

# Southeast jobs forecast for 2026

## Minor loss this year after two years at peak level for jobs

By DAN ROBINSON

Southeast Alaska's average monthly job count matched its all-time high of 37,300 jobs for a second straight year in 2025. That peak was first set in 2012.

While the region's employment level held steady from 2024 to 2025, we forecast a slight loss of about 100 jobs in 2026.

### Mix of factors points to small loss in 2026

It's been an unusually volatile decade for the region, although its economic pillars remain essentially the same.

The COVID-19 pandemic of 2020-2021 was the most notable disruption, but the decade's other developments include strong and steady cruise ship tourism growth, budget instability in state government, challenging market conditions for seafood, and remarkable stability for the region's two large mines.

While the pandemic's effects are largely behind us, the other factors remain relevant going into 2026, along with a few more.

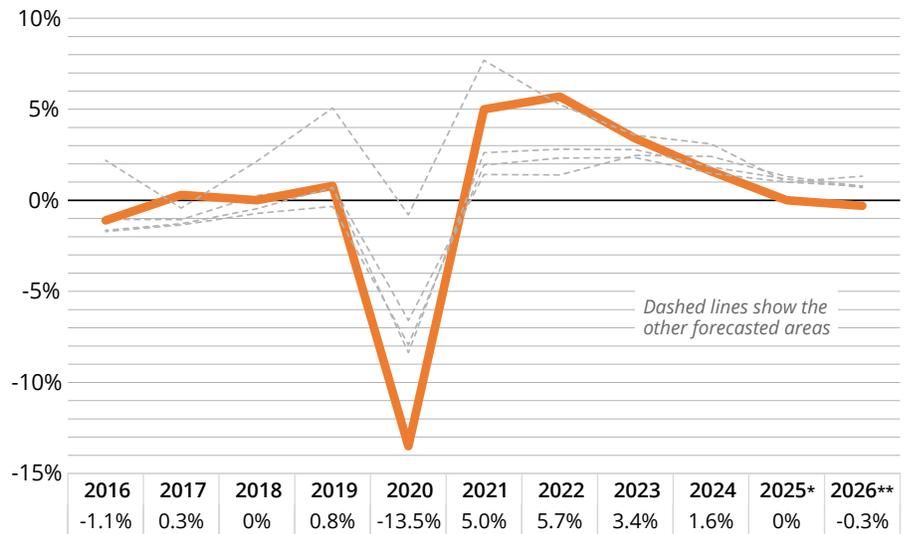
A new development last year was the second Trump administration's push to shrink the federal workforce through the Department of Government Efficiency and various budget rescissions and cuts.

Longer term, powerful demographic forces — declining birth rates and a moderate but persistent trend of more people moving out than moving in — continue to influence the region's economy.

### More cruise ship docks pending

Alaska cruise ship visitors plateaued at about

### Small job loss forecasted for Southeast



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

1.8 million in 2025, with all but 100,000 visiting a Southeast port. Juneau is the largest destination, with just under 1.7 million passengers in 2025.

As the exhibit on page 20 shows, the region has absorbed dramatic cruise ship traffic growth over the last three decades. Four-and-a-half times more visitors came in 2025 than in 1995, prompting an expanding number of docks for increasingly large ships.

In addition to the region's three major ports — Juneau, Ketchikan, and Skagway — Icy Strait Point near Hoonah added a large dock in 2015 and an even bigger one in 2020 to accommodate a new generation of megaships. More than 400,000 cruise ship passengers now visit Icy Strait Point each year.

Juneau has added two new docks in the last decade to accommodate the biggest ships, and the Huna Totem Corporation is building a fifth dock in downtown Juneau, expected to operate by 2027. Goldbelt also plans to build a dock and attractions on the backside of Douglas Island that it hopes will be ready for the 2028 season.

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The new docks will first stimulate the construction sector before adding jobs and spending to visitor-related industries, which include everything from restaurants and breweries to whale watching, flight seeing, and charter fishing.

### Choppy waters for fishing and seafood processing persist

Southeast’s rich and varied fisheries have been an economic and cultural pillar since before statehood. Their production — salmon, crab, halibut, and sablefish, among others — and commercial value depend on national and international policies and relationships, not to mention world supply. For those reasons, it’s been a rough decade.

Since 2014, Southeast fishing jobs have decreased by nearly a third. Although these workers are self-employed and not included in this forecast of wage and salary jobs, they generate significant economic activity and jobs, particularly in seafood processing.

Ten years ago, seafood processing averaged 1,800 monthly jobs in Southeast; by 2025 that had fallen 33

percent, to 1,200. Losses have nearly leveled off, but small additional declines are forecasted for 2026.

### Consistent employment numbers from region’s two large mines

Southeast’s two large mines — Greens Creek and Kensington, near Juneau — provide nearly all regional mining jobs and are the largest taxpayers for Juneau.

Regional mining employment has hovered around 900 to 1,000 for years, even through pandemic disruptions. In 2024, Juneau’s average mining wage was \$136,000, making mining disproportionately important to the regional economy.

An increasing percentage of the state’s mining jobs are held by nonresidents, however, including in Southeast. Ten years ago, 33 percent of Alaska mining workers were nonresidents; by 2024, the share had risen to 44 percent.

Concerns about the nation’s supply of rare earth elements and other critical mining products for batteries and advanced manufacturing will boost mining activity and employment in the state and region over the next several decades.

## The outlook for jobs in the Southeast Region, by industry

	Monthly avg, 2024 <sup>1</sup>	Monthly avg, 2025 <sup>1</sup>	Change, 2024-25	Percent change	JOBS FORECAST		
					Monthly avg, 2026	Change, 2025-26	Percent change
<b>Total Nonfarm Employment<sup>2</sup></b>	<b>37,300</b>	<b>37,300</b>	<b>0</b>	<b>0%</b>	<b>37,200</b>	<b>-100</b>	<b>-0.3%</b>
Total Private	24,800	24,900	100	0.4%	24,900	0	0%
Mining and Logging	1,100	1,200	100	9.1%	1,200	0	0%
Construction	1,500	1,500	0	0%	1,600	100	6.7%
Manufacturing	1,700	1,700	0	0%	1,600	-100	-5.9%
Seafood Processing	1,200	1,200	0	0%	1,100	-100	-8.3%
Transportation, Trade and Utilities	7,500	7,700	200	2.7%	7,800	100	1.3%
Retail	4,100	4,100	0	0%	4,100	0	0%
Information	300	300	0	0%	300	0	0%
Financial Activities	1,000	1,000	0	0%	1,000	0	0%
Professional and Business Services	1,700	1,600	-100	-5.9%	1,600	0	0%
Educational (private) and Health Services	4,200	4,200	0	0%	4,200	0	0%
Health Care	2,800	2,900	100	3.6%	3,000	100	3.4%
Leisure and Hospitality	4,500	4,400	-100	-2.2%	4,400	0	0%
Other Services	1,300	1,300	0	0%	1,200	-100	-8%
Government	12,500	12,400	-100	-1%	12,300	-100	-1%
Federal, except military	1,400	1,400	0	0%	1,300	-100	-7%
State, incl. University of Alaska	4,400	4,400	0	0%	4,400	0	0%
Local and tribal, incl. public schools	6,700	6,600	-100	-1.5%	6,600	0	0%

<sup>1</sup>Preliminary and adjusted estimates. <sup>2</sup>Excludes 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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Because permitting and development timelines for mines are lengthy, however, significant job growth in mining will not come until well beyond the 2026 forecast period.

Although the table on page 19 shows employment for “mining and logging,” mining has been the dominant share of that category for years.

The region’s timber industry peaked over 30 years ago with more than 4,000 jobs in logging and sawmills. Only about 300 remained as of 2024, although as a niche industry, logging has a compelling story.

Sitka spruce logged mostly from the Tongass National Forest, the nation’s largest, is prized for piano and guitar soundboards, and western red cedar is widely used in custom architecture.

## Leveling-off for state government jobs as federal jobs in question

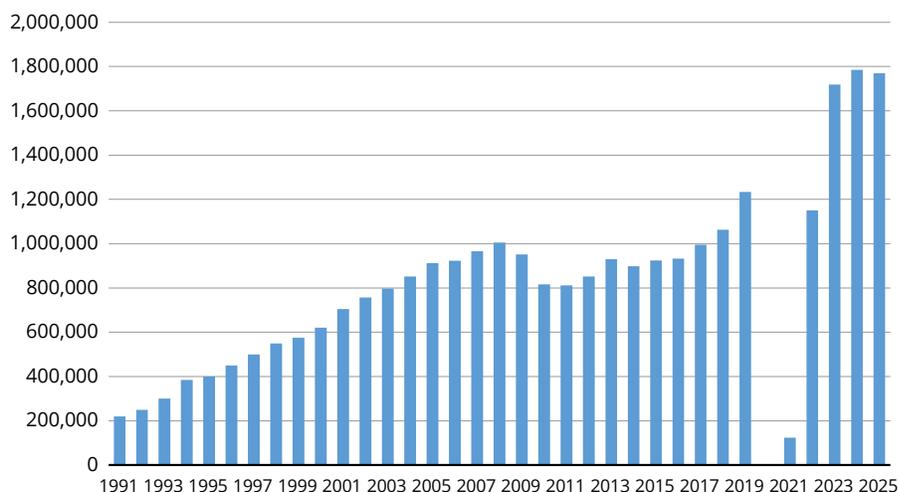
Budget challenges have cost the region about 1,000 state government jobs over the last decade. That employment leveled off recently at around 4,400, and we expect that to hold in 2026.

Despite stable employment, structural budget issues remain unresolved. The state continues to struggle to adapt to lower oil-related revenue and hasn’t yet made politically unpalatable choices about new taxes or the Permanent Fund Dividend program.

After years of stability, federal employment is almost certain to decline in 2026. Early in the second Trump administration, the president empowered the Elon Musk-led Department of Government Efficiency to slash the federal workforce through layoffs, buyouts, and early retirement incentives, with the net effect still unclear in the preliminary data.

The largest concentrations of federal workers in Southeast are at the National Oceanic and Atmospheric Administration, the agency responsible for weather forecasts and climate monitoring, fisheries management, and storm warning systems; the

## Total cruise ship visitors leveled off in 2025



Sources: Cruise Industry News, McKinley Research, and Cruise Lines International Association

Forest Service, which manages the largest national forest; and the National Park Service, which manages Glacier Bay National Park and Preserve near Gustavus, a headline attraction on many Alaska cruise itineraries, and the Klondike Gold Rush National Historic Park near Skagway.

## Other large, important industries

There’s conceptual value in distinguishing the base sectors that bring money into a regional economy from those that circulate those dollars throughout the region.

The growing health care sector, for example, provides critical services that residents would otherwise have to obtain outside the region. The more well developed the region’s health care industry is, the fewer dollars leak out of the regional economy.

As a result, the fortunes of health care, banking and financial activities, retail, and local government, to name a few, are tied to the upstream industries and government sectors discussed above.

## The power of demographics

Part of Southeast’s economic base that may be underappreciated is the quality of life it offers, especially for retirees who can spend their income and savings anywhere. However, it also matters for working-age

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residents whose skills make them marketable in other job markets.

Like Alaska as a whole, Southeast has seen a long stretch of negative net migration — more people moving out than in. The reasons people move are personal and varied, but surveys cite the major factors as job opportunities, family, health, quality of schools, and the mix of community amenities. Some combination of those factors has reduced the relative attractiveness of living in Southeast over the last decade.

The regional population peaked at about 75,000 in 2015 and was down to about 71,000 in 2024. That's

not a dramatic decrease, and declines in some parts of the region have leveled off or reversed slightly.

Because Southeast has the state's oldest population, however, minimal growth is projected from "natural increase" — births minus deaths. That means the region will depend on migration if it is to grow in the next several decades.

The data are clear in recent years that employment growth doesn't necessarily create population growth, although the two are correlated over the long term. Tourism and mining are two industries that are almost certain to add jobs to the region's economy in the coming years. Whether they add residents to the region's population count is less certain.

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## FAIRBANKS

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add another 100 retail jobs in 2026.

Health care's job count rose by 300 in 2025, although some of that growth came from technical changes in how those jobs are counted rather than actual increases. We forecast another 200 health care jobs in 2026 as the population continues to age. The number of borough residents over age 65 has grown 88 percent since 2012, to more than 13,000.

### Other Fairbanks industries track with health of main drivers

The main drivers discussed above support a range of other industries, and we expect them to grow or hold steady in tandem.

The rest of the North Star Borough's economy also depends on population size, demographics, and local spending versus dollars leaving the area.

The borough's population peaked at more than 100,000 in 2012 but has dropped by 3,171 since, reducing demand for goods and services. Health care is the exception, given the needs of a growing senior population.

## Restraints on job growth in 2026

Several factors could slow Fairbanks' job growth this year beyond federal job and spending cuts.

Public schools across the state are struggling with declining enrollment and long-term budget instability. Since the pandemic, when enrollment dropped steeply, the Fairbanks North Star School District has closed seven schools — three last year — contributing to local government job losses that will continue this year.

Official enrollment numbers are not available yet, but the district reports a 2025-2026 decline of about 600 students. The details under those losses are telling. Fewer incoming kindergartners than outgoing high school seniors accounted for a net loss of 60 students, 368 fewer students moved into than out of the district, and 165 students switched to nondistrict homeschooling.

Difficulty finding workers could also restrict Fairbanks' growth. Like other parts of the state, Fairbanks has fewer working-age adults and a growing reliance on out-of-state workers.

Fairbanks had 6,800 fewer adults aged 18 to 64 in 2024 than at the 2012 peak, with annual losses each year except in 2021, when the Eielson buildup offset declines.

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