The class of 2005, 16 years later

Continuing to track 6,000 Alaska high school graduates

By DAN ROBINSON and JOSHUA WARREN

What happens to the thousands of Alaska high school students after they graduate is an important economic question, given that much of the state's future workforce will come from that group.

To understand Alaskans' post-high school paths and what they might mean for the state, we have tracked the class of 2005 over the last 16 years, first looking at their whereabouts five years after graduation (see the June 2012 issue of *Trends*) and then again in <u>April 2017</u> to find out what types of education they pursued, the careers they chose, and ultimately whether they had stayed in or returned to Alaska.

We now know even more about the 6,000 people who graduated high school in 2005 and are now in their mid-30s. They have had time to try different types of work, advance in their careers, and make longer-term choices about where to live. (See the sidebar on page 6 for more details on the data used in these types of longitudinal studies.)

Alaska class of 2005 status in 2021



*Can't distinguish self-employment within the "not working" group **Source:** Alaska Department of Labor and Workforce Development, Research and Analysis Section

Just over half are still here, with the vast majority working

Of the entire class of 2005, 78 percent had attended college at some point and 37 percent had obtained an associate or bachelor's degree. Sixty



How much the Alaska class of 2005 has earned on average, by education level

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

Residency for the class of 2005 who graduated college



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

percent graduated from an Alaska college or university and 40 percent earned degrees outside of the state.

As of 2021, 52 percent of the class — 3,140 — were still Alaska residents or had returned to the state. Eighty-three percent of these residents were working for an Alaska employer.

About 540 (17 percent) were living in Alaska in 2021 and not working for an Alaska employer, although we can't discern whether they were self-employed.

Earnings varied by educational level, but the trajectory differed

College graduates working in Alaska earned an average of \$70,642 in 2021. Those who did not attend college averaged \$49,284 and those who went but hadn't completed a degree by 2021 made slightly more at \$52,270.

The eventual college graduates began their post-high school lives making less than their peers. That's what we would expect, as they were

likely working temporary and often part-time jobs during college while the high school graduates who went straight to work would have been more likely to work full-time jobs, some of which would become careers.

That relationship continued without much change through 2009, which was the year the largest number completed their degrees. (Note that degrees for this article include two-year associate degrees. See the sidebar on page 6.)

In 2010, average earnings kicked up noticeably for the college graduates as many began their first post-school jobs, then increased at a faster rate from that point on.

A fourth who got out-of-state degrees returned to Alaska

Not surprisingly, those who graduated from Alaska colleges were more likely to remain residents than those who left for out-of-state schools. (The Alaska institutions included in this data set are all the campuses in the University of Alaska system, Alaska

Pacific University in Anchorage, and Ilisagvik College in Utqiagvik.)

In the first year after high school, 92 percent of the students who would eventually obtain degrees out of state remained Alaska residents. This is common because Alaskans who attend college full-time outside Alaska are eligible to continue receiving Alaska Permanent Fund Dividends. The rule is that

The first year after high school, 92% who went to college out of state remained residents, likely because of the PFD.

> anyone absent from Alaska for more than 180 days in a year isn't eligible for a PFD, but college is an allowable absence. (We use PFD eligibility to determine residency for this type of research.)

The residency percentage declined steadily during the first four years after high school, and at the five-year mark — the first year after college graduation for many — the decline in residency became

About the graduate data

The Alaska Department of Labor and Workforce Development's Research and Analysis Section has collaborated for years with the Alaska Department of Education and Early Development and the University of Alaska to research the connections between education and the workforce.

We also combine student and workforce data with applications for Alaska's Permanent Fund Dividend to determine residency status, a tool that's unique to Alaska because no other state has anything like the PFD program.

We track attendance at and graduation from out-ofstate colleges through the National Student Clearinghouse, an educational nonprofit that provides student data for 3,600 U.S. colleges and universities (nearly all).

College degrees include associate

For this article, a college graduate is someone who received a degree at any of those institutions, including associate degrees, although the number of associate degrees is much smaller than the number of bachelor's degrees.

This article does not cover the thousands of high school graduates who pursue other types of postsecondary training, including an apprenticeship program or military service. Where possible, we will examine those pathways in future articles, although the available data are less comprehensive and accessible.

Why training programs aren't covered

Information about apprenticeship programs approved by the U.S. Department of Labor is the most robust and is available for individual attendees (as opposed to just aggregated numbers). For past coverage of apprenticeships, see the <u>March 2016</u> issue of *Trends*. We will cover that topic again, as the number of apprenticeship programs in Alaska has been growing.

Comprehensive individual data are not available for Alaska high school graduates who join the military or pursue other postsecondary training (for example, to become truck drivers, float plane pilots, chefs, or massage therapists). That type of posthigh school training also contributes significantly to Alaska's workforce needs, however, and efforts are ongoing to quantify those recipients and their participation in the workforce. more pronounced, dropping from 68 percent to 49 percent as many took jobs outside Alaska.

Residency rates continued to decline for several more years, then almost leveled off from 2013 through 2021, declining gradually from 31 percent to 25 percent. This suggests that although many out-of-state grads have stayed out of state to find work, most of those who returned to Alaska have stayed after that initial decision to return.

Alaska grads more likely to stay, but residency pattern is unusual

It's no surprise that someone who attended an Alaska college or university would be more likely to stay and work here over the next 16 years, but their residency rates and how they compare to the outof-state grads are revealing.

While the drop in residency for out-of-state graduates began to level off nearly 10 years ago, the residency rate for Alaska college graduates has continued to decline every year, ultimately dropping to 55 percent in 2021. For those who graduated from out-of-state colleges, the decline from 2013 to 2021 was just 6 percentage points. Alaska graduates' residency rate fell 21 percentage points over that same period.

One likelihood is that once students who get a degree outside return to Alaska and take a job, they've made a relatively firm decision that this is where they want to live and work. They've spent time outside, seen what it's like to live elsewhere, and then chosen to return.

In-state college graduates, though more likely to be Alaska residents in all the years measured, have not had such an obvious experience outside Alaska. More of them may continue to weigh staying in Alaska relative to the alternatives.

If Alaska's current trend of negative net migration were to shift back to positive, the residency percentages for both in-state and out-of-state college grads would probably shift upward.

Alaska has unusually large migration flows in both directions, and the role people with Alaska roots who left would play if net migration turned positive is an intriguing question. Would they be more likely to come back in the way diaspora often return to what they consider home when there's opportunity? Or would they be less likely to return because

Where college-bound 2005 Alaska high school graduates went to school



their decisions to leave Alaska were based on reasons that don't change, such as a desire for a warmer climate, closeness to family, or career opportunities only available elsewhere?

Where the high school class of 2005 went to college

Twenty-two percent of the 2005 Alaska high school grads who received their degrees from out-ofstate colleges and universities went to either Washington or Oregon. The next largest numbers went mostly to other western states, with small exceptions for Texas, Minnesota, and Florida. Following Washington and Oregon in order of popularity were Arizona (8 percent), California (8 percent), Colorado (5 percent), Idaho (5 percent), Texas (4 percent), Utah (4 percent), and Montana (3 percent). (See the map above.) We looked at whether students were more or less likely to return to Alaska from different states. The return percentages were highest for students who went to lowa, Montana, Arizona, and Hawaii. Oregon and Washington graduates were also more likely than average to return to Alaska, although by a slightly smaller margin. The states from which students were least likely to return included Florida, Indiana, West Virginia, Maryland, New York, and Utah.

While the reasons are speculative, states in the low-return list are farther away and have less in common with Alaska. Life in Florida or New York, for example, would have little resemblance to life in Alaska in terms of population density and, especially for Florida, climate. For some of the states, economic growth likely played a role, too (Utah and Florida).

The reason Oregon and Washington graduates are somewhat less likely to return relative to a handful

of other western states, despite being closest, may be that remaining in those states is an easy transition for some Alaskans, as the geography and climate are similar.

The types of jobs they're working in Alaska, by educational level

The class of 2005 held a wide range of jobs in 2021.

The largest number of college graduates worked in a broad occupational group called "health care diagnosing or treating practitioners," which includes everything from dentists and pharmacists to nurses and doctors. Those workers earned an average of \$97,432 in 2021.

The next-biggest categories for those with degrees were teachers, engineers, and a catch-all manager category. (See the list in the table on the next page.)

Among those who didn't attend college, the largest number worked in construction trades, a category that includes carpenters, equipment operators, electricians, and plumbers. Many of these workers trained after high school to do that work, but as the sidebar on page 6 notes, information on training is hard to come by.

For those who attended some college but didn't graduate, the largest number worked in that same group of occupations.

What we can learn from the data and where to go from here

This type of longitudinal study tends to whet the appetite for more details and related research; for example, do the high school graduates from Anchorage differ from those from Juneau, Fairbanks, or rural areas? Do more recent high school graduates differ in their overall college attendance, the degree to which they attended in Alaska, or their tendency to stay?

It's tempting to oversimplify some of the economic

Grads from Washington and Oregon schools were slightly less likely to return than from some other western states.

implications of this kind of data. It's not necessarily a failure, for instance, that a certain percentage of Alaska's high school graduates look out of state to attend college or find work. If the percentages shift suddenly, however, or trend strongly upward over multiple years, that would raise concerns.

Similarly, there's no ideal percentage of high school graduates who *should* be graduating from college, seeking other types of post-high school training, or going straight to work. Generally, however, it wouldn't be a good sign to see large or rising numbers of students who attend college but don't finish.

Given Alaska's 10-year trend of negative net migration and the related difficulty Alaska employers are having hiring and retaining workers, the most relevant and practical additional research would look in that direction. It's complicated and speculative to pinpoint why people are leaving Alaska or moving here, but this type of research can provide clues.

Simply knowing, for example, whether a higher or lower percentage of a more recent graduating class — such as 2010 or 2015 — were leaving Alaska would tell us what they think about the desirability of living here, attending college here, and working here. Circling back to where the article began, the decisions our high school graduates make on where they go next are a clear economic issue for the state. Those decisions will play a central role in the size and health of Alaska's future population and workforce.

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Top 10 jobs in 2021 for 2005 Alaska high school graduates

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Number of workers	Average wage
94	\$97,432
48	\$58,672
46	\$123,098
39	\$75,825
38	\$68,546
34	\$83,925
32	\$75,089
31	\$54,782
25	\$63,098
24	\$52,559
	Number of workers 94 48 46 39 38 34 32 31 25 24

Some college	Number of workers	Average wage
Construction trades workers	82	\$68,281
Other office and administrative support workers	58	\$38,571
Information and record clerks	56	\$43,983
Financial clerks	48	\$48,900
Retail sales workers	46	\$29,802
Secretaries and administrative assistants	42	\$41,897
Other installation, maintenance, and repair occupations	39	\$78,569
Computer occupations	39	\$59,761
Health care diagnosing or treating practitioners	34	\$73,548
Material moving workers	32	\$42,028

No college	Number of workers	Average wage
Construction trades workers	77	\$69,063
Retail sales workers	48	\$31,196
Material moving workers	31	\$35,478
Other office and administrative support workers	31	\$33,433
Vehicle and mobile equipment mechanics, installers, and repairers	28	\$82,293
Other installation, maintenance, and repair occupations	27	\$77,621
Information and record clerks	23	\$40,911
Secretaries and administrative assistants	23	\$26,263
Cooks and food preparation workers	19	\$21,816
Food and beverage serving workers	19	\$20,345

Notes: College graduates include those with two-year associate degrees. The no-college category includes those who have completed apprenticeships or other postsecondary training. See the sidebar on page 6. **Source:** Alaska Department of Labor and Workforce Development, Research and Analysis Section