

Statewide jobs forecast for 2026

Alaska to add 3,000 jobs with developments on horizon

By **KARINNE WIEBOLD**

Alaska's economic drivers are mostly strong going into 2026. We forecast the state will add 3,000 jobs this year — just under 1 percent growth — with oil and gas, health care, construction, and transportation contributing to that increase.

Main drivers of Alaska's economy

The Pikka oil field is moving into production, Willow will follow in a couple of years, and more development possibilities are on the horizon.

Gold prices are sky high, and silver's price nearly doubled in 2025. Alaska's newest mine, Manh Choh near Tetlin, poured its first bar of gold in 2024 and expects to produce 640,000 ounces over the mine's

five-year life. Potential new mines have entered the exploration and feasibility stages, with plans to open in the next couple of years.

Alaska's tight connection to the federal government is most visible through the military, with more than 20,000 active-duty service members stationed here. Alaska's unique and strategic Arctic location aligns with defense priorities, and investments are under way at all three major bases. The Department of Defense is also the largest federal civilian employer in Alaska.

Commercial fishing has had a turbulent few years, but the 2025 salmon harvest was 88 percent larger than the year before, and prices for all salmon species were up from 2024.

Taking a longer view, the numbers of seafood harvesters and processors have declined, and the

The statewide outlook for jobs in 2026, by industry

	Monthly avg, 2024 ¹	Monthly avg, 2025 ¹	Change, 2024-25	Percent change	JOBS FORECAST		
					Monthly avg, 2026	Change, 2025-26	Percent change
Total Nonfarm Employment²	333,900	337,800	3,900	1.2%	340,800	3,000	0.9%
Total Private	254,300	258,300	4,000	1.6%	261,700	3,400	1.3%
Mining and Logging	12,500	13,400	900	7.2%	14,400	1,000	7.5%
Oil and Gas	8,300	9,000	700	8.4%	10,000	1,000	11.1%
Construction	18,500	19,500	1,000	5.4%	20,200	700	3.6%
Manufacturing	11,900	11,900	0	0%	11,800	-100	-0.8%
Trade, Transportation, and Utilities	66,400	67,000	600	0.9%	67,500	500	0.7%
Wholesale Trade	6,500	6,500	0	0%	6,500	0	0%
Retail Trade	34,900	34,700	-200	-0.6%	34,600	-100	-0.3%
Transportation, Warehousing, and Utilities	25,000	25,800	800	3.2%	26,400	600	2.3%
Information	4,400	4,300	-100	-2.3%	4,300	0	0%
Financial Activities	10,800	10,800	0	0%	10,800	0	0%
Professional and Business Services	28,800	29,000	200	0.7%	29,200	200	0.7%
Educational (private) and Health Services	53,000	54,600	1,600	3.0%	55,700	1,100	2.0%
Health Care	41,700	43,200	1,500	3.6%	44,300	1,100	2.5%
Leisure and Hospitality	35,900	35,800	-100	-0.3%	35,700	-100	-0.3%
Other Services	12,100	12,000	-100	-0.8%	12,100	100	0.8%
Total Government	79,700	79,500	-200	-0.3%	79,100	-400	-0.5%
Federal, except military	15,500	15,200	-300	-1.9%	14,800	-400	-2.6%
State, incl. University of Alaska	23,900	24,200	300	1.3%	24,300	100	0.4%
Local and tribal, incl. public schools	40,300	40,100	-200	-0.5%	40,000	-100	-0.2%

¹Preliminary and adjusted estimates. ²Excludes the self-employed, uniformed military, most commercial fishermen, domestic workers, and unpaid family workers.

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

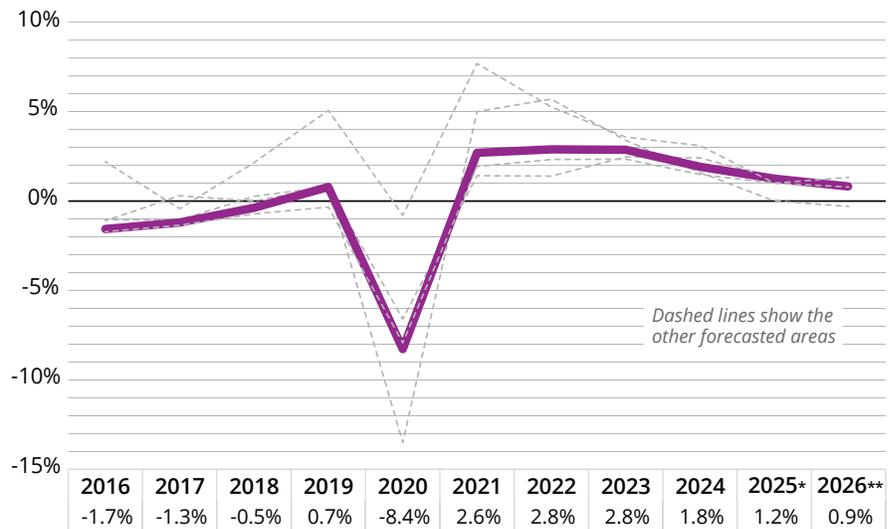
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industry faces an aging fleet, changing climate and fish patterns, and foreign competition. Despite those obstacles, Alaska seafood remains a premium product, and the fisheries are broadly seen as well managed.

Finally, Alaska remains a sought-after destination. About 2.7 million people visited the state in summer 2024, including 1.8 million on cruise ships. Ship numbers were similar in 2025 and expected to hold steady again in 2026.

Airport passenger numbers in Anchorage dipped slightly in 2025 but rose in Fairbanks and Juneau.

Modest growth forecasted for Alaska this year



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

Shifts in focus over the last year

Development emphasis points to growth

Recent changes in the political climate have fostered optimism for resource development. In 2025, the second Trump administration:

- Reopened part of the Coastal Plain section of ANWR for oil exploration
- Rejected the Department of Interior rule that restricted future development of the National Petroleum Reserve-Alaska
- Reinstated key permits for the Ambler Access project for mining exploration and announced plans to invest \$35.6 million this year in mining exploration, taking an equity stake in Trilogy Metals

Alignment of state and federal leadership means potential for major moves in Alaska's mining and oil and gas development. But while the federal administration has removed some of the barriers to possible projects, procedural steps remain — both permitting and environmental — and large projects take time.

The gas line has re-entered the picture, spurred by Southcentral's impending natural gas shortage as production declines in Cook Inlet. The gas line has been discussed even longer than the oil pipeline has

existed, but the high cost of construction and an abundance of natural gas in easier-to-reach areas have repeatedly returned the project to the shelf.

The gas line has intense political support, but an up-to-date cost estimate is not yet publicly available and a final investment decision hasn't been made. Nonbinding agreements for various components have been collected but are only preliminary steps to firm obligations.

Whether the gas line moves forward or not, Southcentral needs a new source of gas, and quickly. A Hilcorp affiliate purchased the shuttered Nikiski export facility in 2025 to repurpose it as a liquefied natural gas import facility, and the gas pipeline developer is exploring construction of a new import/export facility, also in the Kenai area.

Major resource development potential adds to the projects already under construction, mainly Pikka and Willow. A considerable amount of federal infrastructure money also has yet to hit the streets, and large projects such as the Port of Nome are just getting started.

Federal cuts create other obstacles

Alaska also faces a countervailing wind this year. The state receives more federal dollars per capita than any other. In 2025, the Trump administration moved quickly to cut government jobs and contracts, institute tariffs, reduce immigration, and

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take an active role in Alaska's resource development.

Nationally, federal job and funding cuts have been appealed and sometimes reversed, and litigation around the tariffs is still moving through the courts.

It will take time for the dust to settle. However, tariffs generally chill consumption as they drive costs up, and restricting immigration reduces available labor, which can also raise costs.

Alaska industries to watch in 2026

Projects boost construction, transportation

Infrastructure projects and oil and gas development will continue in 2026. Construction at the Pikka oil field wrapped up in late 2025, but work at Willow will continue for several more years.

Federally funded infrastructure projects are harder to track. It's relatively easy to see when funds are assigned to the state, but the time between receipt and the project's start can be long and variable, further complicated by recent snags with the state's transportation improvement plan.

Alaska's federal capital spending has topped \$2 billion a year for four of the last five years — the highest years on record.

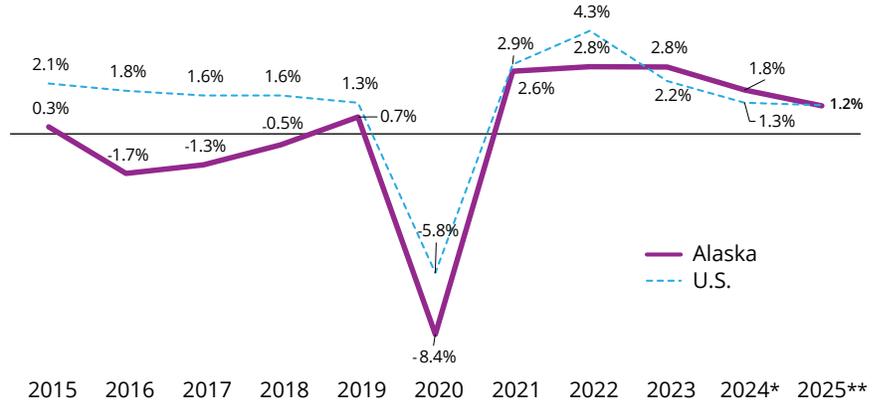
One of the state's biggest infrastructure projects, the deepwater port in Nome, is moving forward this year after the Army Corps of Engineers awarded the nearly \$400 million prime contract for the first of four phases in 2025.

Major work in Denali Park is nearing completion. The Pretty Rocks landslide reconstruction will wrap up this year to reopen the road in 2027, and work on the Chena flood area's Moose Creek Dam only needs the finishing touches this year.

With three new fast-response cutters coming to Kodiak, the Coast Guard base has seen improvements in housing and infrastructure, with more on the way.

Typhoon Halong ravaged western Alaska in fall 2025,

Alaska job growth rate tops, then matches U.S.



*Preliminary **U.S. first half of 2025 compared to first half of 2024

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

displacing hundreds of households from dozens of villages. Associated costs haven't been fully identified, but waste removal, home repair and reconstruction, and infrastructure repair from boardwalks to water, sewer, and power systems will begin this year and likely reach hundreds of millions of dollars.

The construction, professional and business services, and transportation sectors will all benefit from the conditions and projects outlined above.

Construction had a two-year boom in 2024 and 2025. Wages increased more in construction than any other industry in 2024, and its job growth rate was second-highest after oil and gas. In the first half of 2025, the construction industry paid out 15 percent more wages than during the same period in 2024. The industry also added 1,000 jobs last year.

We forecast slightly fewer new jobs for construction in 2026 (700), as ongoing demand for construction workers will increase pressure to raise wages and seek out-of-state labor.

Professional and business services typically move with construction and general economic activity. In 2025, scientific and technical services — one of the three subcomponents of professional and business services — declined while administrative support and waste management, as well as the management of companies, both grew enough to pull the sector's employment up by 200, with 200 more jobs expected in 2026.

Transportation, along with warehousing and utilities, has grown substantially. The sector added 800

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jobs in 2025, and 600 more are in the forecast.

Construction supports the transportation industry by bringing raw materials into the state and moving materials, equipment, and labor to job sites. Visitors also support the transportation industry, and 2026's anticipated traveler numbers are strong.

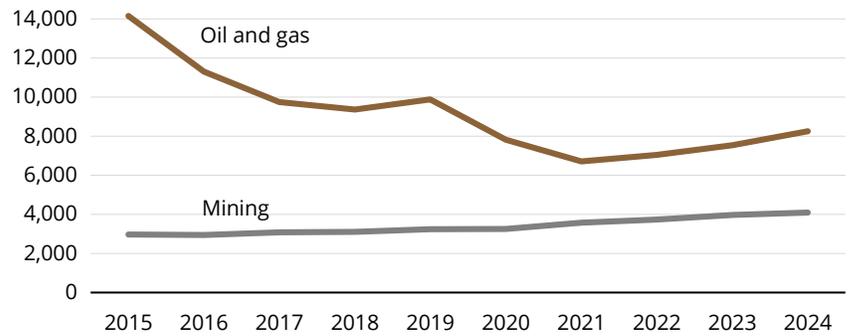
Also included in this broad sector is warehousing, which is where the new Amazon facilities in Anchorage and Fairbanks show up.

Oil and gas employment growing again

Oil and gas employment has grown by 2,300 since the industry hit a low of 6,700 jobs in 2021. Production has remained remarkably stable despite the big COVID-era employment drop and partial rebound since.

An additional 1,000 jobs are expected in 2026 as

Mining, oil and gas employment continue to rise



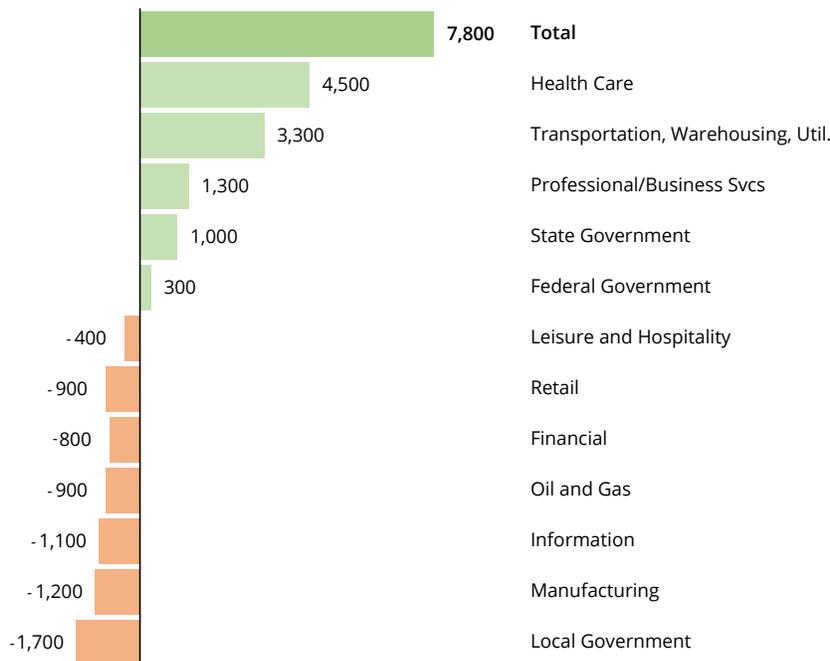
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Pikka moves into production and overall activity rises, pushing jobs back up to pre-pandemic levels.

While Willow is under development, the project is primarily generating jobs in construction and transportation, and to a lesser degree in professional and business services, manufacturing, and wholesale.

Unlike oil and gas, mining has grown slowly but steadily over the last decade, and we expect that to continue in 2026, especially under extraction-friendly federal and state administrations.

Some industries still underwater post-COVID*



*Based on preliminary 2025 data, relative to 2019 employment numbers
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

The Manh Choh gold mine near Fairbanks started operating in late 2023, boosting mining and transportation employment. Mature mines, including Greens Creek near Juneau and Red Dog near Kotzebue, are pursuing additional resources near current operations.

Rare earth elements are no longer an import the U.S. can rely on, so the federal government and private mining companies are moving to cultivate domestic sources.

While no large mines are likely to open in 2026, several are under study. These include the Graphite One project outside Nome, which received a federal grant for its feasibility study, and the Upper Kobuk Mineral Projects in the Ambler mining district, which also received direct federal financial support. The latter is primarily copper, zinc, lead, cobalt, silver,

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and gold, but it includes less common metals such as gallium, germanium, and palladium.

Fish processing loss continues but slows

In Alaska, about two-thirds of manufacturing employment is in seafood processing, with the other third spanning goods from food and petroleum products to beer and boats.

Seafood processing is highly seasonal and often remote, and four out of five workers are from out of state. Jobs in seafood harvesting and processing have both been declining for a decade.

In late 2023 and 2024, the seafood processing landscape shifted when major players Trident, Peter Pan, and OBI announced sales or closures in the wake of historically low prices and an internationally flooded market. Disruptions eased last year, stemming the job losses, although some small additional loss is expected this year.

More strong growth for health care

Health care continues to grow, with 1,100 new jobs forecasted in 2026. Alaska is still developing its medical infrastructure, and nearly all areas outside the population centers are federally designated health workforce shortage areas. The rising needs of our aging population are also driving health care growth.

Major projects such as the Alaska Native Tribal Health Consortium's Anchorage emergency room expansion generate construction jobs first, then health care jobs when the facility opens. The new emergency room is scheduled to open in 2028.

As the industry has developed, ownership patterns have also changed. In recent years, the large Southeast Regional Health Consortium has taken over private and public practices and facilities while opening new ones. On the flip side, Juneau's public hospital recently absorbed a private practice.

As of late 2025, national efforts to extend Affordable Care Act subsidies have failed, and health insurance costs for as many as 25,000 Alaskans will rise sharply in 2026 without mitigation. Beyond dampening demand for health care, this could significantly reduce households' ability to spend on other needs, with spillover effects across sectors.

All levels of government face challenges

Last year, we predicted federal employment would

Worker availability in 2026

The job market has cooled considerably since the post-pandemic hiring surge. Unemployment is slightly higher than a year ago, and job openings have continued to decrease.

Even so, unemployment remains lower and job openings higher than their 10-year averages, which include the state recession of 2015-2018 and the pandemic. Wages have also continued to rise over the last three years amid inflation and competition for workers.

While some signs point to the worker shortage easing, long-term trends and demographic changes mean the challenge of finding workers will persist.

Alaska has lost residents to migration for 13 consecutive years, an unprecedented streak, and the biggest losses have been in the prime working-age groups.

The state is also getting older as the large cohort that arrived in the 1970s and '80s reaches retirement age. While the population is aging nationwide, Alaska's trajectory has been steeper.

At the same time, fewer children are being born relative to those aging out of the workforce, reinforcing longer-term labor constraints.

The number of Alaskans in their prime working-age range, 18 to 64, fell by 34,000 between the 2013 peak and 2024. Demographers expect the working-age population to continue shrinking until baby boomers fully age out, then stabilize until the large millennial generation begins to retire in the late 2030s.

Nonresidents have provided much of the labor that has allowed Alaska to grow in recent years. Out-of-state workers bring specialized expertise, working on variable-length projects, and filling gaps where local labor is scarce, and that reliance is likely to continue for the near future.

Alaska imported 22.9 percent of its workers in 2024, the highest since tracking began in the 1990s.

remain flat despite the incoming administration's drive to cut federal agencies and spending. Historically, the federal government moved slowly and was process-driven. However, the installation of the Department of Government Efficiency and the rapid cuts that followed were unprecedented.

The number of federal jobs lost last year remains

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unclear. Employees who accepted deferred resignation were paid through September, the end of the fiscal year. A 43-day federal shutdown immediately followed, further obscuring job counts. It will take time for the data to reflect the full impact of 2025, partly because the shutdown halted months of federal data collection and publication.

Using preliminary data, we estimate Alaska lost about 300 federal jobs in 2025, and we anticipate slightly deeper losses in 2026. Alaska benefits disproportionately from the federal government through large military and veteran populations, extensive federal lands, federally supported university research, high per-capita capture of infrastructure and transportation funds, and health dollars flowing through Indian Health Services. Indian Health Services funds medical services for 164,000 Alaska Natives, primarily through tribal health organizations.

Further federal reductions will negatively affect multiple sectors in Alaska, but national defense priorities may provide some insulation.

State government continues to struggle with a changing fiscal landscape. The revenue model built in the 1980s, heavily reliant on oil and gas taxes, no longer fully supports government operations. Draws from Alaska Permanent Fund earnings have supplemented revenue for eight years and are forecasted to become an increasingly important component of state funding, even with higher oil production ahead.

According to the Alaska Department of Revenue's forecast, oil revenues are expected to fall in coming years relative to FY 2025, largely through lower prices.

Pikka, located on state land, will produce an estimated 80,000 barrels a day but will not pay the state production taxes until 2034 because of development-related deductions and credits, although the state will receive royalties. Overall, oil revenues are unlikely

Seafood processing disruptions eased in 2025, although minor job loss is likely again this year.

to return to 2025 levels until 2036.

State finances also directly affect local governments. For example, the state supported 30 percent of the Municipality of Anchorage's budget through revenue sharing during the oil boom years in the 1980s but now provides just 1 percent.

Public schools provide perhaps the clearest picture of declining state support for local government operations. Alaska is constitutionally required to fund a substantial share of local school budgets, but rising costs have eroded the base student allocation (the

amount a district receives per student). In 2025, the Legislature increased the BSA by \$700, overriding the governor's veto, which was the first permanent BSA increase since 2017.

Since 2022, three schools in Anchorage have closed, seven in Fairbanks (including three in 2025). In Juneau, the high schools and middle schools combined in a multi-school reshuffle.

Financial pressures are not the sole problem for schools. Enrollment is down, and low birth rates are expected to extend that trend. Teacher recruitment and retention are also challenges statewide, as wages and benefits are less competitive than in past decades.

Local governments will continue to weigh resident expectations for services such as snow removal, road maintenance, permitting, and public safety with the realities of short staffing, budget constraints, and aging equipment and infrastructure.

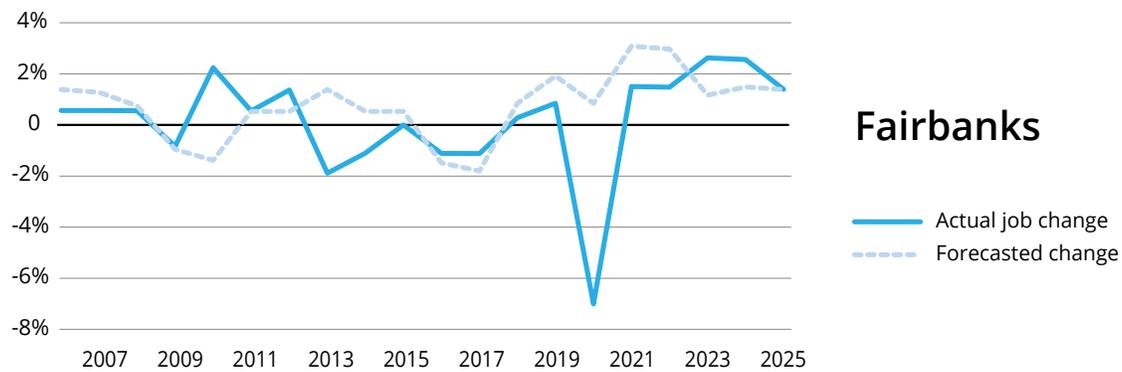
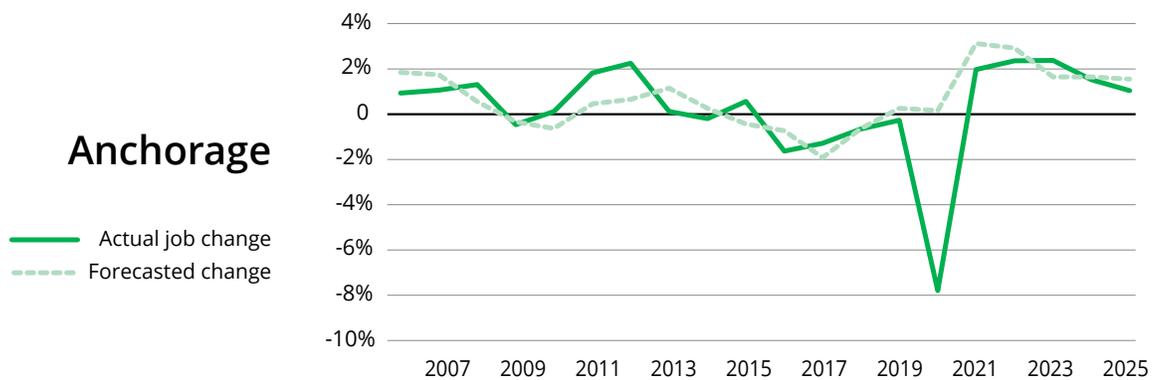
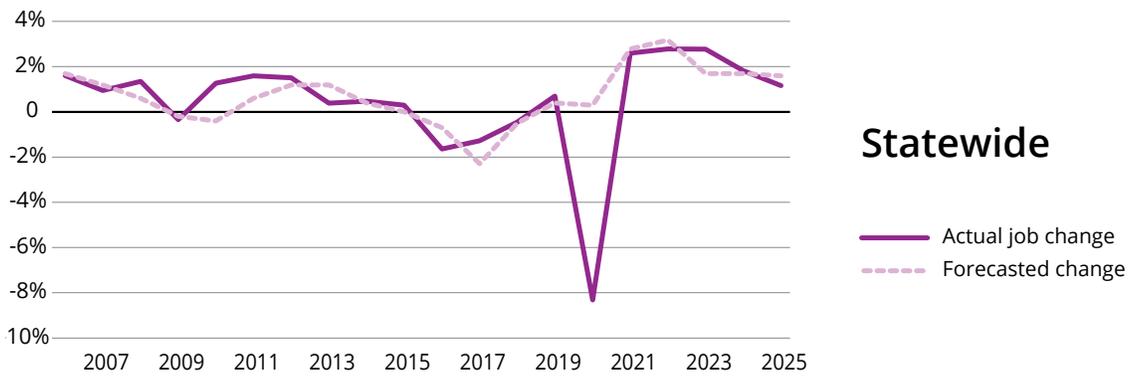
A few industries on long decline

Information and financial services have shed jobs for years, largely because self-service and online platforms have changed how business is done.

Retail employment has also decreased in recent years through a combination of online sales, self-check-outs, and limited population growth.

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A look at forecasted and actual employment change in recent years



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