

# Wages outpace inflation again

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

By KARINNE WIEBOLD

**J**obs and earnings in Alaska have both risen over the last four years.

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

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

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

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

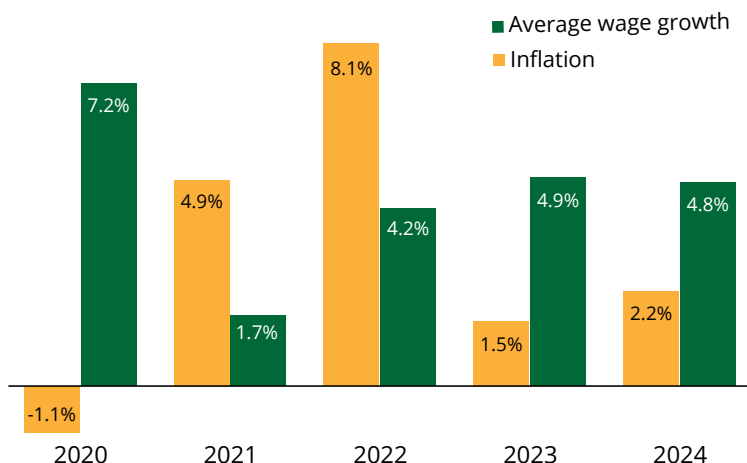
Statewide, total wages grew by \$1.5 billion from 2023 to 2024, and Alaska added 5,993 jobs. Because total wages increased more than the number of jobs, the average wage also went up.

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

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

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

### Alaska wage growth outpaces inflation



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

### Extraction areas stood out while seafood-based areas struggled

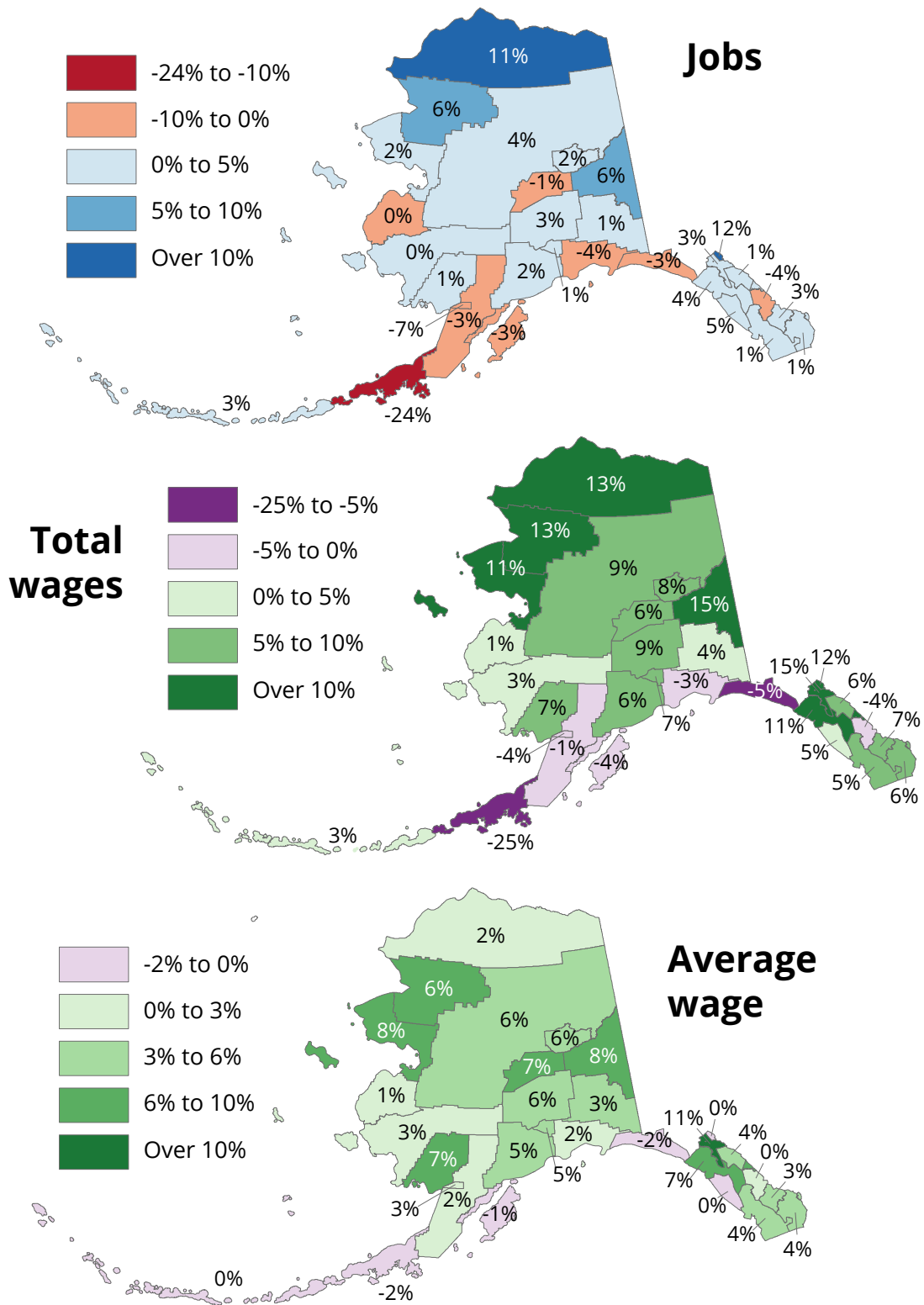
Rural areas with extraction-based economies grew the most in 2024. The Northwest Arctic Borough, the North Slope, and the rural area southeast of Fairbanks were the top performers in job and wage growth.

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

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

Anchorage's job growth lagged the state average

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



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

## Change in jobs and wages by area from 2023 to 2024

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

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

slightly, but its average wage rose 5 percent.

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

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

### Tourism, major projects, and health care drove growth

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

257 jobs after adding 1,507 the previous year.

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

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

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

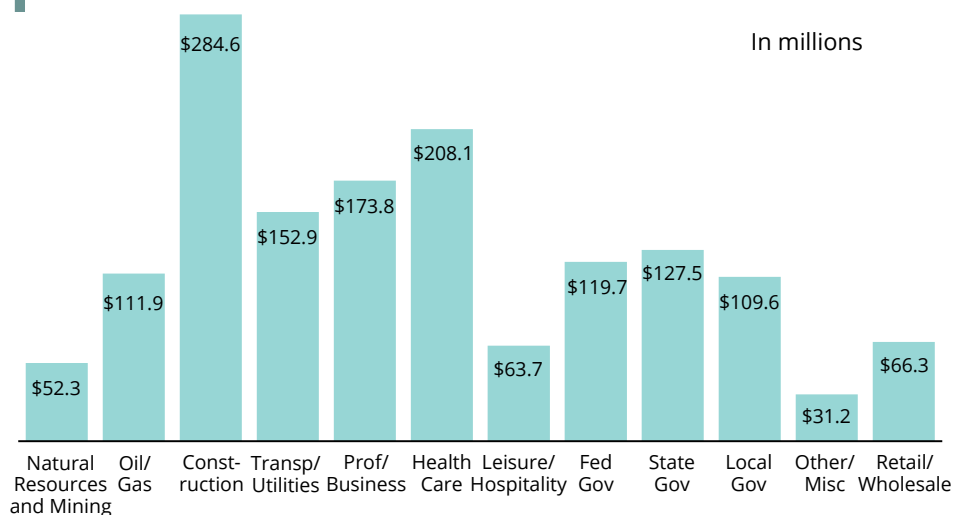
Oil and gas projects, including Willow and Pika, and federal infrastructure projects lifted

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

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

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

## Industry contributions to total wage growth, 2023-24



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

of the heavy construction growth.

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

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

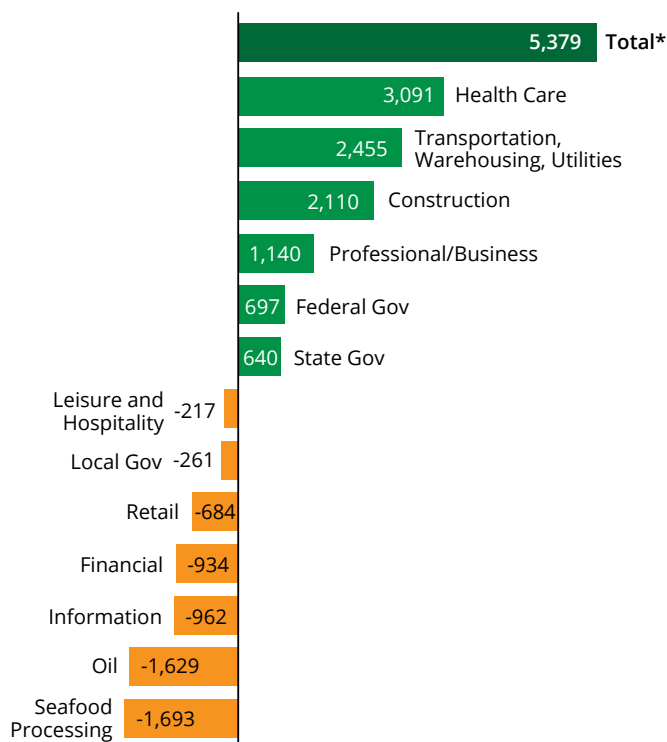
The oil and gas industry added 724 jobs over the year (10 percent) and paid 8 percent more in total wages. Although its average wage decreased by about 1 percent, this industry has the state's highest average yearly wage at \$181,205 — more than double the overall average.

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

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

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

## Difference in jobs by Alaska industry from 2019 to 2024



\*The select industries below do not sum to this total.

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

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

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

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

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

### A handful of industries lost ground

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

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

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

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

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

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

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