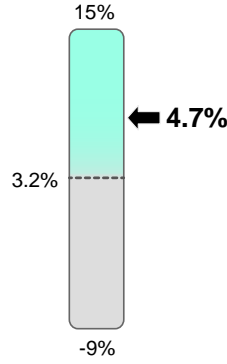


Gross domestic product is the value of the goods and services a state produces. It's an important economic measure but also a volatile one for Alaska because commodity prices influence the numbers so much — especially oil prices.

*In current dollars

Personal Income Growth

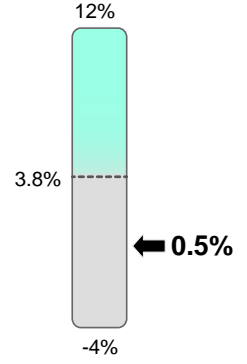
4th Quarter 2023
Over-the-year percent change



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

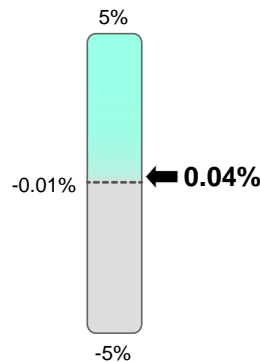
Single-family, percent change from prior year, Q4 2023



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

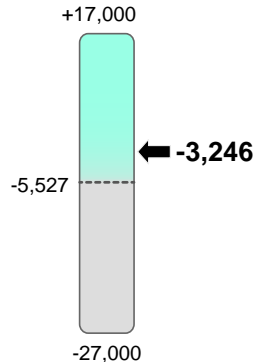
2022 to 2023



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

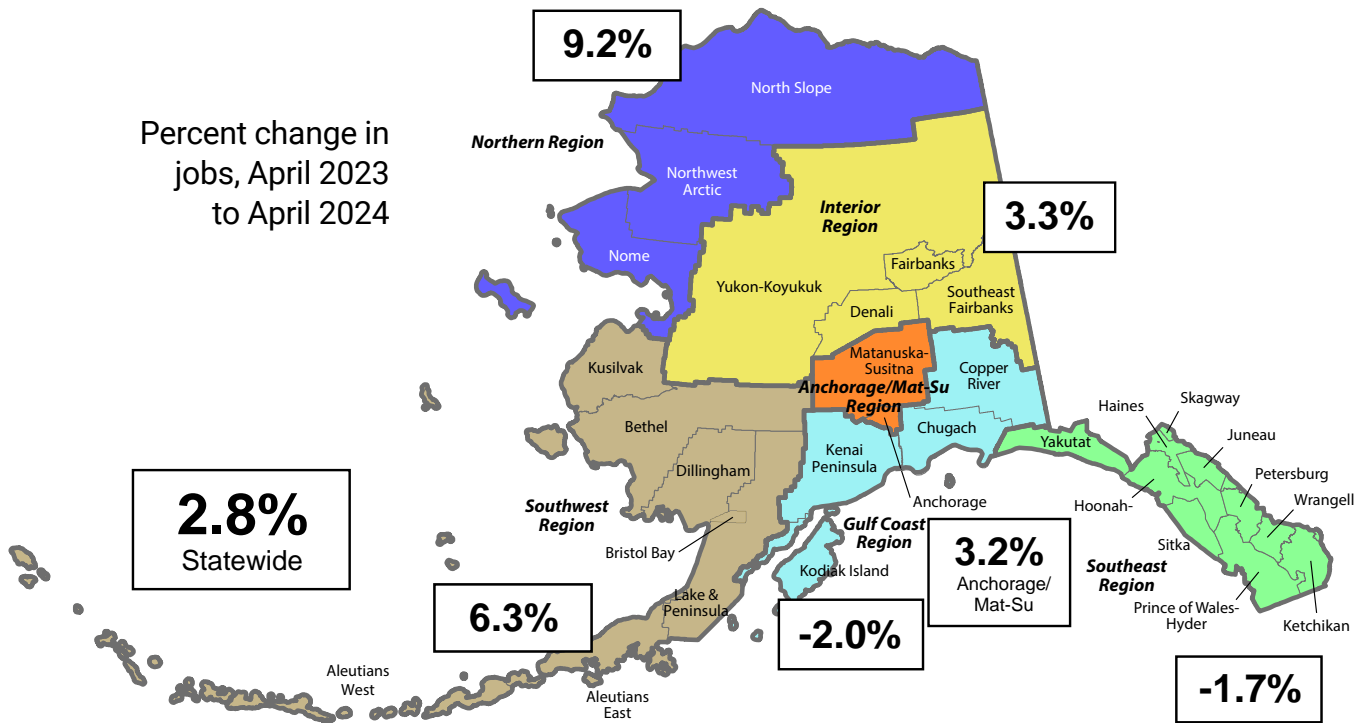
2022 to 2023



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

Percent change in jobs, April 2023 to April 2024



Unemployment Rates

Seasonally adjusted

	Prelim.		Revised
	4/24	3/24	4/23
United States	3.9	3.8	3.4
Alaska	4.6	4.6	3.9

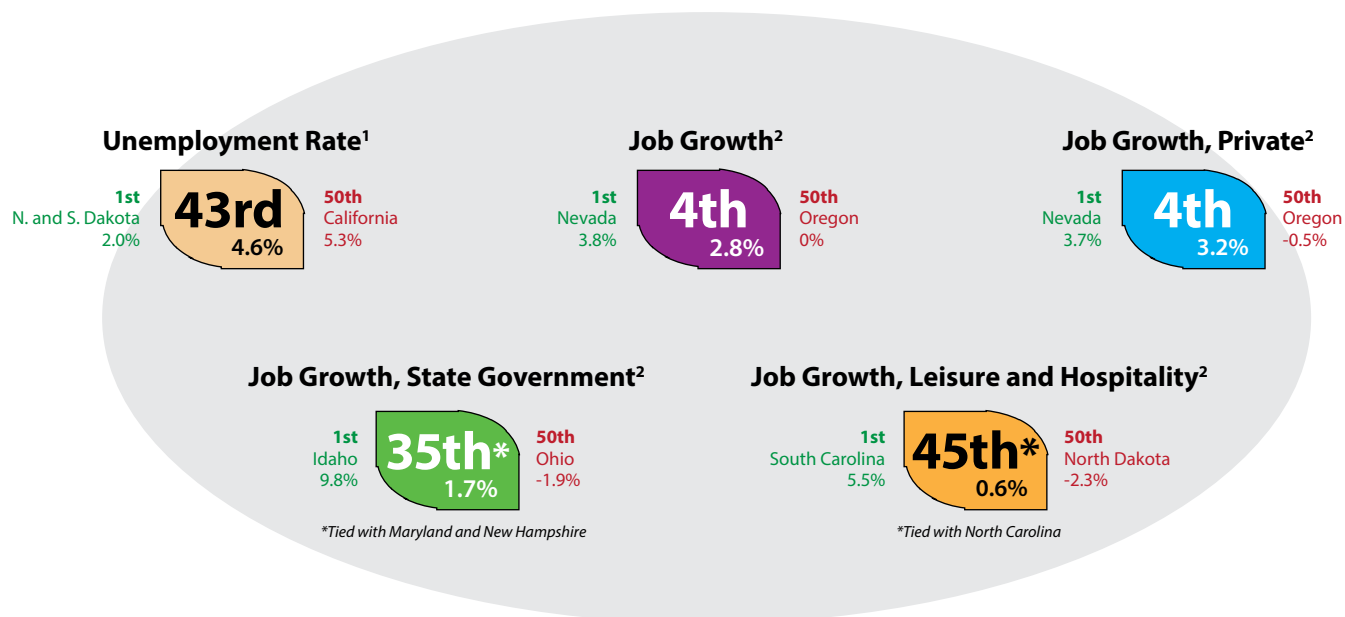
Not seasonally adjusted

	Prelim.		Revised
	4/24	3/24	4/23
United States	3.5	3.9	3.1
Alaska	4.5	4.8	4.0

Regional, not seasonally adjusted

	Prelim.			Revised				Prelim.			Revised			
	4/24	3/24	4/23	4/24	3/24	4/23		4/24	3/24	4/23	4/24	3/24	4/23	
Interior Region	4.4	4.6	4.0				Southwest Region	7.8	7.8	6.9	Southeast Region	4.1	4.7	3.5
Denali Borough	8.7	12.9	8.6	Aleutians East Borough	2.5	2.5	1.9	Haines Borough	7.9	11.2	6.7			
Fairbanks N Star Borough	4.0	4.0	3.6	Aleutians West Census Area	3.2	2.1	2.9	Hoonah-Angoon Census Area	5.6	9.7	4.9			
Southeast Fairbanks Census Area	5.7	6.5	4.7	Bethel Census Area	10.0	11.0	9.1	Juneau, City and Borough	3.2	3.3	2.5			
Yukon-Koyukuk Census Area	9.5	10.8	9.3	Bristol Bay Borough	4.6	7.2	4.7	Ketchikan Gateway Borough	4.0	4.6	3.6			
Northern Region	7.6	7.9	7.0	Dillingham Census Area	7.2	8.2	5.7	Petersburg Borough	4.7	7.1	4.9			
Nome Census Area	8.1	8.8	7.2	Kusilvak Census Area	14.5	15.9	13.4	Prince of Wales-Hyder Census Area	7.2	8.4	6.5			
North Slope Borough	5.2	4.6	4.5	Lake and Peninsula Borough	7.4	6.8	6.0	Sitka, City and Borough	3.3	3.0	2.8			
Northwest Arctic Borough	9.7	10.3	9.4	Gulf Coast Region	5.2	5.8	4.5	Skagway, Municipality	9.0	15.2	5.2			
Anchorage/Mat-Su Region	4.1	4.2	3.5	Kenai Peninsula Borough	5.2	5.8	4.5	Wrangell, City and Borough	5.4	5.3	4.7			
Anchorage, Municipality	3.8	3.8	3.2	Kodiak Island Borough	4.0	3.5	3.5	Yakutat, City and Borough	6.4	8.2	4.9			
Mat-Su Borough	5.1	5.6	4.5	Chugach Census Area	7.0	8.4	4.7							
				Copper River Census Area	8.3	10.6	8.7							

How Alaska Ranks



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

¹April seasonally adjusted unemployment rates

²April 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	\$89.05 April 2024	\$82.83	+7.5%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	\$1.79 April 2024	\$2.20	-18.6%
Gold, per oz. COMEX	\$2,392.90 5/22/2024	\$1,977.20	+21.0%
Silver, per oz. COMEX	\$31.50 5/22/2024	\$23.86	+32.0%
Copper, per lb. COMEX	\$4.85 5/22/2024	\$3.69	+31.6%
Bankruptcies			
Business	49 Q1 2024	52	-5.8%
Personal	7 Q1 2024	4	+75.0%
Unemployment insurance claims			
Initial filings	42 Q1 2024	48	-12.5%
Continued filings	3,703 April 2024	3,395	9.1%
Claimant count	21,156 April 2024	23,188	-8.8%
	5,580 April 2024	6,277	-11.1%

*Department of Revenue estimate

Sources for this page and the preceding three pages include Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; U.S. Energy Information Administration; Kitco; U.S. Census Bureau; COMEX; NASDAQ; Alaska Department of Revenue; and U.S. Courts, 9th Circuit

EMPLOYER RESOURCES

Incumbent worker training funds available for employers

Did you know that the Department of Labor and Workforce Development provides eligible employers with funds for incumbent worker training? IWT can make your business more competitive by ensuring your employees have the necessary skills to keep a job or advance. IWT also increases productivity and profits, helps grow your company, prevents layoffs, and reduces turnover. It can benefit your workers by providing advancement opportunities, industry-recognized credentials, and transferrable skills.

Incumbent worker training is flexible to meet your workforce development needs. For example, employers may use IWT funds to pay for training to upskill their current employees to operate new machinery or software. Entrepreneurs may use funding to learn specific skills to expand their business so that they can hire additional employees.

To qualify, training must be completed within the fiscal year, which runs from July 1 through June 30, with one IWT grant per year. Employers contribute to the program based on their number of employees, so an employer with 50 or fewer workers would contribute as little as 10 percent of the training costs, and wages paid during training would count toward their contribution.

For more information, employers can visit <https://labor.alaska.gov/dets/iwtp.htm> or contact dol.iwt@alaska.gov.

Employer Resources is written by the Employment and Training Services Division of the Alaska Department of Labor and Workforce Development. The incumbent worker training program is 100 percent funded by the U.S. Department of Labor through an award of \$9,969,063.