

Key Economic Trends in 2025



Alaska's current strengths,
weaknesses, and challenges

April 2, 2025

*Dan Robinson, Research Chief
Senate Finance Committee*

Alaska Economic Trends, Recent Issues

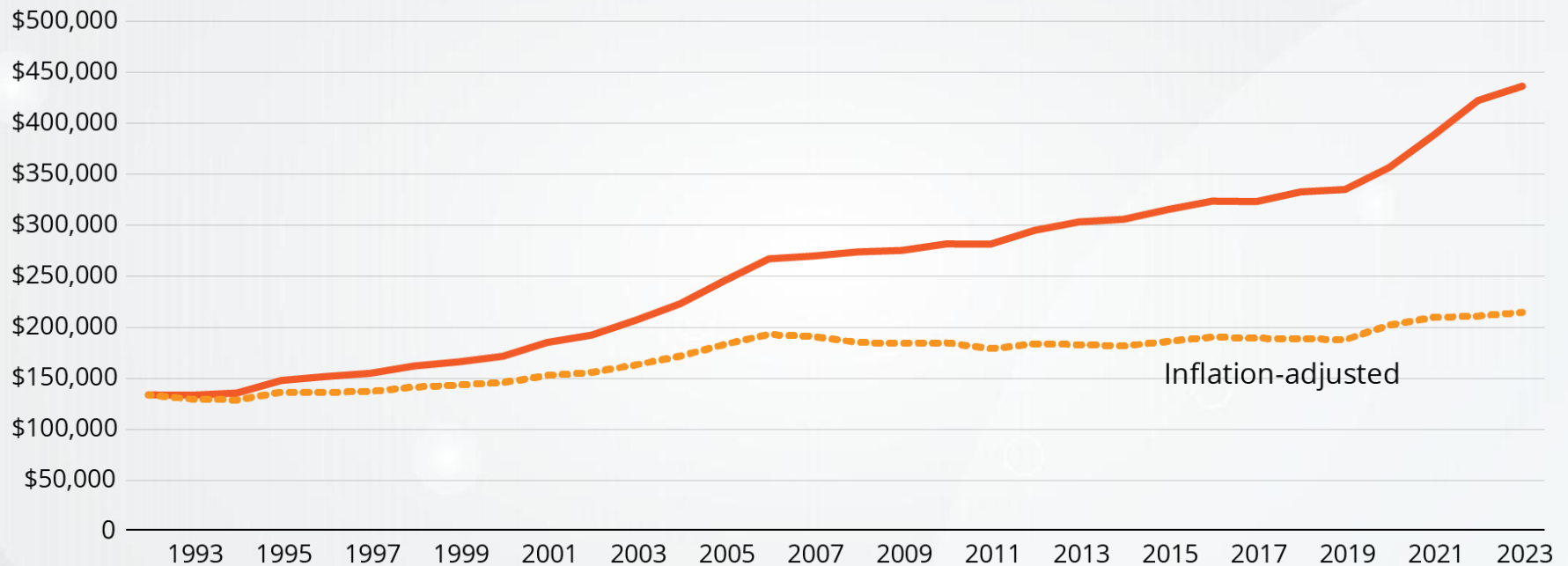


Topics You Asked About

Data and Research on Housing

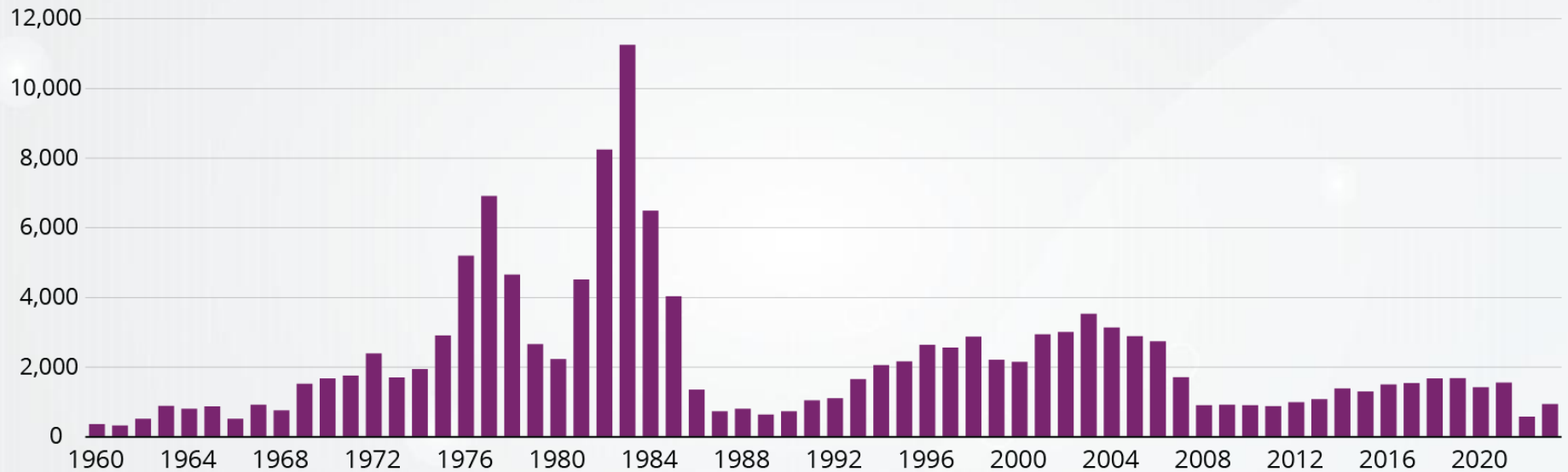
Housing Prices Have Climbed Sharply

Average sales price for a single-family Alaska home, 1992-2023



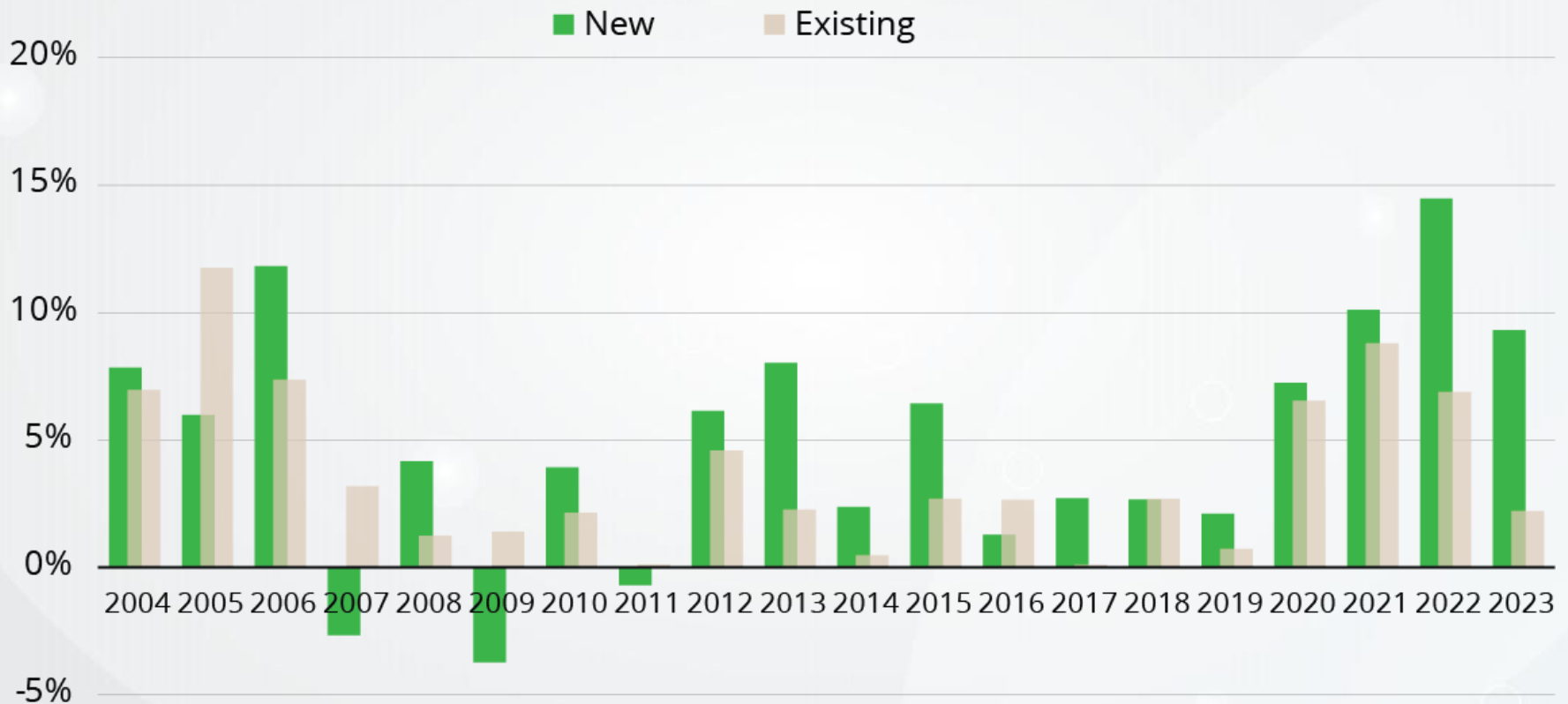
Low Levels of New Unit Permitting

New housing units permitted in Alaska, 1960 to 2023



New Home Costs Have Gone Up More

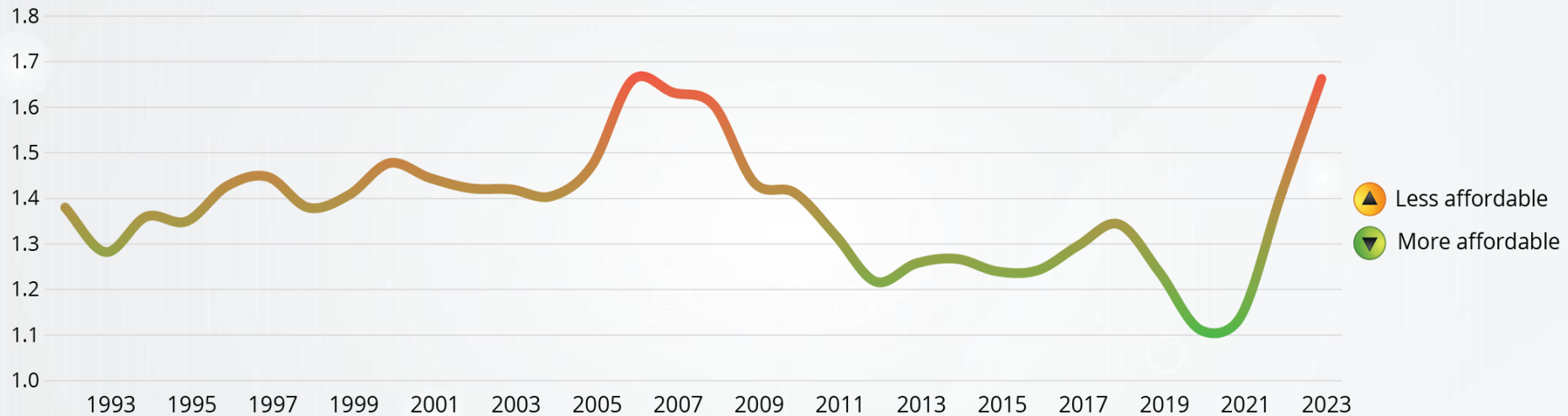
Sales price increases in new and existing Alaska homes, 2004-2023



Housing Has Become Less Affordable

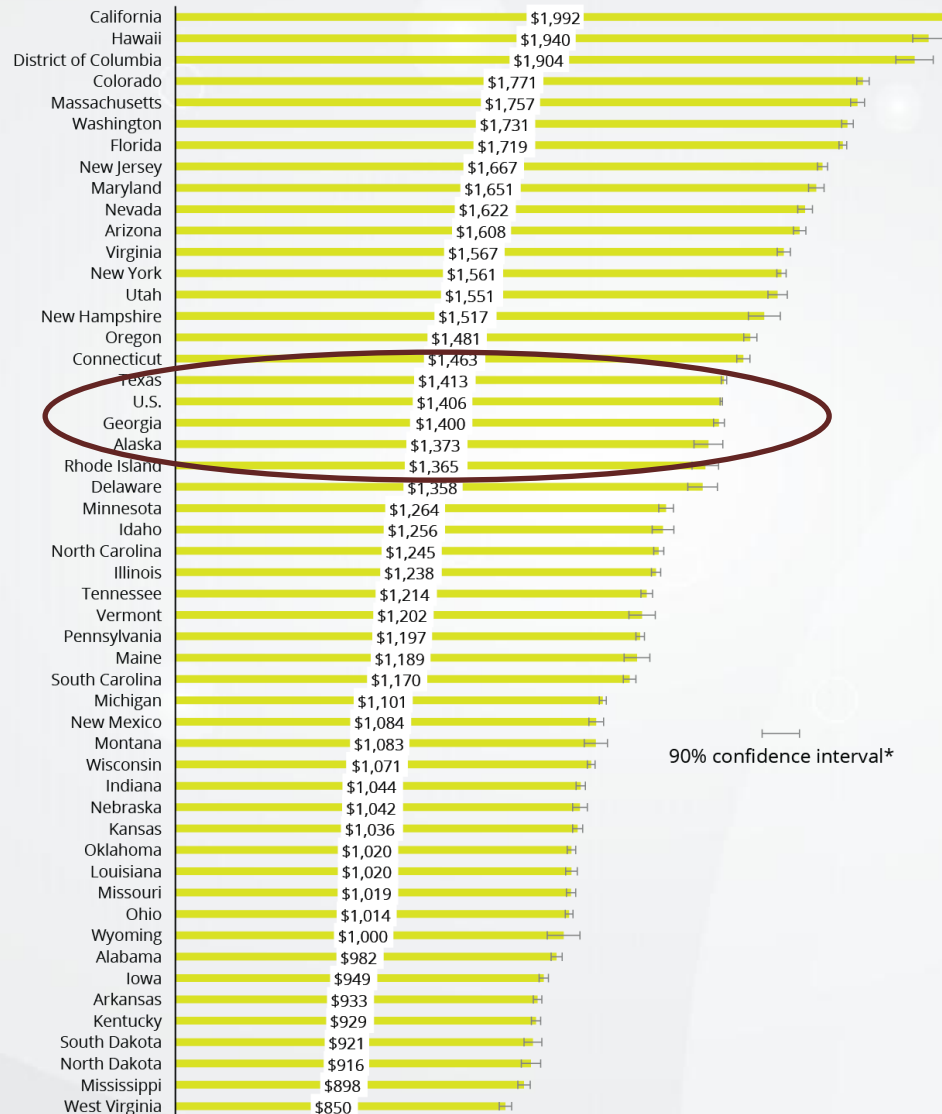
Housing affordability (average earners required to purchase average priced home)

Earners required



Note: Affordability is calculated by combining the average monthly wage in Alaska, average monthly payment for a 30-year mortgage on the average priced single-family home (30-year fixed rate mortgage with downpayment of average loan-to-value ratio, which is about 20 percent), and the requirement/assumption that no more than 24 percent of monthly income should be spent on mortgage payments.

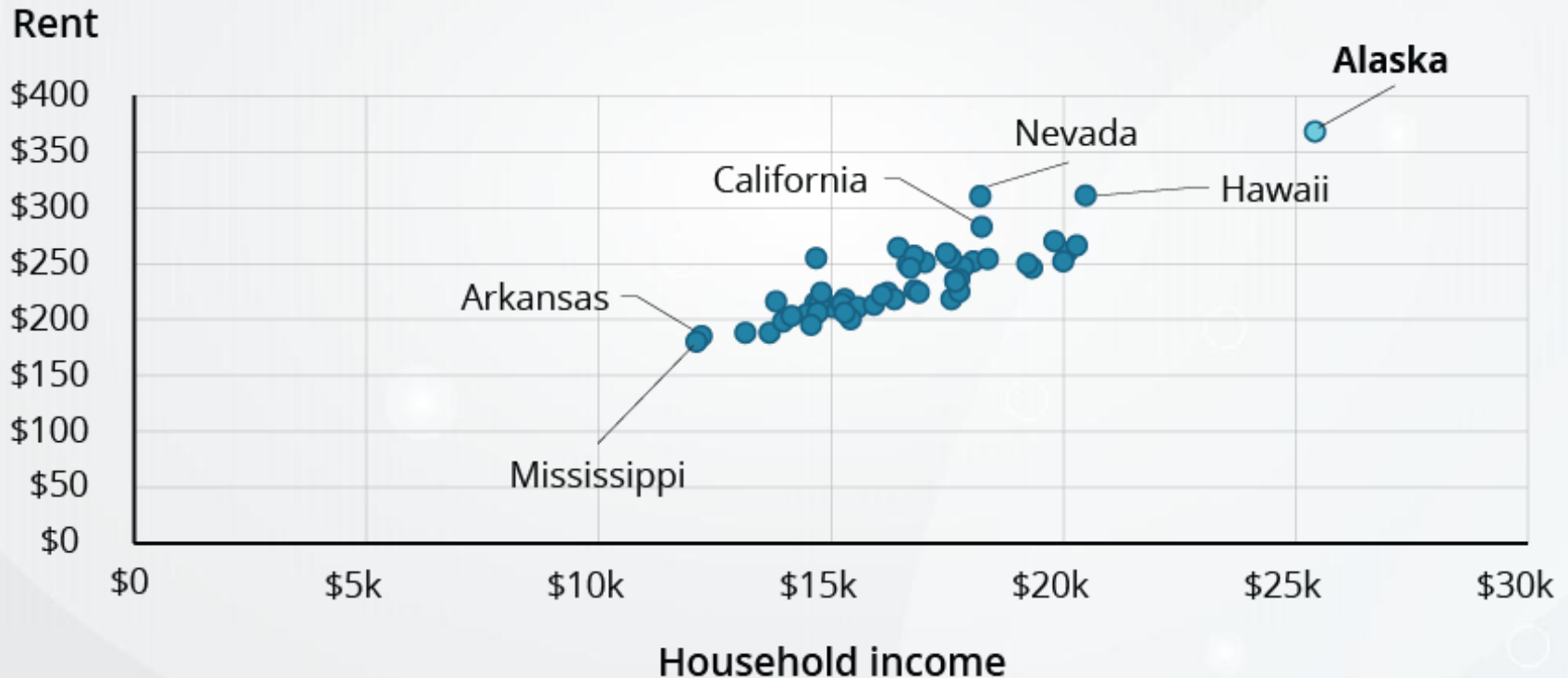
Median Rental Costs by State, 2023



Alaska ranked 20th in rental costs in 2023; we ranked sixth as recently as 2016

Alaska Incomes/Rents Used to be Highest

Average household income and average rent costs for states, 1980

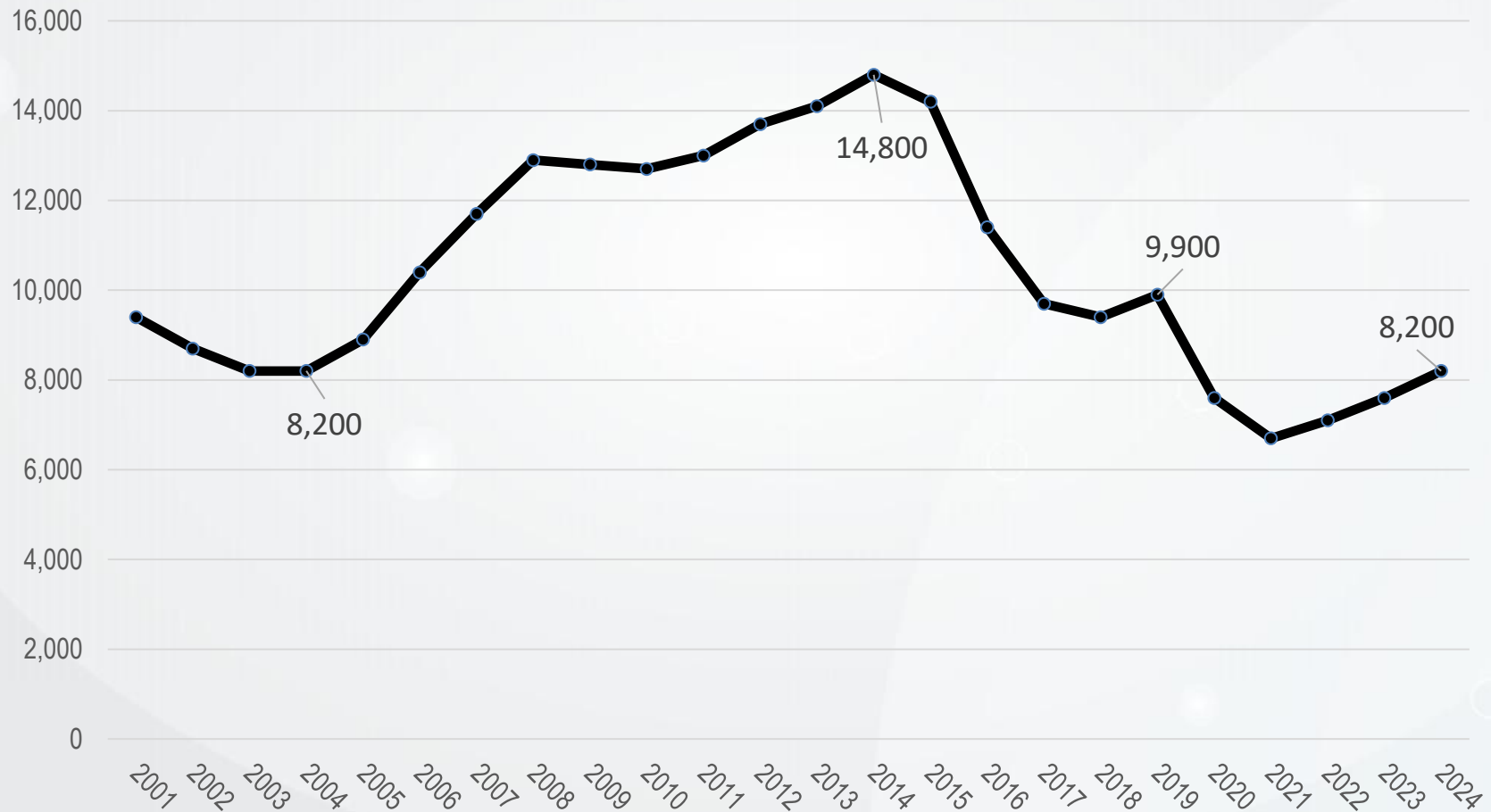


Topics You Asked About

Industry Details: Oil and Gas

Oil and Gas Jobs Down But Rising

Average monthly Alaska oil and gas jobs, 2001-2024



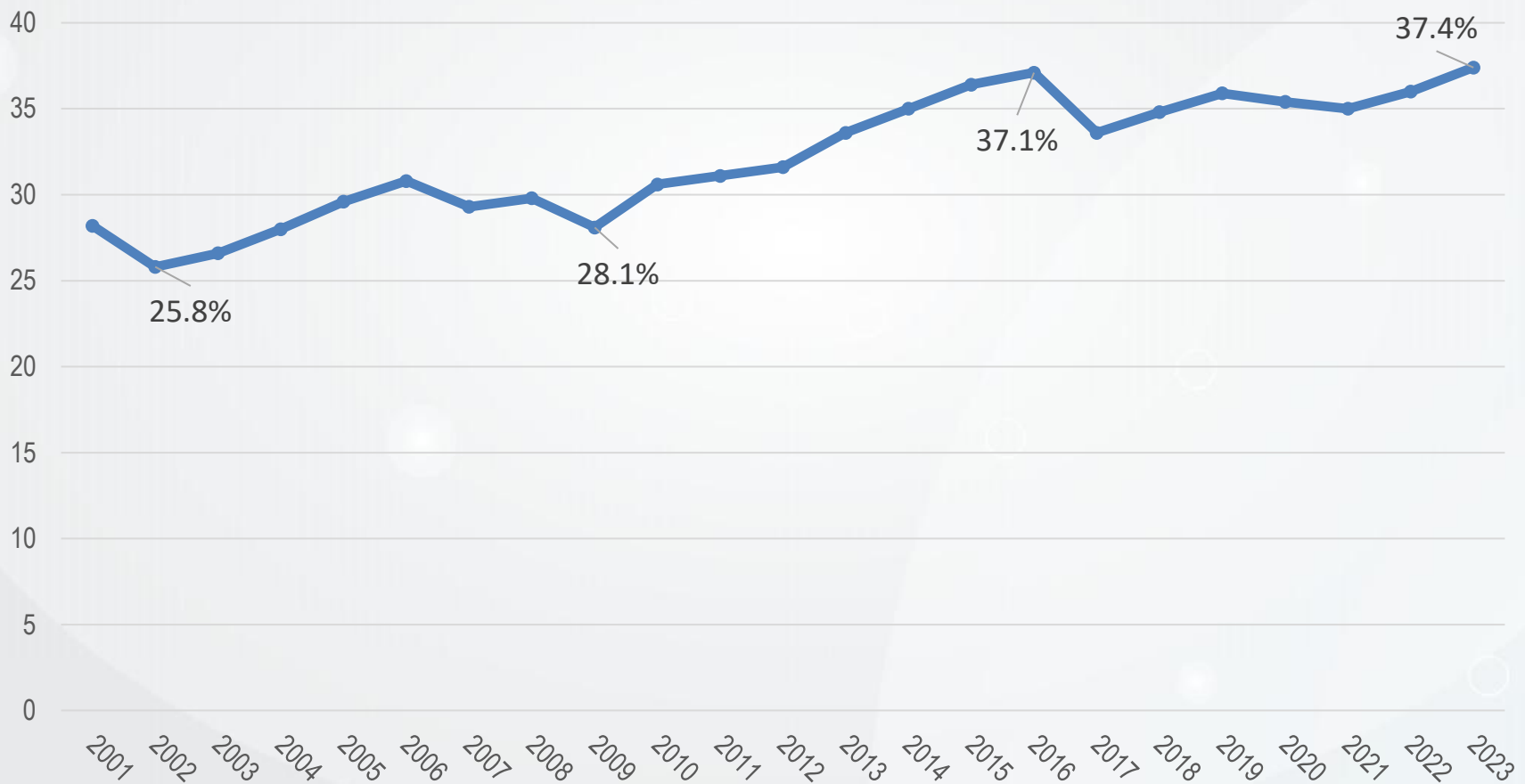
Oil and Gas Wages Are Highest in State

Average Alaska Wages for Select Industries (2023)

Oil and Gas:	\$181,200
Metal Mining:	\$125,532
Construction:	\$ 93,372
Health Care/Social Assistance:	\$ 70,800
Leisure and Hospitality:	\$ 32,316
Total:	\$ 67,956

Increasing Share of Nonresident Workers

Percent nonresident Alaska workers, 2001-2023

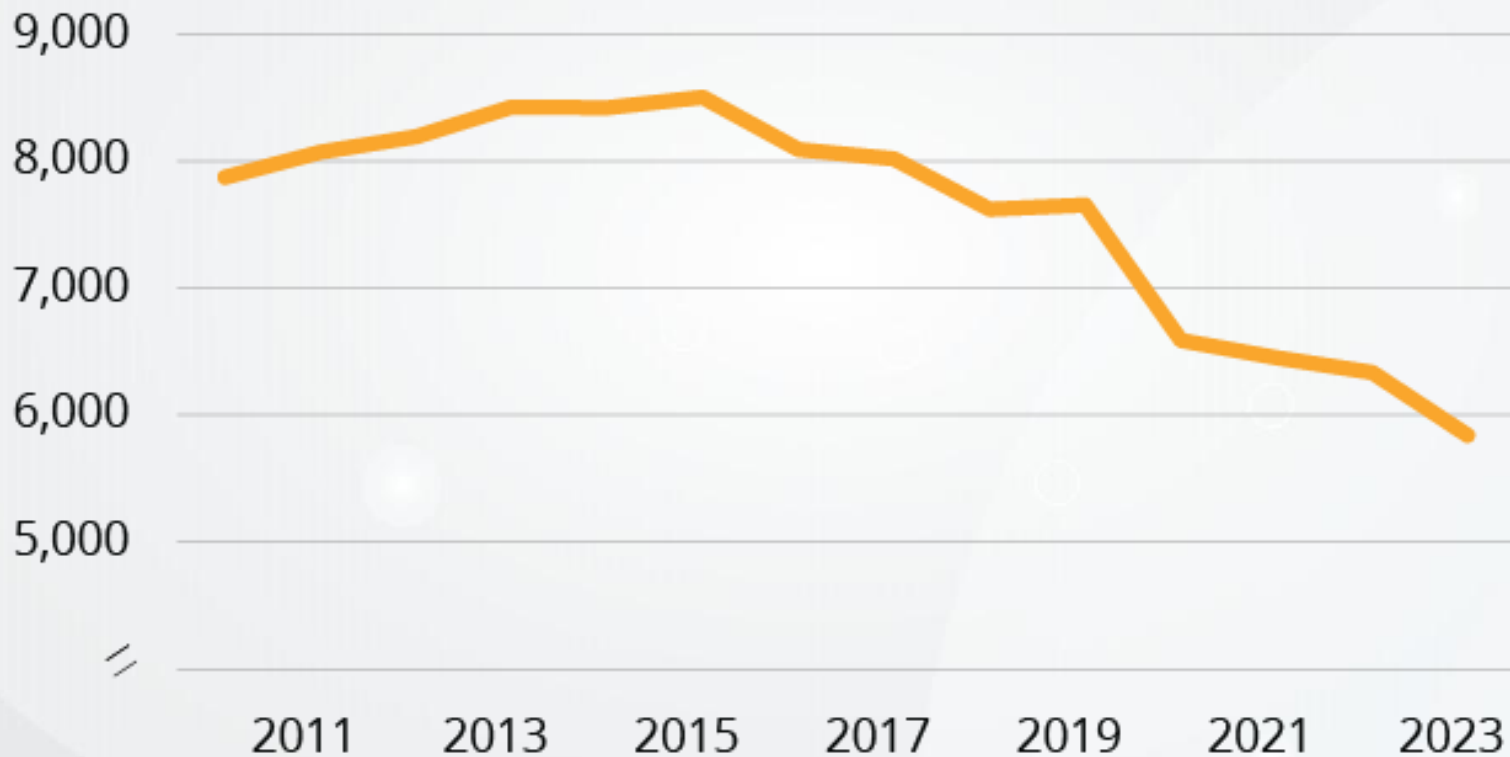


Topics You Asked About

Industry Details: Seafood

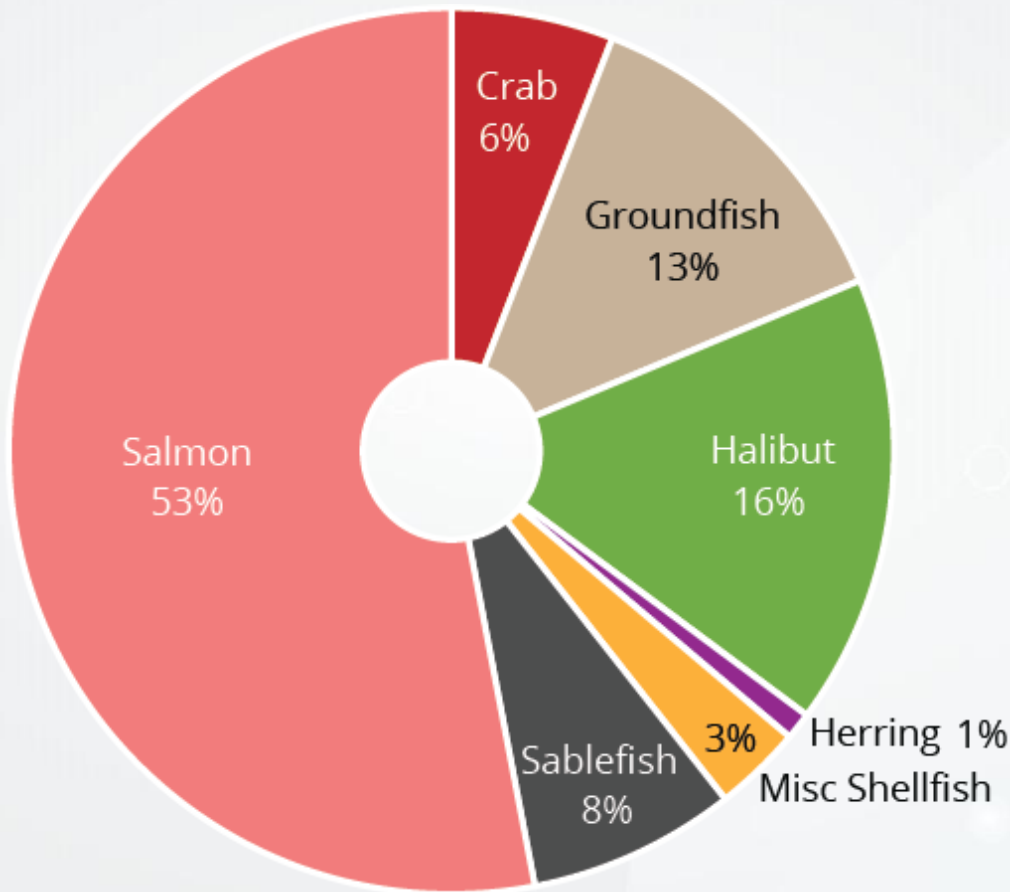
Fishing Jobs Have Been Falling

Average monthly fishing employment, Alaska, 2011-2023



More Than Half of Jobs Are In Salmon

Alaska fishing jobs by species, 2023



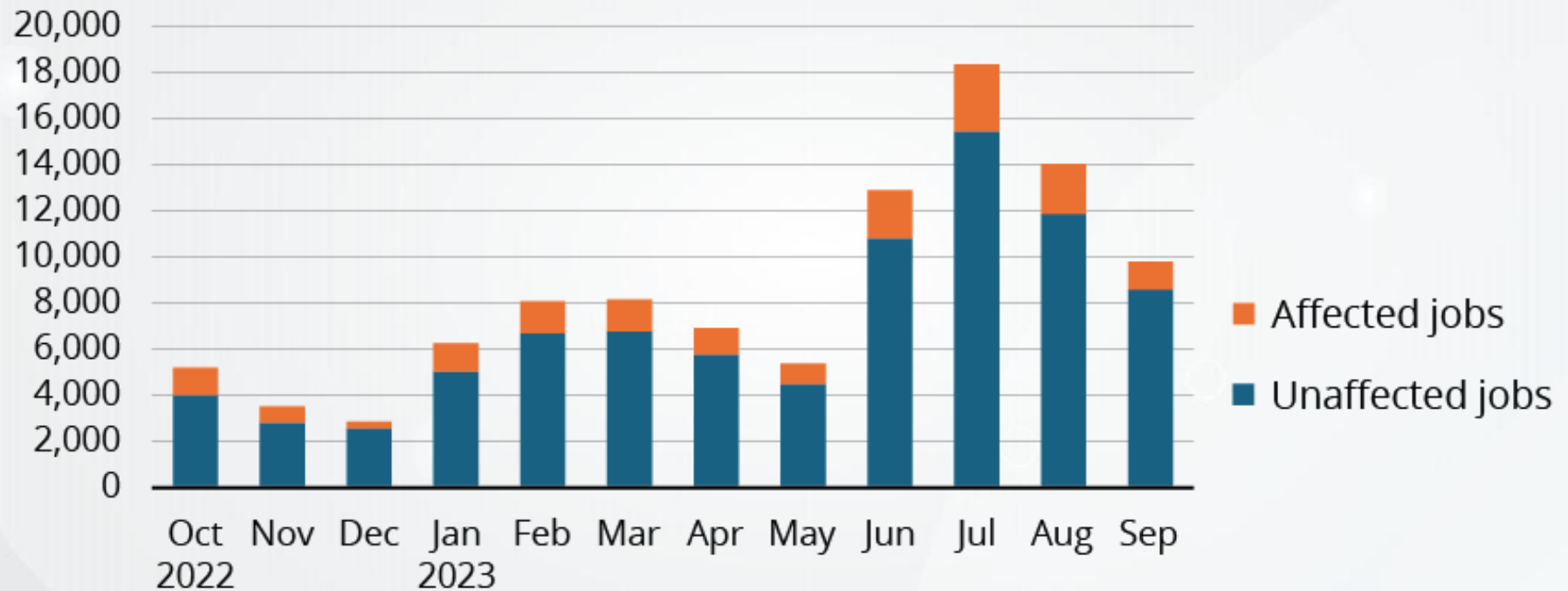
Declines for Both Permit Holders and Crew

Number of active Alaska permit holders and crew licenses, 2014-2023



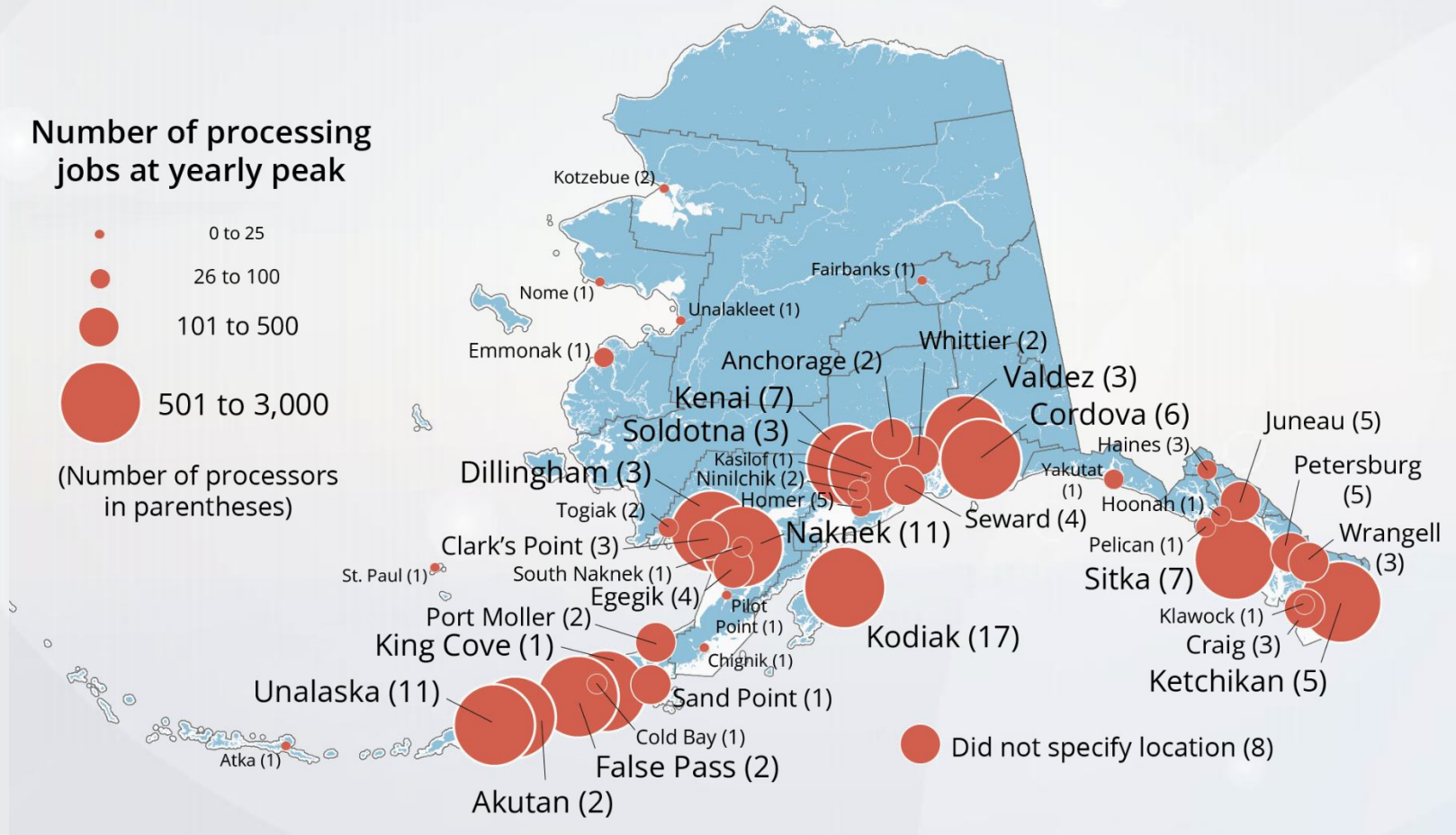
Big Shakeup in Seafood Processing

Processing jobs in facilities with announced closures or sales



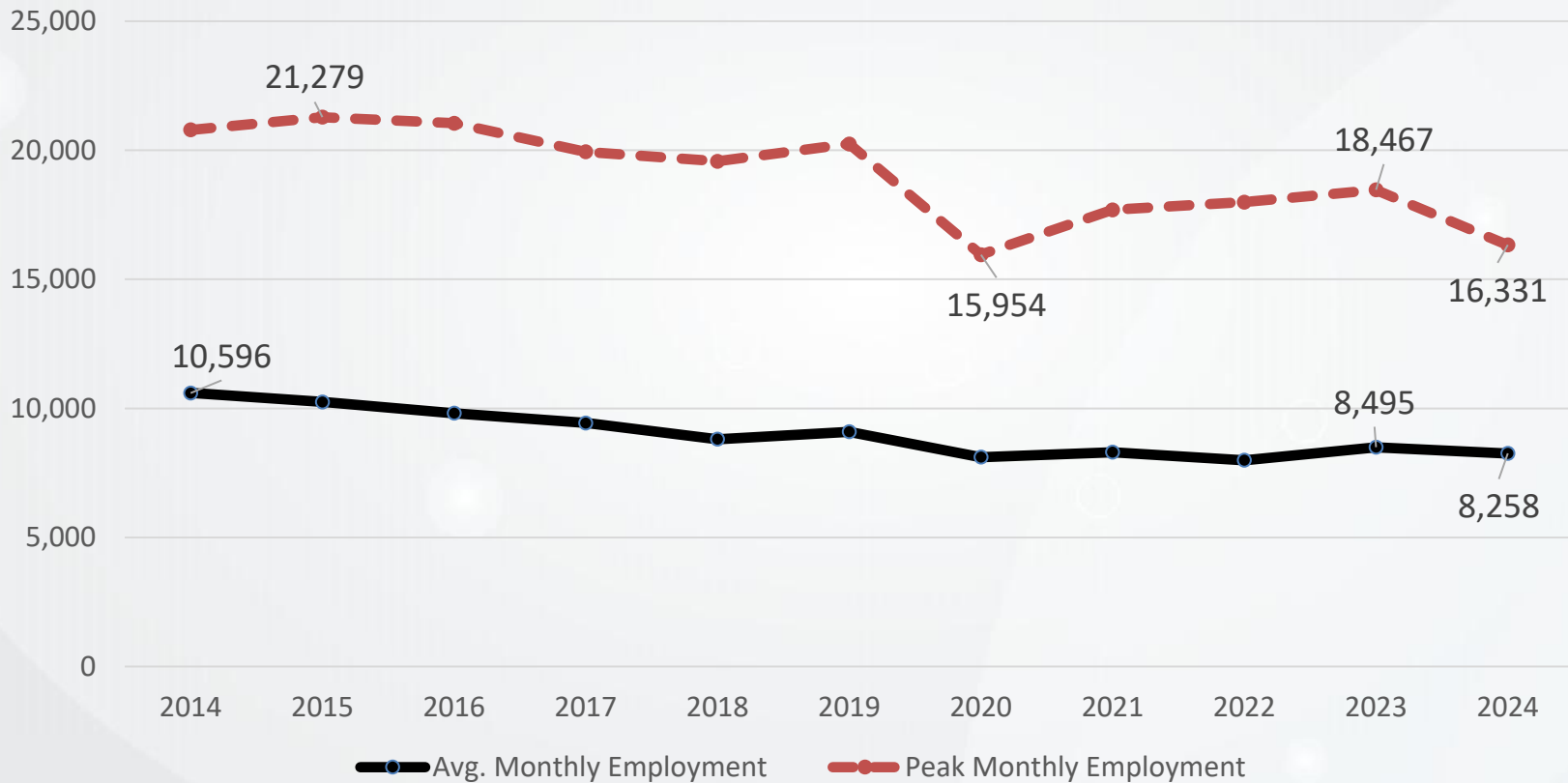
Seafood Processing Around the State

Seafood processing employment and number of facilities by area, 2023



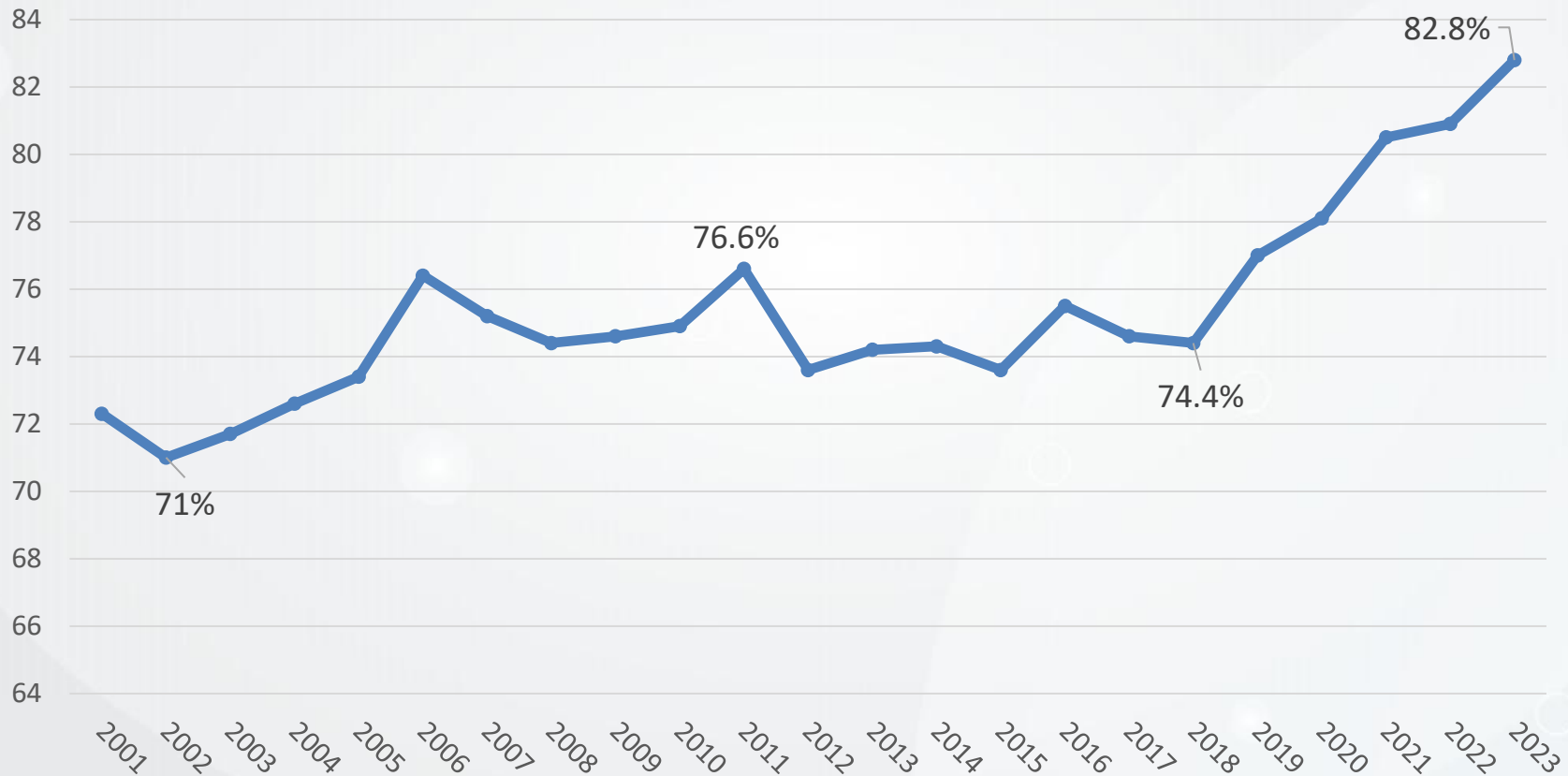
Processing Jobs Have Also Been Falling

Alaska Seafood processing average and peak employment, 2014-2024



A Growing Percentage of Nonresidents

Percent nonresident Alaska workers in seafood processing, 2001-2023

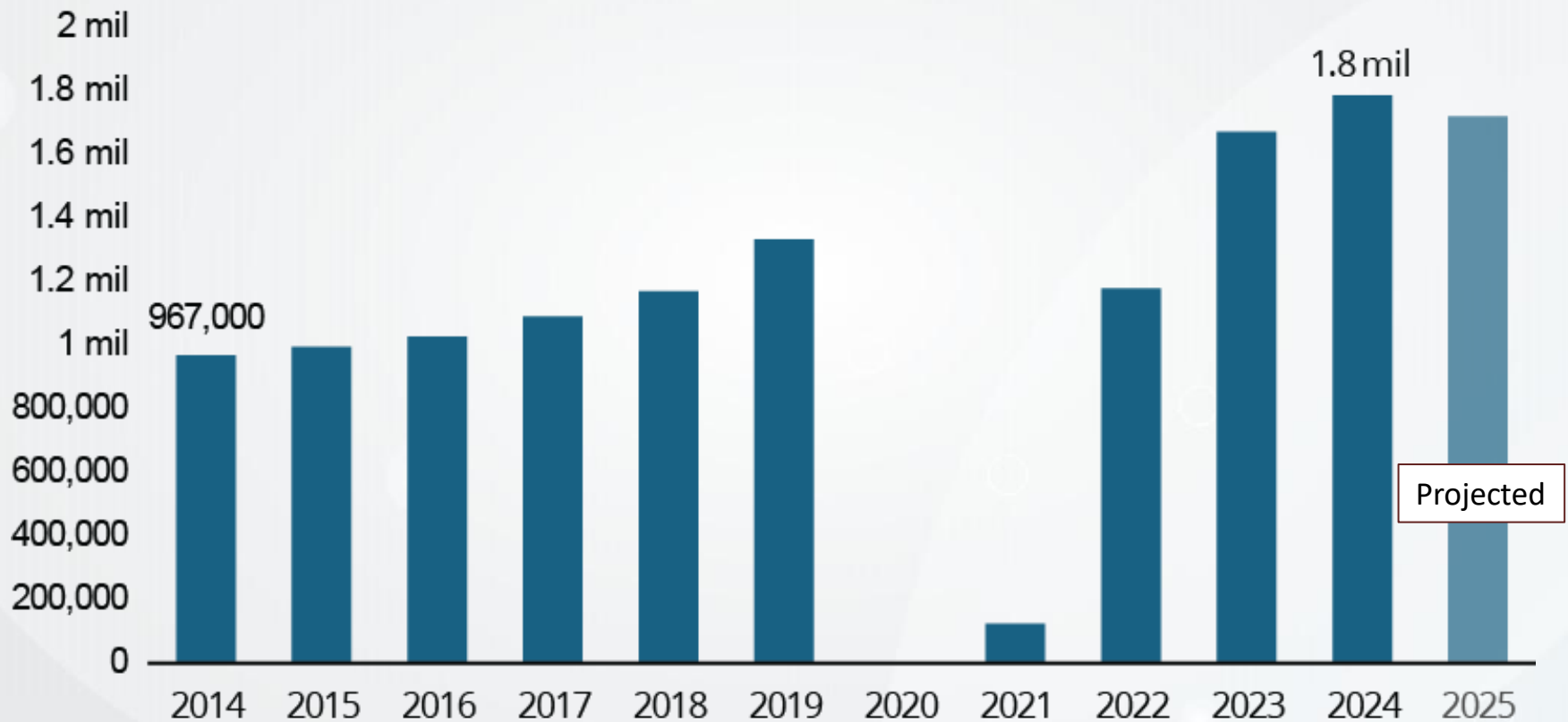


Topics You Asked About

Industry Details: Tourism

Tourism Has Been a Growth Industry

Cruise ship visitors to Alaska, 2014-2025



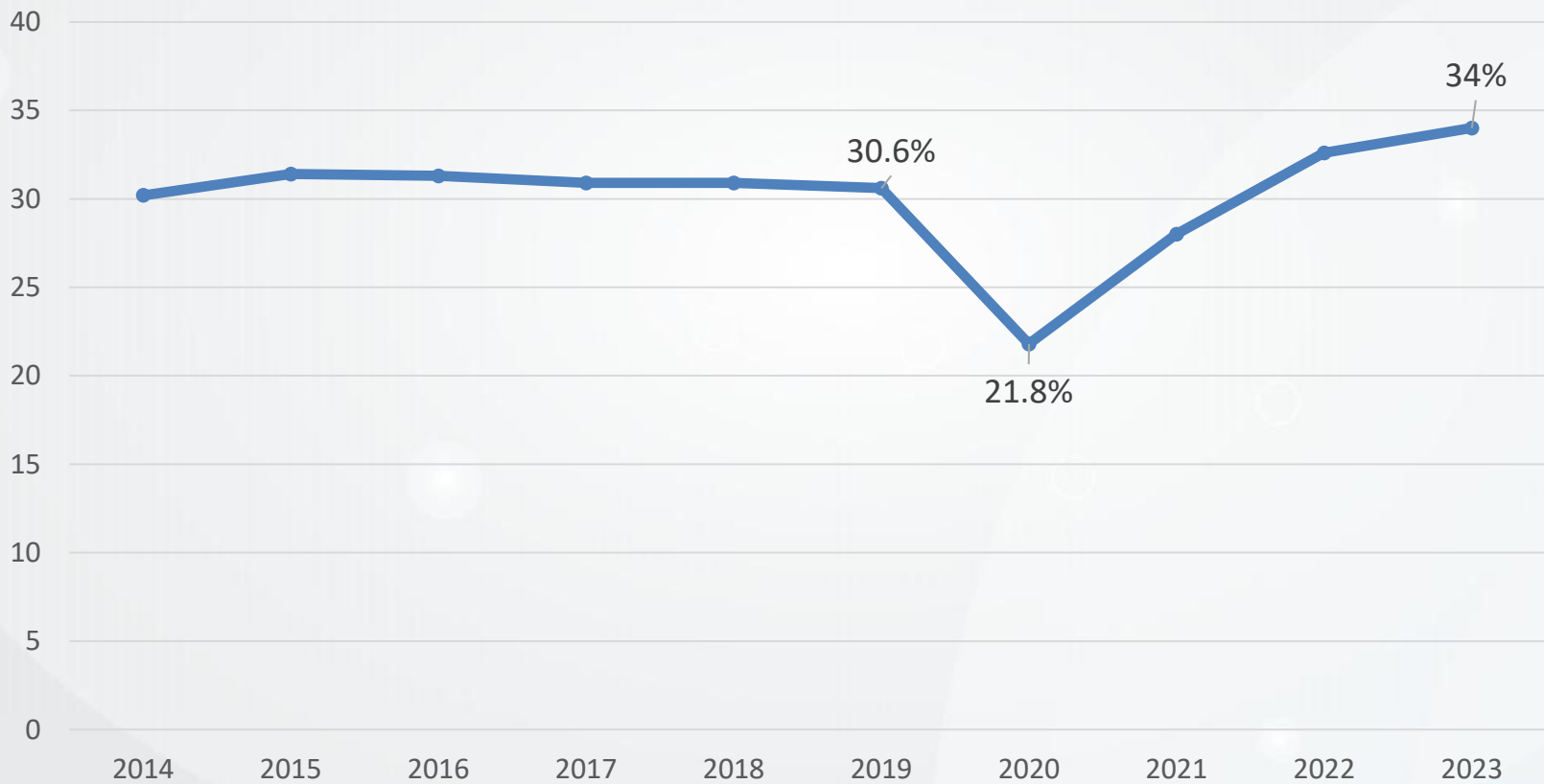
Cruise Ship Stops Scattered Around State

Largest number of cruise stops are in Southeast



A Growing Share of Nonresident Workers

Percent nonresident Alaska workers in visitor-related jobs, 2001-2023

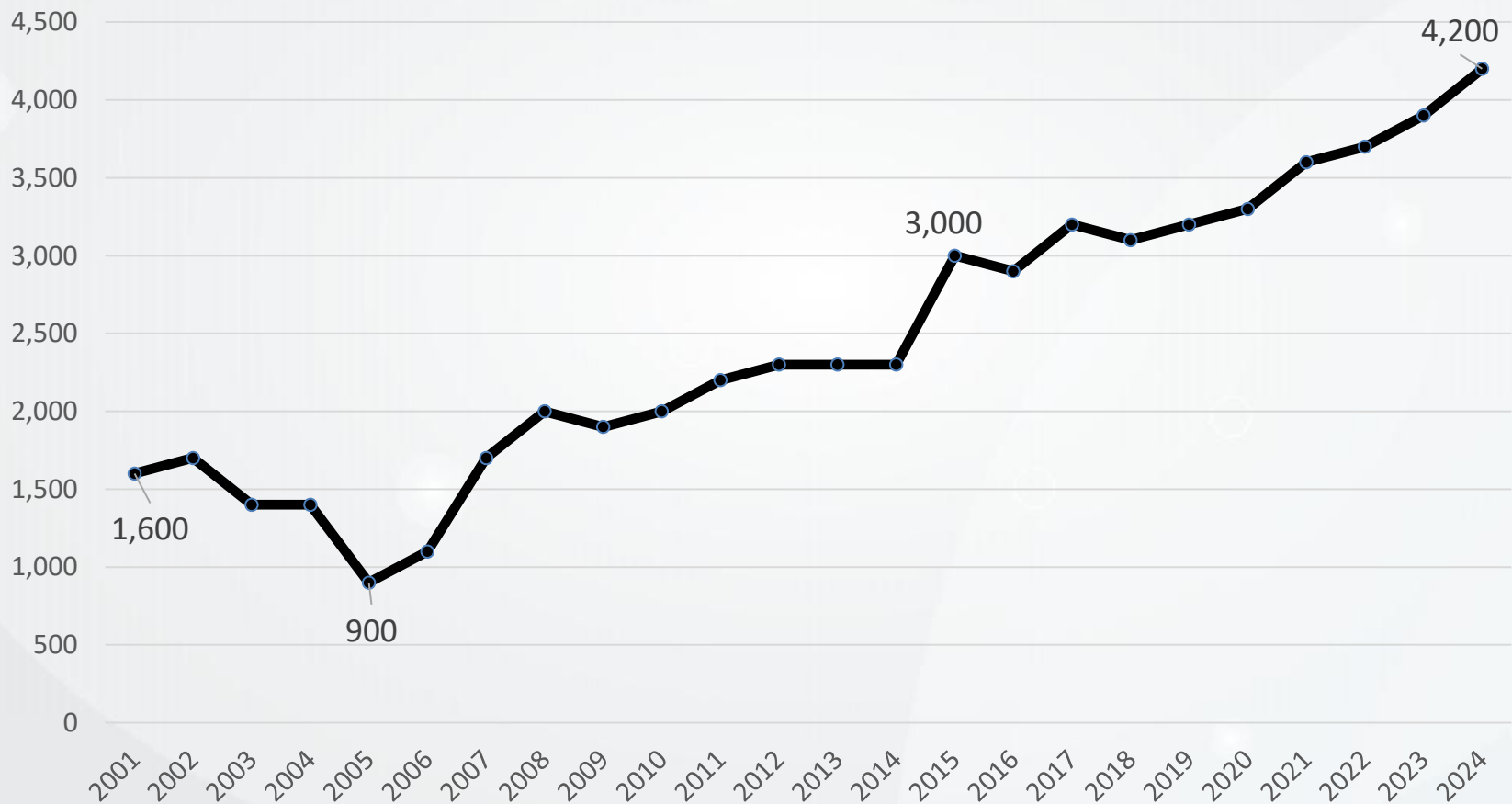


Topics You Asked About

Industry Details: Mining

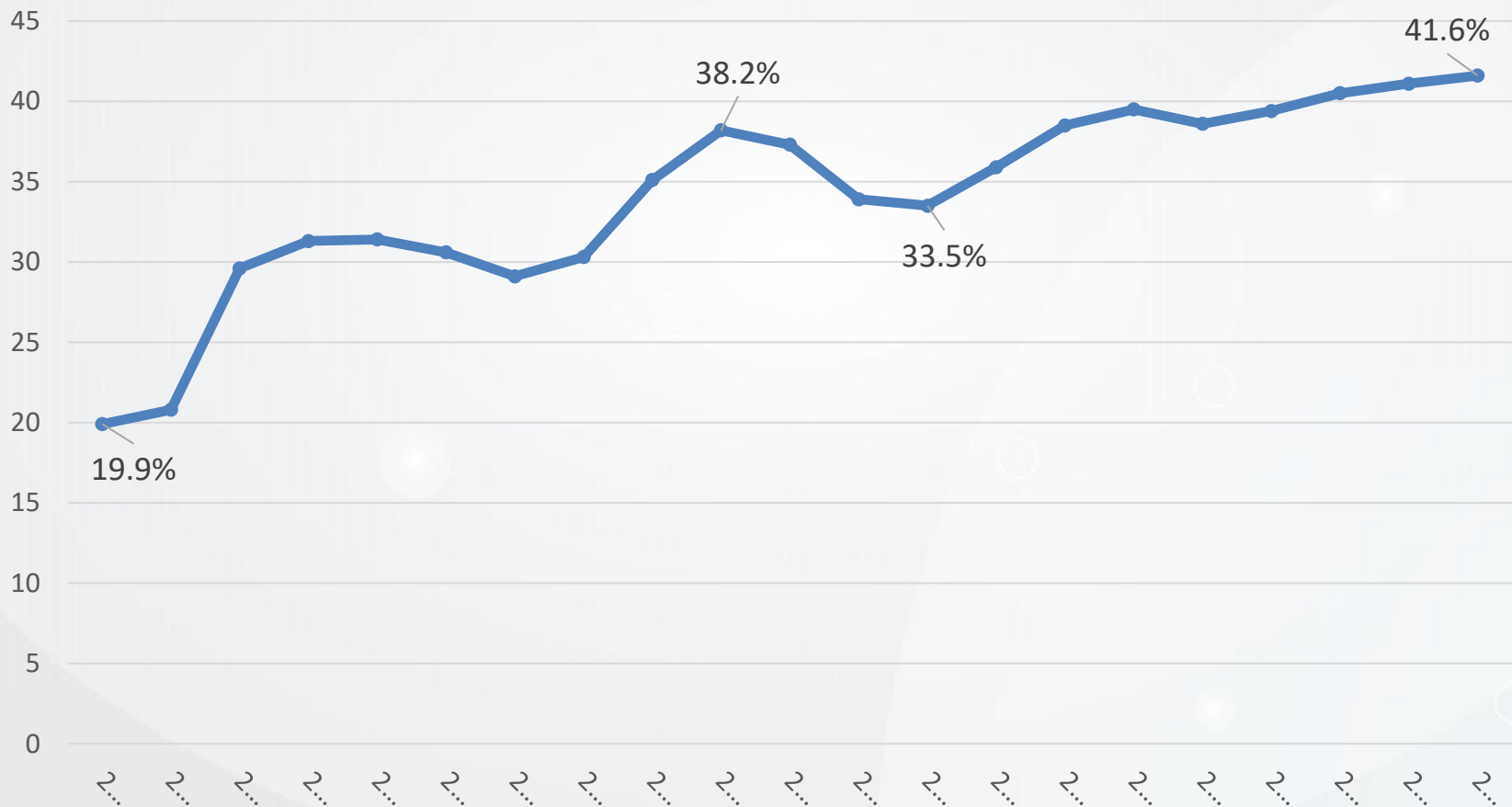
Strong Steady Growth in Mining Jobs

Average monthly Alaska mining jobs, 2001-2024



Nonresident Workers in Mining Industry

Percent nonresident Alaska workers in mining jobs, 2001-2023

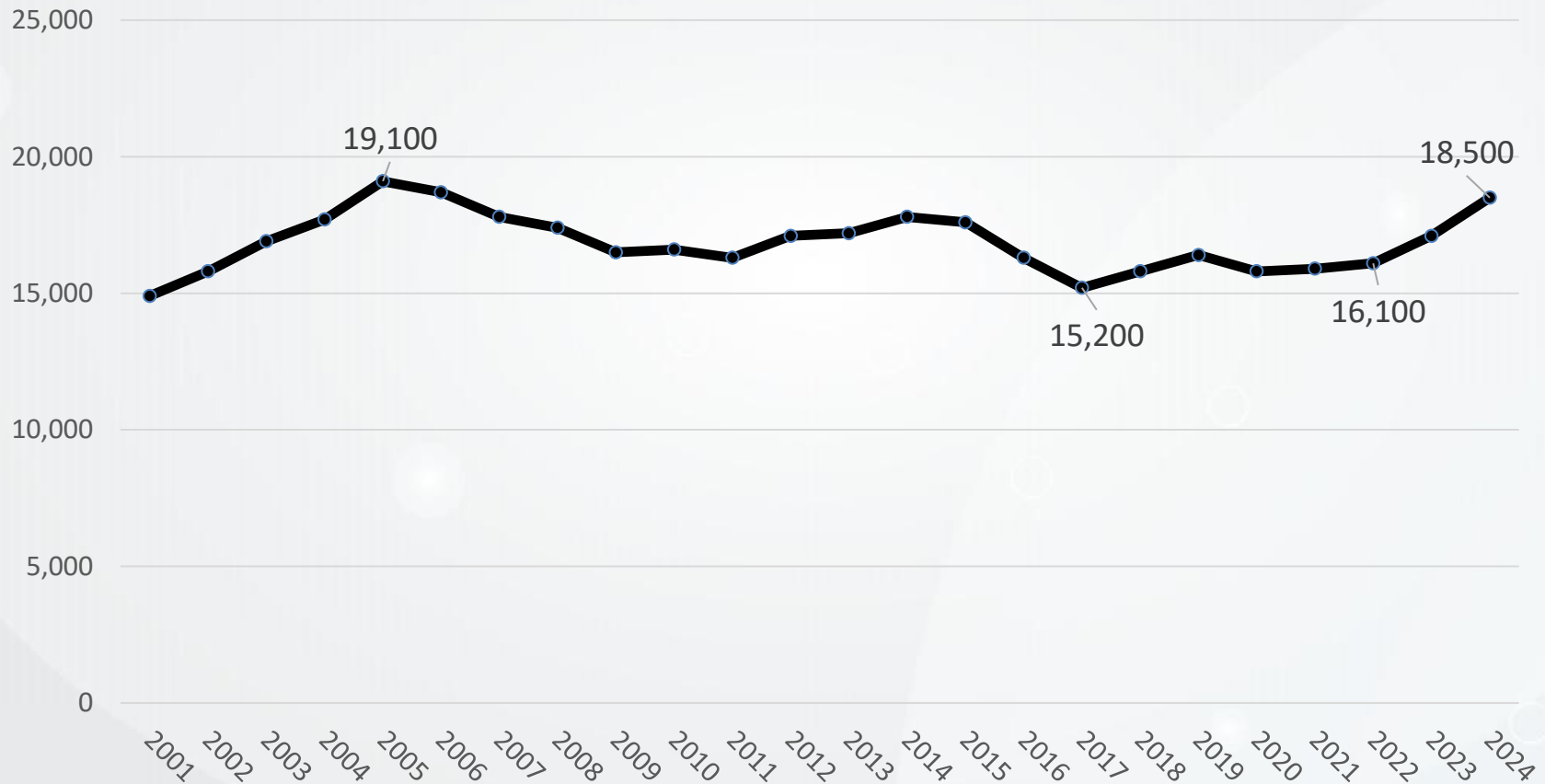


Other Key Industries and Sectors

Industry Details: Construction

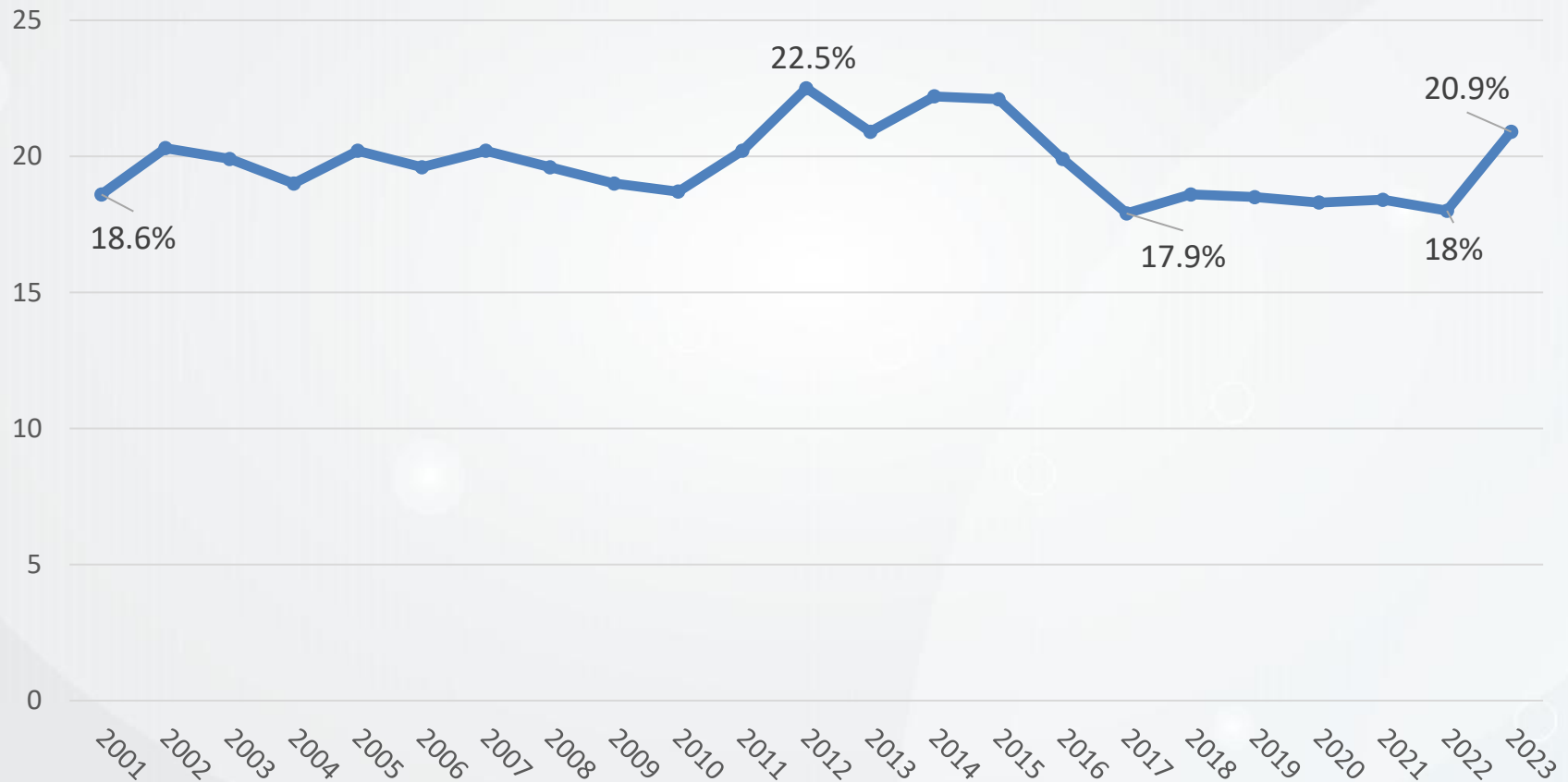
Strong Recent Growth in Construction

Average monthly Alaska construction jobs, 2001-2024



Jump in Nonresidents in 2023

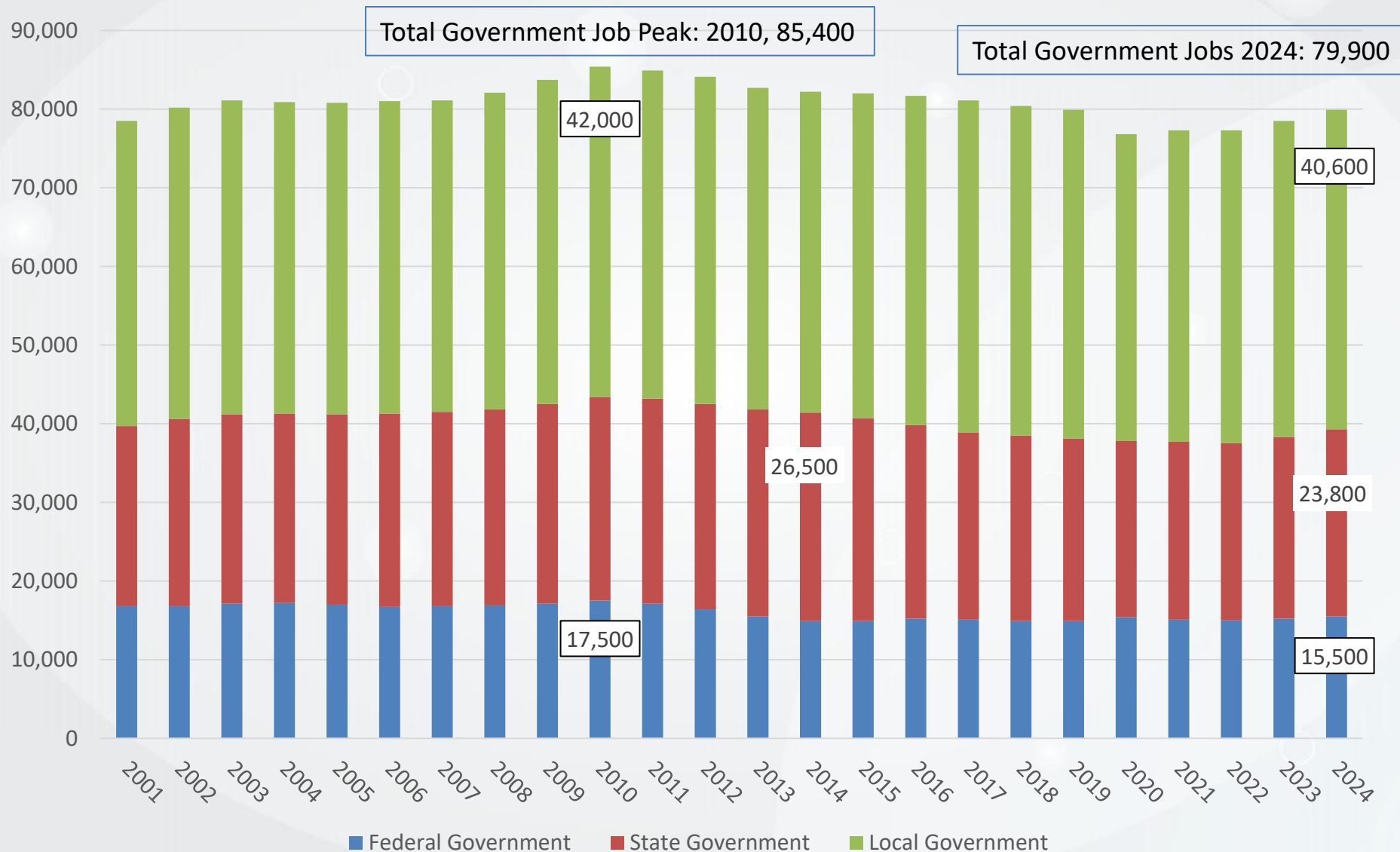
Percent nonresident Alaska workers in construction jobs, 2001-2023



Other Key Industries and Sectors

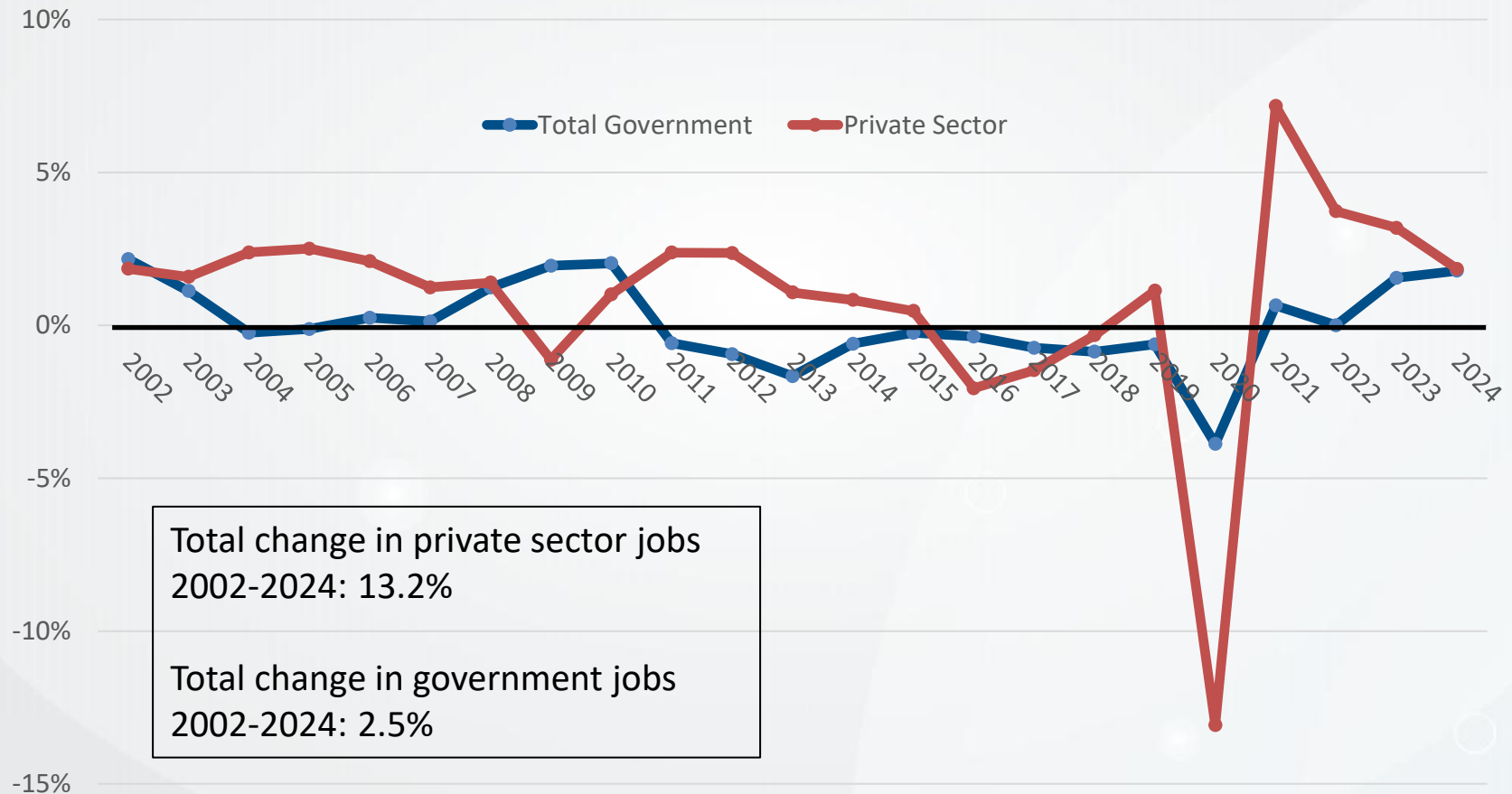
Industry Details: Government

Government Jobs, 2001-2024



Private Sector Jobs Have Grown Most

Annual percent change in government and private sector jobs, 2002-2024

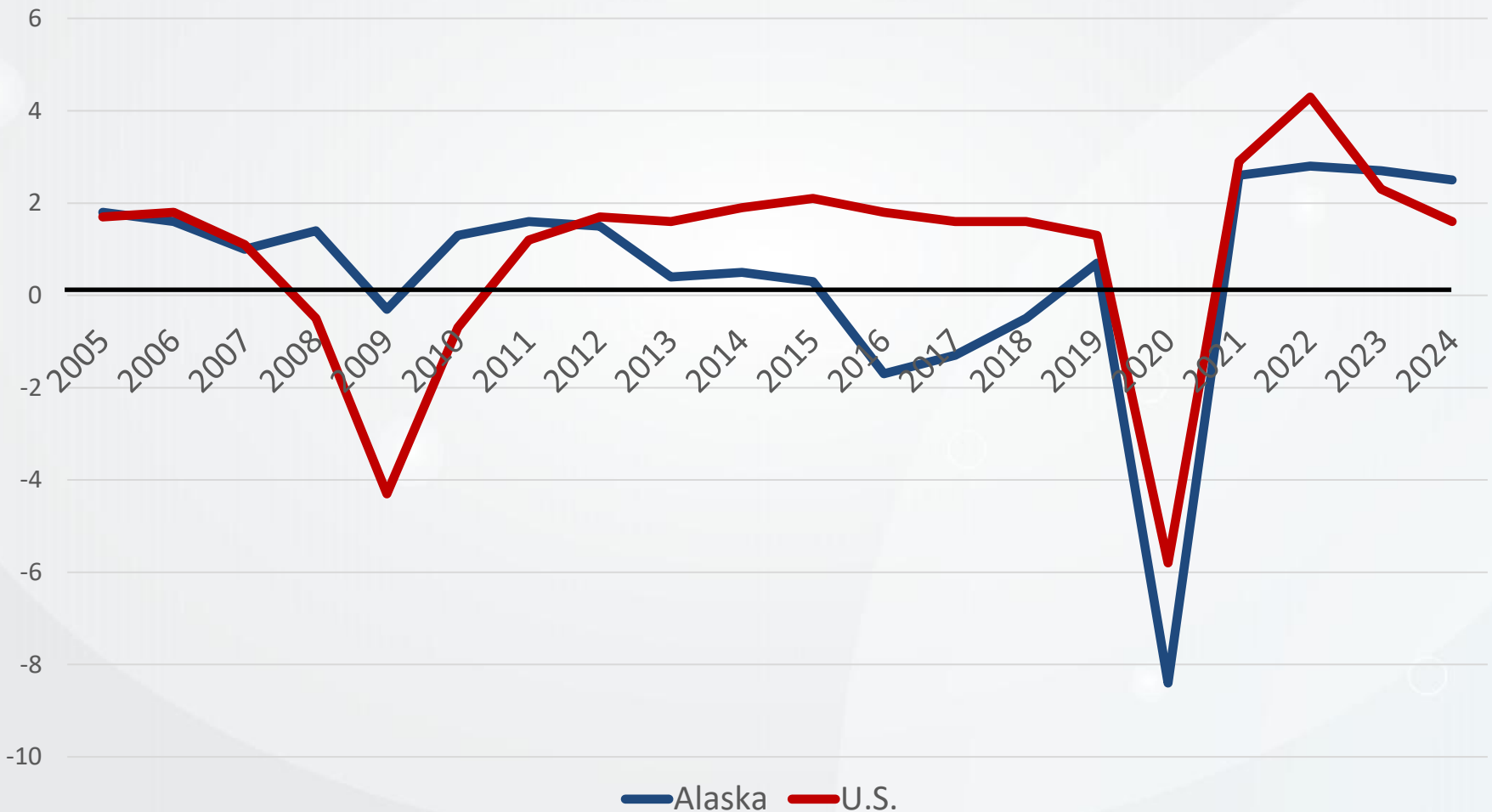


Overall State Economy Has Improved

- We underperformed relative to U.S. and most other states over the decade from 2013-2022 by most macroeconomic measures (Gross Domestic Product (GDP), employment growth, personal income, net migration)
- BUT, from 2023 forward we have overperformed U.S. economy and most states in job growth (and in GDP for at least 2023)

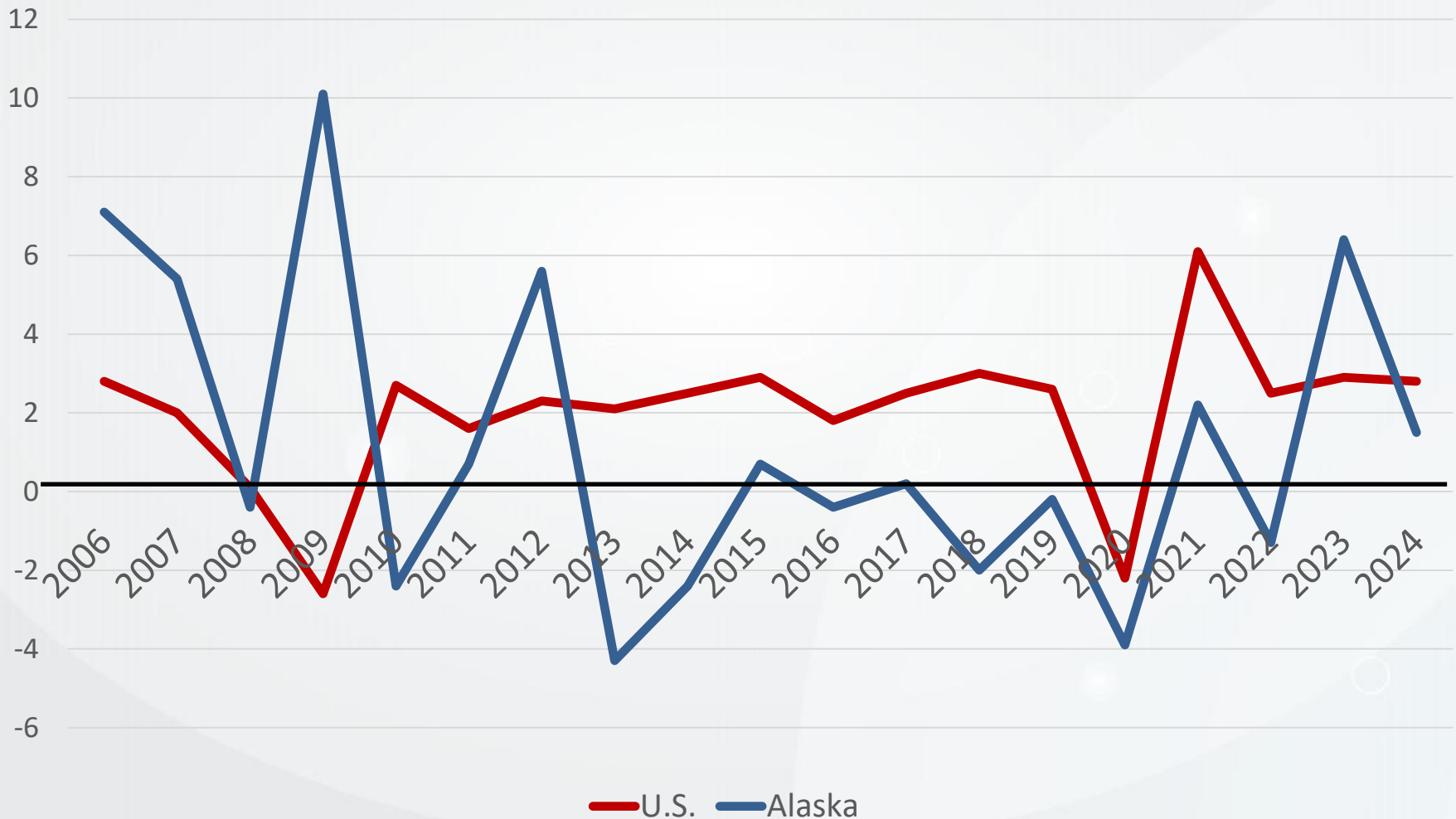
Stronger Job Growth in 2023 and 2024

Alaska and U.S. job growth, percent annual change, 2005-2024



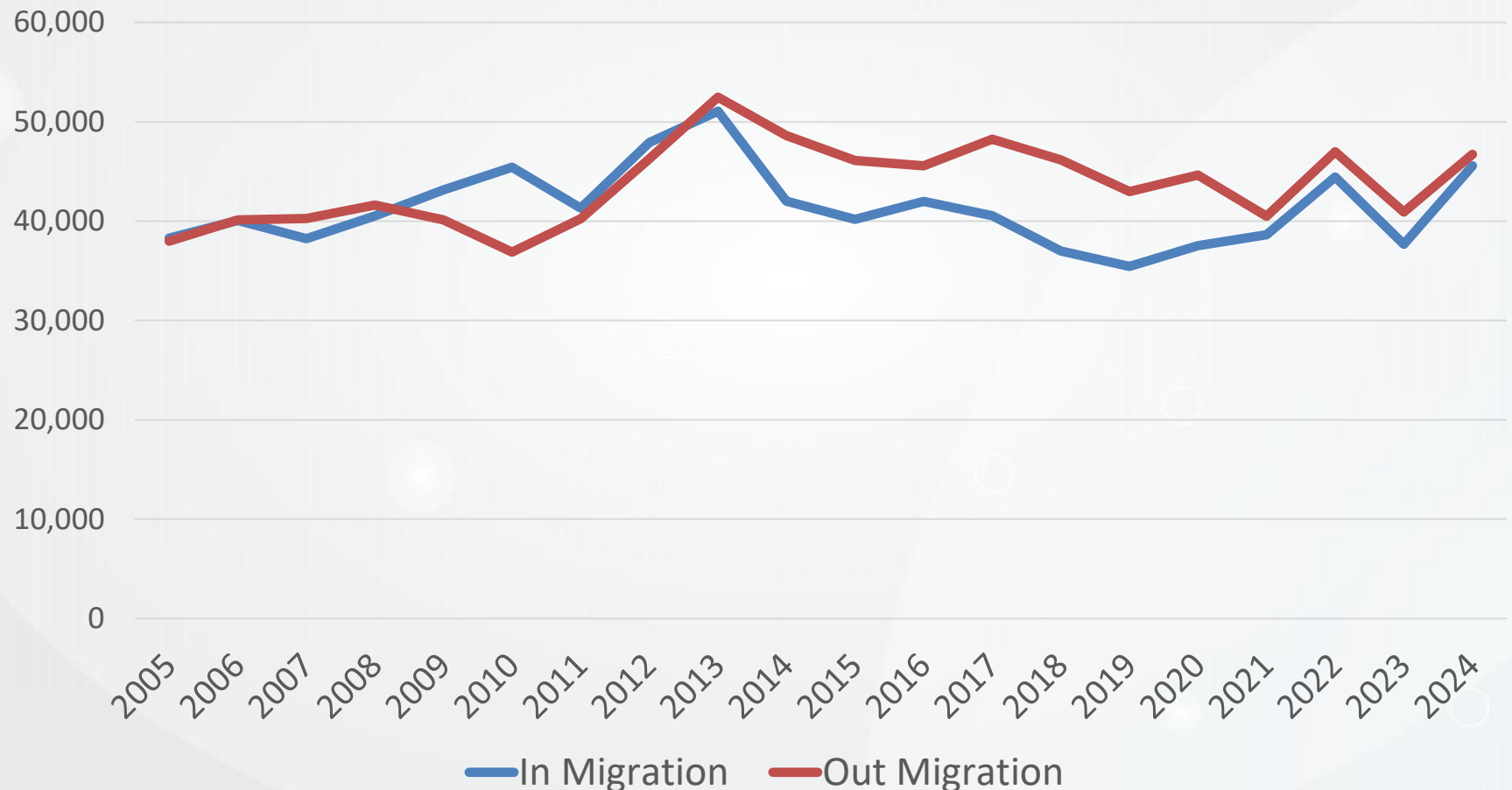
Stronger GDP Growth in 2023

Alaska and U.S. GDP growth, percent annual change, 2006-2024



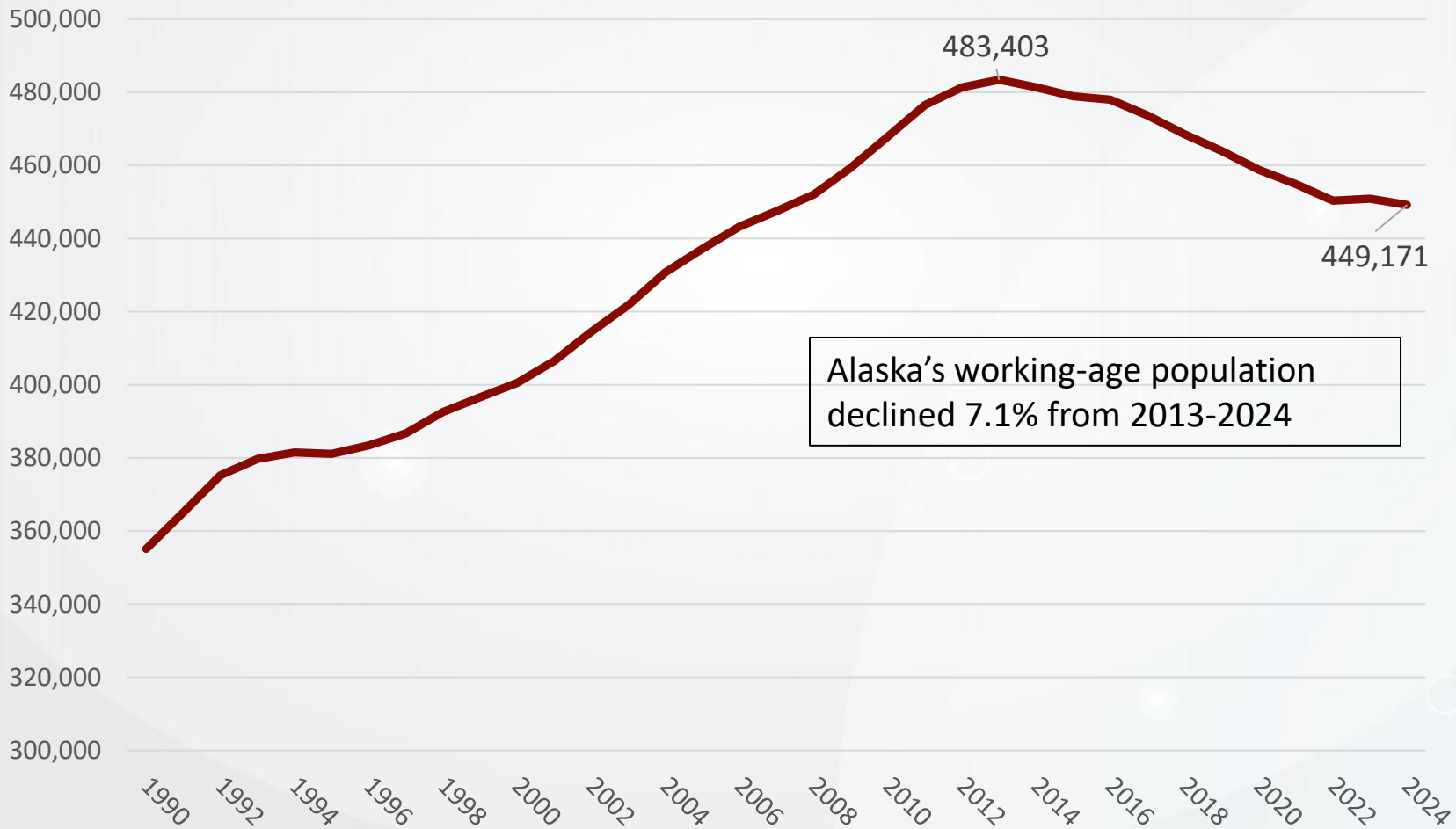
Negative Net Migration for Last 12 Years

Alaska in migration and out migration, 2005-2024



Working-Age Population Has Fallen

Alaska's working-age (18-64) population, 1990-2024



Alaska's working-age population
declined 7.1% from 2013-2024

Current and Durable Economic Strengths

- An abundance of resources the world needs or wants (minerals, oil and natural gas, fish, wildlife, dramatic natural beauty, rich cultural heritage)
- Location/size, in some contexts: military, air cargo, potential new international shipping lanes
- Strong reputation as a big, beautiful, adventurous, outdoor entertainment-rich place to live

Economic Challenges (*Some* Enduring)

- Unprecedentedly sticky trend of negative net migration and working-age population decline
- Most volatile tax revenue of any state and an ongoing transition to a new set of revenue and spending assumptions
- Location/size in some contexts (distance from major markets, small local population, expensive travel to and from, energy sources and connections)

Questions or to Subscribe to Trends

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