

Nonresident workers on the rise

Residents in short supply as working-age numbers decline

By ROB KREIGER

A decade-long decline in Alaska’s working-age population is making it harder to find residents to fill positions. To bridge the gap, employers are hiring more workers from outside the state.

In 2024, the most recent year available, more nonresidents were working in Alaska than at any other time since 1990, when we began producing consistent residency data. That broke the record set in 2023.

After a historic drop in 2020, the number of nonresident workers rose quickly, far outpacing the increase in Alaskans. Since the pandemic, the number of workers from elsewhere has jumped by 35.4 percent, while residents have increased by just 1.7 percent.

Why patterns differ from the past

The fact that nonresidents are increasing faster than residents isn’t unusual; that’s happened many times over the last 35 years. Historically, changes in the nonresident percentage were mostly driven by fluctuations in the industries that rely on them most.

Seasonal seafood processing and project-based spikes in oil and gas, mining, and construction are examples. Since the pandemic, however, *most* major industries have been hiring more nonresidents, not just those that have always relied on them.

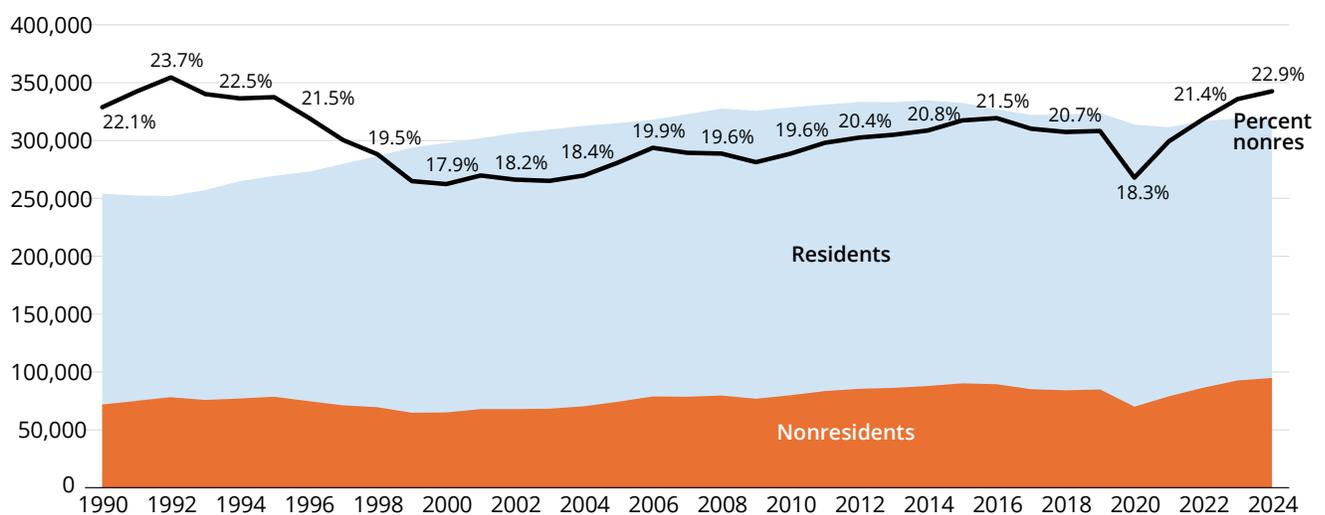
A long decline in the number of Alaskans aged 18 to 64 is driving the shortage. Our 2024 population estimates show the prime working-age population fell to 449,171, its lowest level since 2008. The group has gotten smaller nearly every year since peaking at 483,403 people in 2013.

The nonresident hiring trend is unlikely to ease in the coming years, because the working-age decline stems from Alaska’s population getting older overall and more people leaving the state than moving in for more than a decade. While population aging is a given, migration patterns could change — but without more working-age people moving to Alaska, employers leaning on outside labor will become the new normal.

Recent highs and what drove them

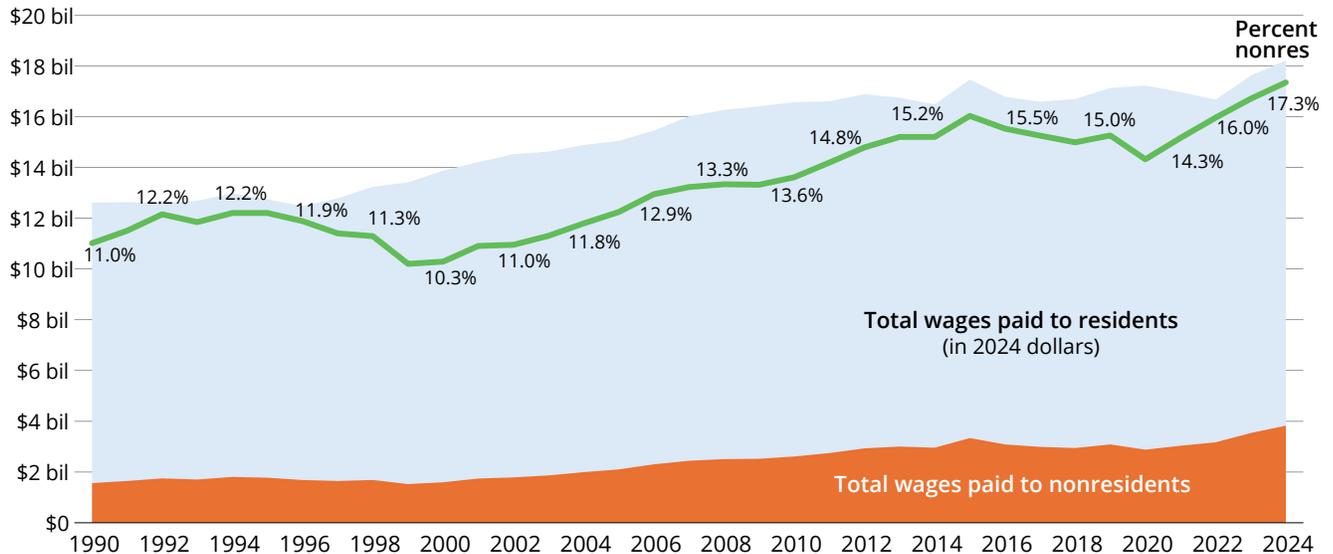
In 2024, 94,859 nonresidents worked in Alaska, the

Nonresident share of workers at highest level since the early 1990s



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

Nonresident share of Alaska wages has climbed since the pandemic



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

highest number since data collection began. Their percentage of the workforce hit 22.9 percent, the second-highest on record. (The highest was 23.7 percent in 1992.)

Nonresidents' wages also hit new highs, overall and proportionally. They earned \$3.8 billion in 2024, taking in 17.3 percent of all wages paid in Alaska.

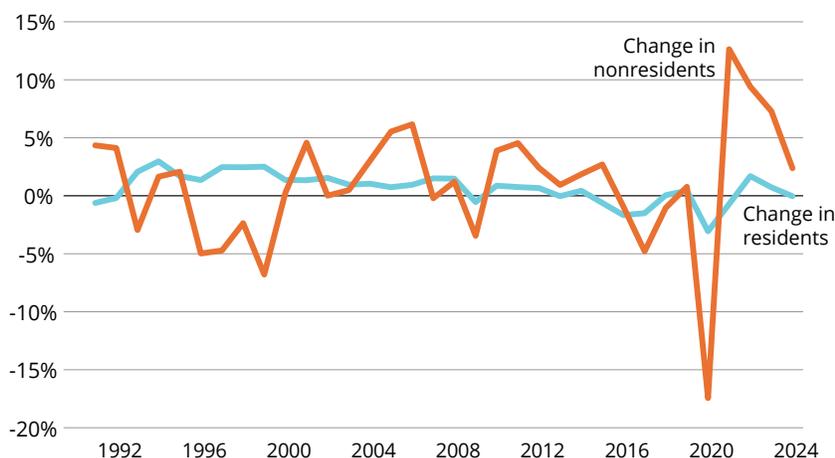
While more nonresident hiring was widespread, the largest increases came in the oil and gas and construction industries. Nonresident counts jumped by 19.4 percent and 18.6 percent in those

industries, respectively, driven by growing activity on the North Slope.

The pandemic was a turning point because many of the hardest-hit industries were those that have historically relied most on nonresidents. Seafood processing was one, and visitor-related industries also suffered major losses in 2020. As operations slowly resumed in 2021, a wave of nonresidents rejoined the workforce. The surge continued as resident worker growth remained sluggish.

Seafood processing is a notable exception to the post-COVID hiring trajectory, and it was an outlier among industries in recent years as the industry weathered major changes and challenges. Seafood processing has always had the highest concentration of nonresidents, at about 80 percent, but its nonresident and resident counts both dropped in 2024.

Yearly change in resident, nonresident workers



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

Resident numbers slow to bounce back

Alaska had 319,008 working residents in 2024, down a tenth of a percentage point from the year before but slightly up from 2020. The resident count

Wages paid to residents and nonresidents by industry, 2023 and 2024

Industry	2023			2024			Change in residents	Pct chg, residents	Chg in nonres	Pct chg, nonres
	Residents	Nonres	Percent nonres	Residents	Nonres	Percent nonres				
Agriculture, Forestry, Fishing, Hunting	1,694	989	36.9%	1,672	984	37.0%	-22	-1.3%	-5	-0.5%
Mining, Quarrying, Oil/Gas Extraction	9,133	5,823	38.9%	9,384	6,621	41.4%	251	2.7%	798	13.7%
Oil and Gas	5,924	3,538	37.4%	6,209	4,226	40.5%	285	4.8%	688	19.4%
Utilities	2,771	217	7.3%	2,779	236	7.8%	8	0.3%	19	8.8%
Construction	20,380	5,393	20.9%	20,931	6,395	23.4%	551	2.7%	1,002	18.6%
Manufacturing	8,264	19,172	69.9%	8,135	16,679	67.2%	-129	-1.6%	-2,493	-13.0%
Seafood Processing	3,765	18,087	82.8%	3,493	15,348	81.5%	-272	-7.2%	-2,739	-15.1%
Wholesale Trade	6,543	807	11.0%	6,540	899	12.1%	-3	0%	92	11.4%
Retail Trade	38,864	6,683	14.7%	37,585	6,913	15.5%	-1,279	-3.3%	230	3.4%
Transportation and Warehousing	20,178	9,113	31.1%	20,712	9,277	30.9%	534	2.6%	164	1.8%
Air Transportation	6,019	2,431	28.8%	6,012	2,314	27.8%	-7	-0.1%	-117	-4.8%
Information	4,672	680	12.7%	4,366	628	12.6%	-306	-6.5%	-52	-7.6%
Finance and Insurance	6,611	537	7.5%	6,408	614	8.7%	-203	-3.1%	77	14.3%
Real Estate and Rental and Leasing	5,130	753	12.8%	5,078	835	14.1%	-52	-1.0%	82	10.9%
Professional, Scientific, and Technical Svcs	12,846	3,316	20.5%	12,883	3,639	22.0%	37	0.3%	323	9.7%
Mgmt of Companies and Enterprises	1,979	165	7.7%	2,071	209	9.2%	92	4.6%	44	26.7%
Admin, Support, Waste Mgmt/Remediation	13,339	4,249	24.2%	13,516	4,638	25.5%	177	1.3%	389	9.2%
Educational Services	2,612	580	18.2%	2,602	569	17.9%	-10	-0.4%	-11	-1.9%
Health Care and Social Assistance	50,458	7,797	13.4%	51,377	7,921	13.4%	919	1.8%	124	1.6%
Arts, Entertainment, and Recreation	5,059	2,972	37.0%	5,080	3,136	38.2%	21	0.4%	164	5.5%
Accommodation and Food Services	29,348	14,213	32.6%	28,637	14,957	34.3%	-711	-2.4%	744	5.2%
Accommodation	6,478	7,100	52.3%	6,136	7,248	54.2%	-342	-5.3%	148	2.1%
Food Services and Drinking Places	22,827	7,098	23.7%	22,501	7,709	25.5%	-326	-1.4%	611	8.6%
Other Services (except Public Admin)	11,631	2,088	15.2%	11,705	2,270	16.2%	74	0.6%	182	8.7%
Public Administration	181	24	11.7%	158	31	16.4%	-23	-12.7%	7	29.2%
Local Government	44,711	4,453	9.1%	44,042	4,658	9.6%	-669	-1.5%	205	4.6%
State Government	22,314	2,421	9.8%	23,051	2,614	10.2%	737	3.3%	193	8.0%
Other/Unknown	394	219	35.7%	296	136	31.5%	-98	-24.9%	-83	-37.9%
Total	319,112	92,664	22.5%	319,008	94,859	22.9%	-104	0%	2,195	2.4%

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

remained under its pre-pandemic level, however, and well below the 2014 peak of 334,628.

Resident numbers were slow to resume growing while the nonresident count rebounded, but even as the pandemic shockwaves subsided, the number of resident workers grew only slightly in 2022 and 2023, then dipped again in 2024.

How aging, migration are driving the working-age loss trend

As mentioned above, the number of people in their prime working ages in Alaska, 18 to 64, has declined almost every year since peaking at 483,403 in 2013. By 2024, that group had decreased by about 34,000 (7 percent).

Although the idea that fewer working-age people means fewer workers is straightforward, the reasons behind it and why it will persist are important to understand.

The March 2023 issue of *Trends*, which discussed the

working-age decline in more detail, identified two primary reasons for the systemic decline.

The first is net migration loss. Net migration is the number of people who move to Alaska in a given year minus the number who leave. Alaska's net migration has been negative for 13 straight years.

The second reason is an aging population, a nationwide phenomenon linked to the sizes of current generations. More people are leaving the workforce each year as they reach retirement age, and fewer are aging into their working years to replace them. Demographers predict this trajectory will reverse around 2030. The working-age population in Alaska will resume growing slowly through the mid-2040s, then decline again as the millennial generation reaches retirement age.

Over the next few years, a shift in migration patterns could stabilize the working-age population or even bump it up. But barring a massive influx of working-age movers, Alaska employers face ongoing difficulty finding workers.

Hiring more nonresidents has been the clear

response so far, although some employers are finding resident workers in other age groups.

Another approach to hiring has its limits

Employers have always had to hire outside Alaska for some positions, especially those requiring specialized skills or experience. But to fill some jobs, employers are leaning on teenagers and older Alaskans. (See the October 2025 issue of *Trends*.)

Teens aged 14 to 17 have historically represented a tiny slice of Alaska's workforce, but after the pandemic, their number and percentage rose.

Although teens are limited in their hours and types of work, especially if they're under 16, they can fill many low-skill, entry-level jobs. Their wages have also increased significantly, a sign that businesses need them and are willing to pay more to get them.

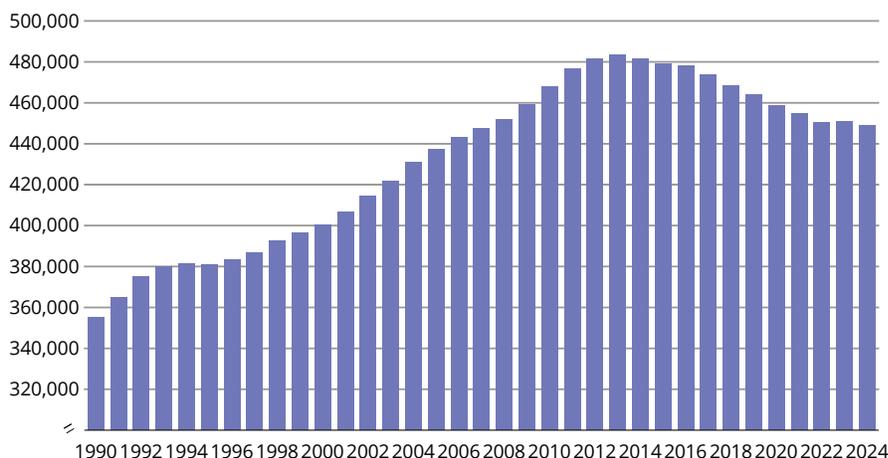
Alaskans over 65 are another source. In 2023, seniors represented a larger percentage of the resident workforce than they had in 20 years.

Unlike teens, older people can fill a wide range of jobs. In some cases, employers are enticing older workers to stay in their careers longer, with higher pay for hard-to-fill positions. In other cases, people over 65 keep working for economic reasons: insufficient retirement funds or the need for supplemental income.

These two age groups may boost the worker pool over time, but given their limits and small representation in Alaska's workforce — 4 percent for teens and 6 percent for seniors — hiring nonresidents will likely remain the primary way to address the working-age decline in the near future.

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Alaska working-age population on long decline



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

About the data

A person is considered a resident for our annual *Nonresidents Working in Alaska* report, on which this article is based, if they applied for an Alaska Permanent Fund Dividend in either of the two most recent years. To be eligible for a dividend, someone must live in the state for a full calendar year, a more rigorous criterion than what's required to register to vote or obtain a license to drive, hunt, or fish.

To determine residency, we match PFD applicants with quarterly reports Alaska employers file as required by state unemployment insurance laws. They include the employer's industry and the workers' occupations, wages, and place of work. Federal workers, the military, and the self-employed are not part of those wage records because they are not covered by state unemployment insurance laws.

People who are Alaska residents by other definitions — those who have recently moved to Alaska, bought or rented a home, registered to vote, and obtained an Alaska driver's license — will initially be identified as nonresidents in this data set. Non-resident workers in this article are, in other words, a combination of new residents and nonresidents who work in the state but primarily live in another state. Some of the new arrivals won't stay long enough to meet the PFD criteria for residency, but some will. More detail is available in the full report.

Because the PFD is unique among states and so popular — nearly every eligible person in Alaska applies — Alaska is the only state that can publish such a comprehensive report on working nonresidents. Other states could use driver's licenses or voter registration information to get a partial accounting of nonresidents working in their state, but neither of those sources would be nearly as complete as PFD applications.