

# Key Economic Trends in 2025



Alaska's current strengths,  
weaknesses, and challenges

*May 16, 2025*

*Alaska Credit Union  
League Annual Conference*

# Let's Start At the End

What It All Adds Up to ...

# Current and Durable Economic Strengths

- An abundance of resources the world needs or wants (minerals, oil and natural gas, fish and seafood, 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

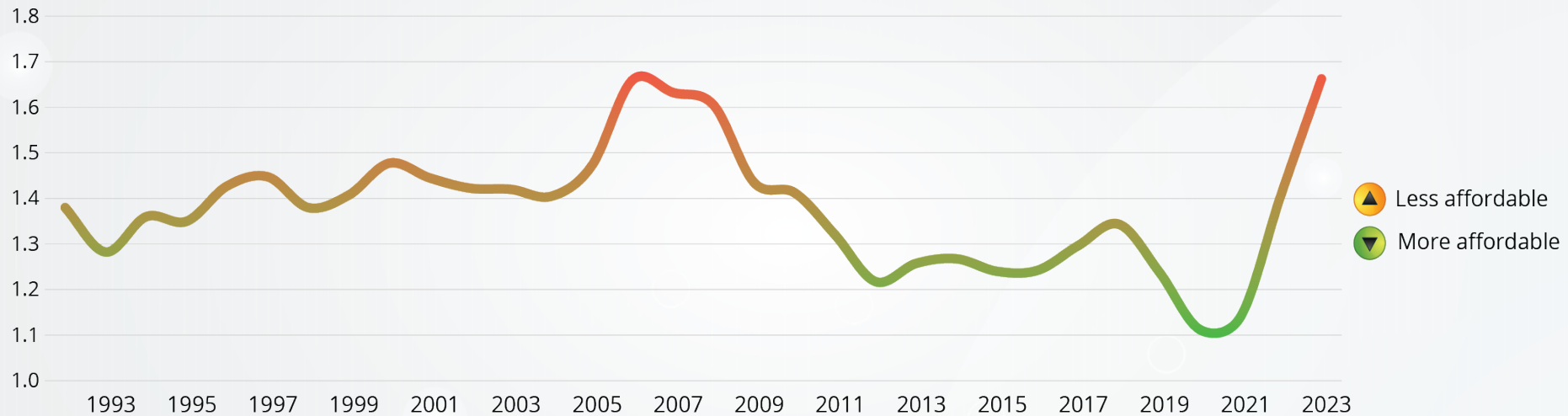
# Economic Challenges (*Some* Enduring)

- Unprecedentedly sticky trend of negative net migration and working-age population decline
- Most volatile tax revenue of any state and a drawn-out transition to a new set of revenue and spending assumptions (we're struggling to accept hard truths)
- Location/size in other contexts (distance from major markets, small local population, expensive travel to and from, energy sources and connections); also, it's cold here

# Housing Has Become Less Affordable

Housing affordability (avg. earners required to purchase avg. priced home)

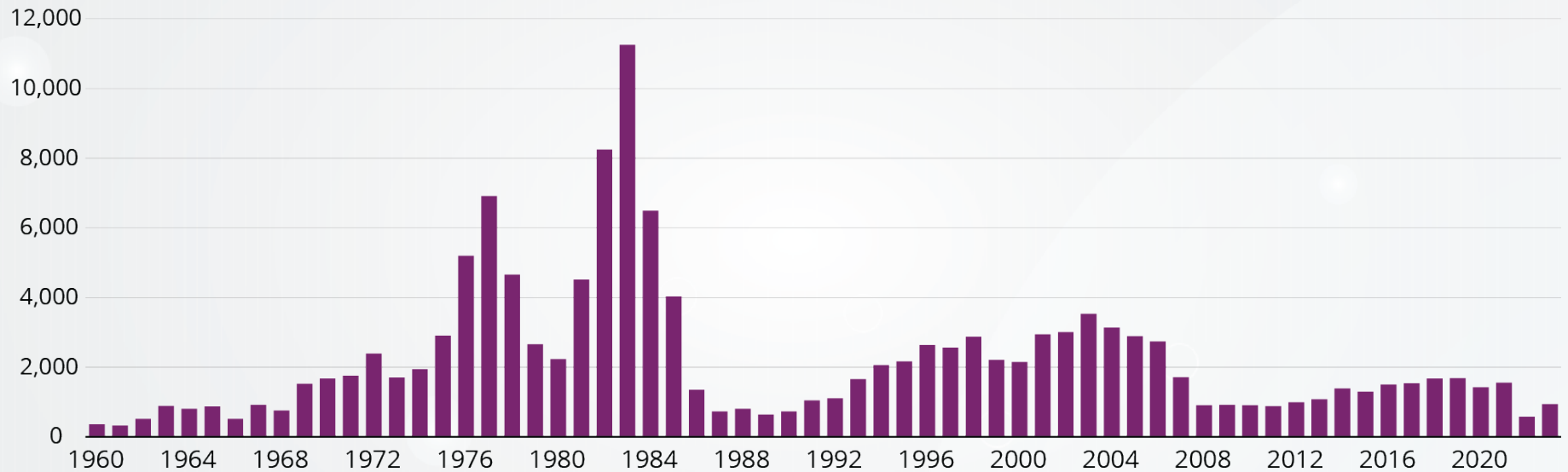
Earners required



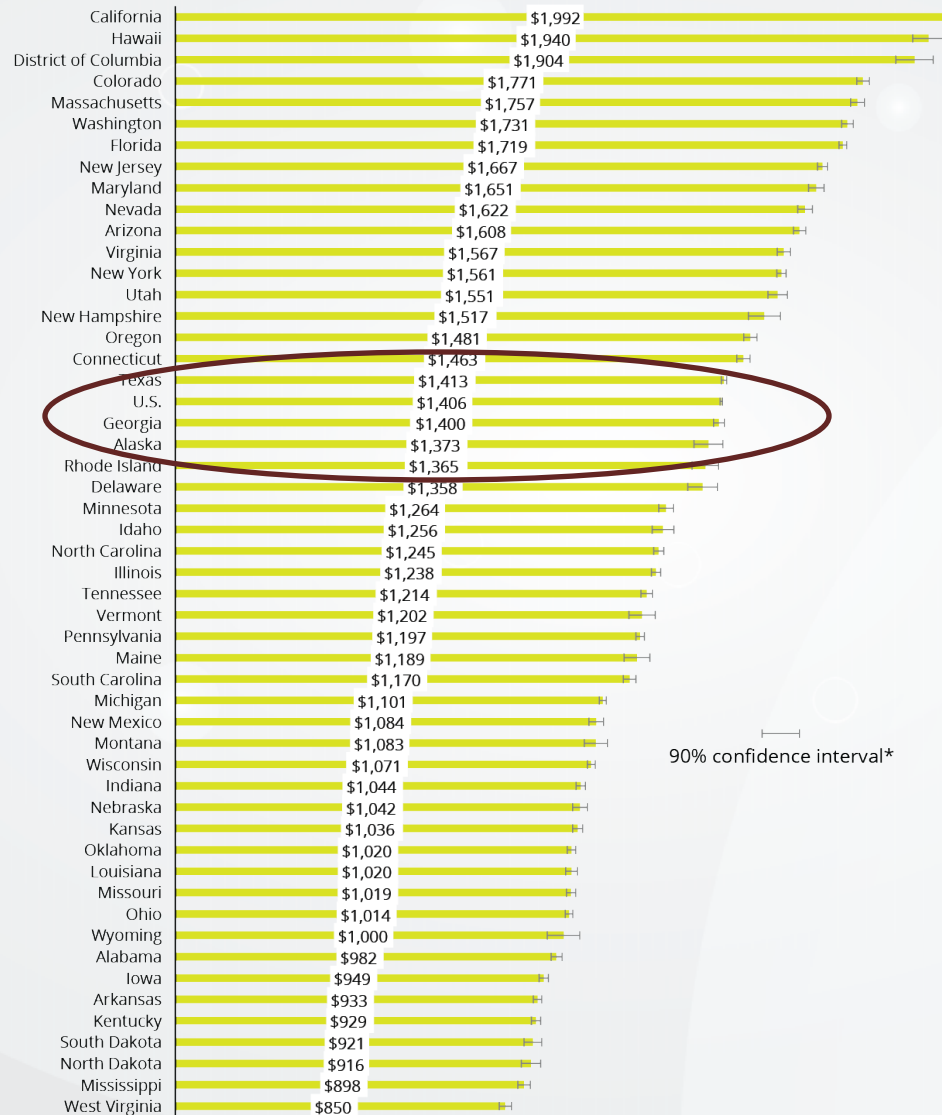
Note: Affordability is calculated by combining the average monthly wage in Alaska, average monthly payment for a 30-year mortgage on the average priced single-family home (30-year fixed rate mortgage with downpayment of average loan-to-value ratio, which is about 20 percent), and the requirement/assumption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

# Low Levels of New Unit Permitting

New housing units permitted in Alaska, 1960 to 2023



# Median Rental Costs by State, 2023



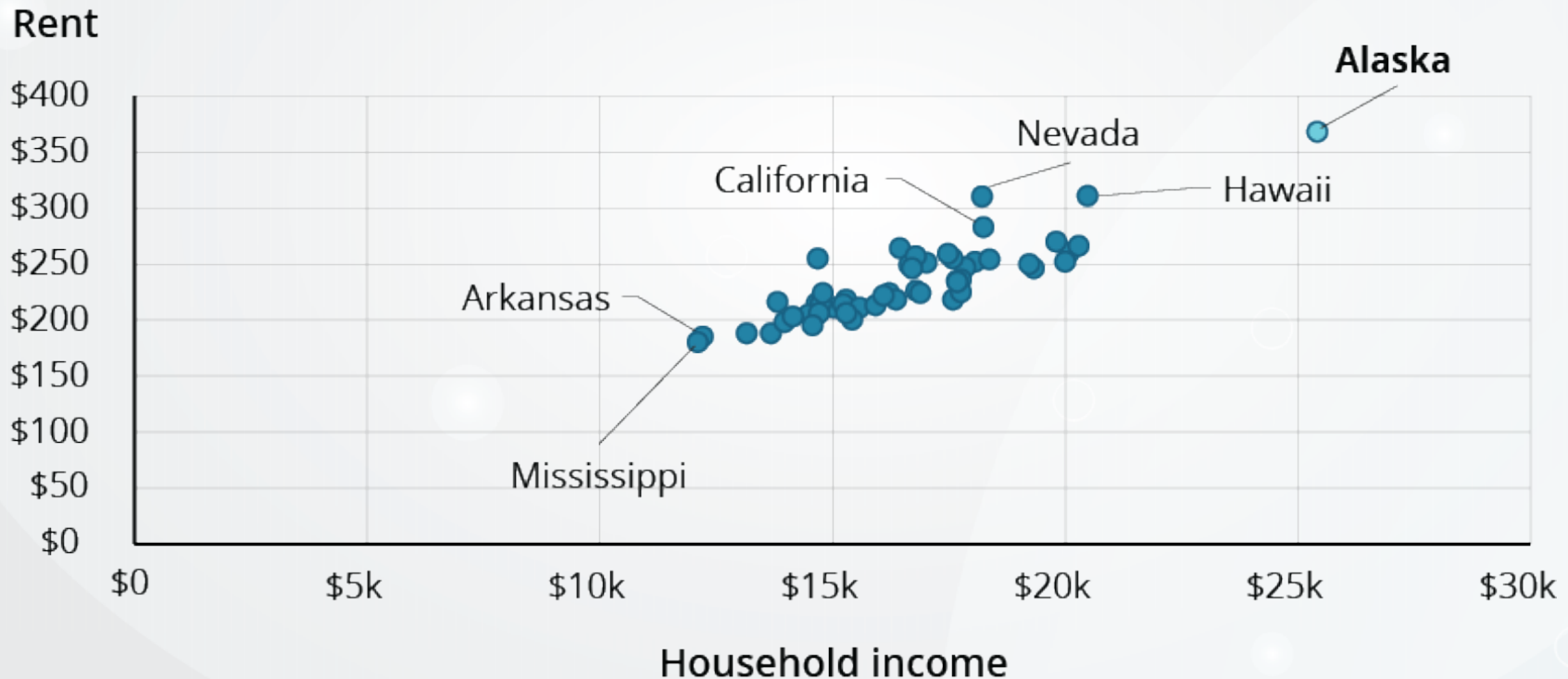
Alaska ranked 20<sup>th</sup> in rental costs in 2023; we ranked sixth as recently as 2016

90% confidence interval\*



# AK Incomes/Rents Used to be Highest

Average household income and average rent costs for states, 1980



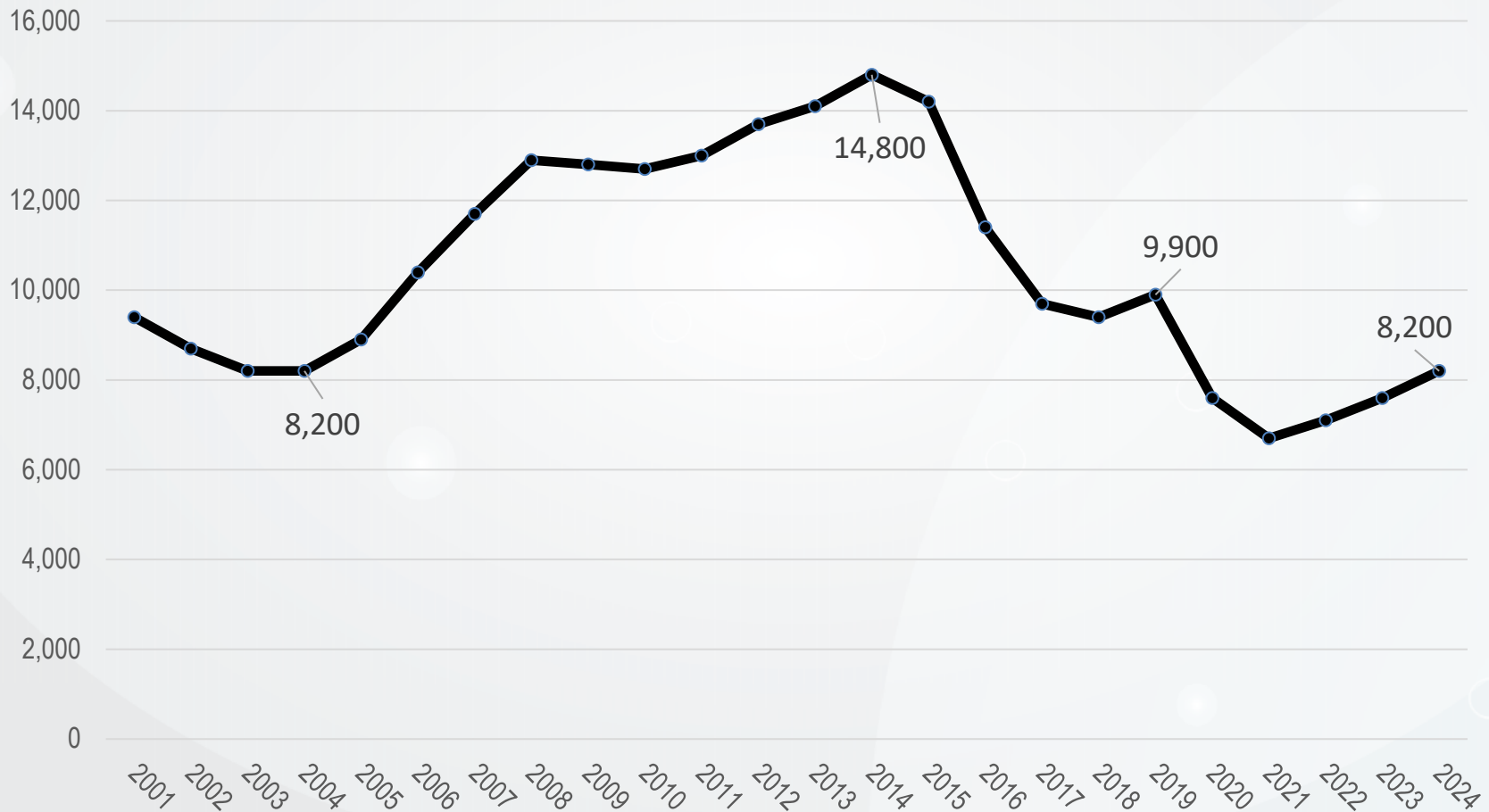


# Data on Some Key Industries

## Industry Details: Oil and Gas

# Oil and Gas Jobs Still Down But Rising

Average monthly Alaska oil and gas jobs, 2001-2024



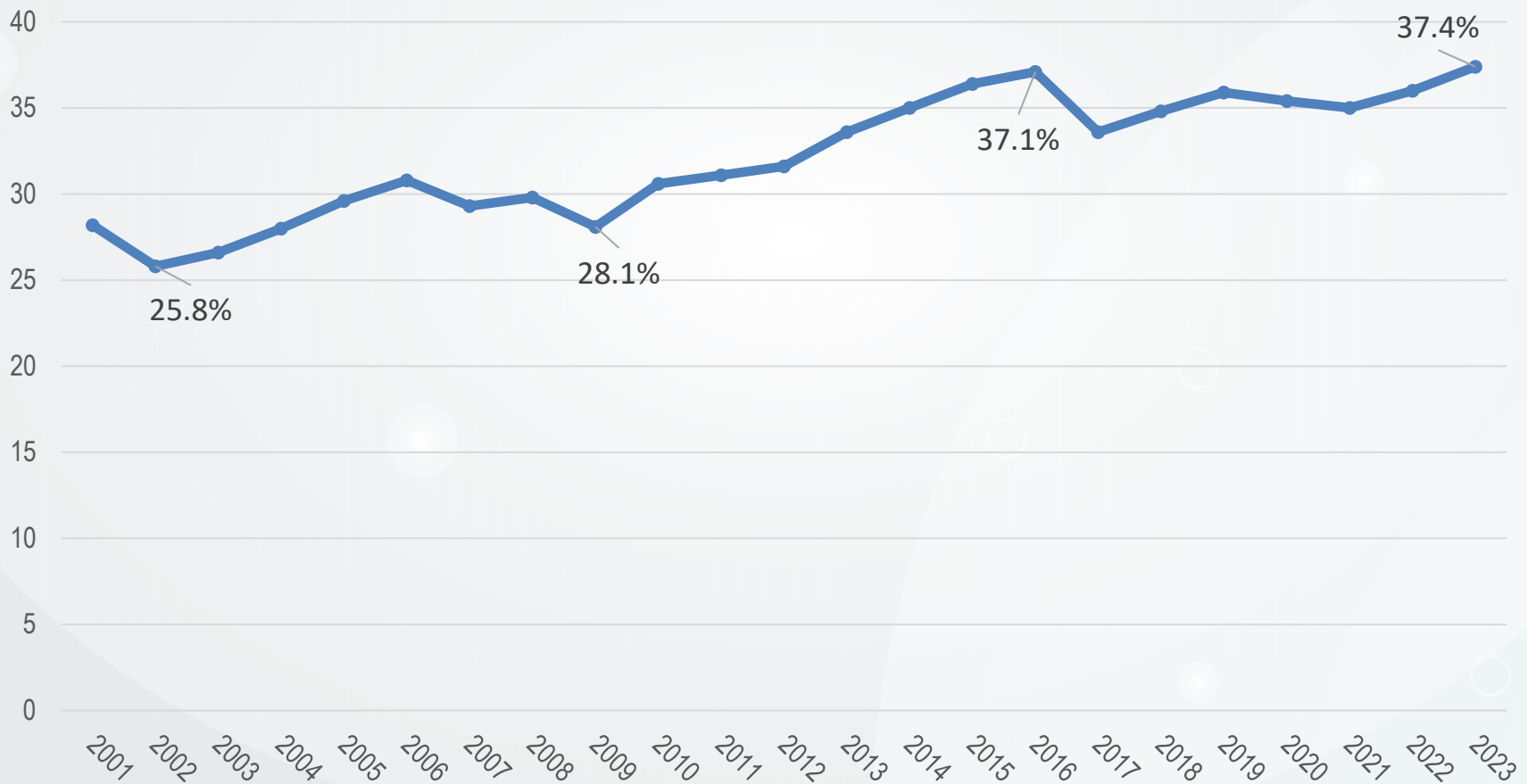
# Oil and Gas Wages Are Highest in State

## 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 in oil and gas, 2001-2023

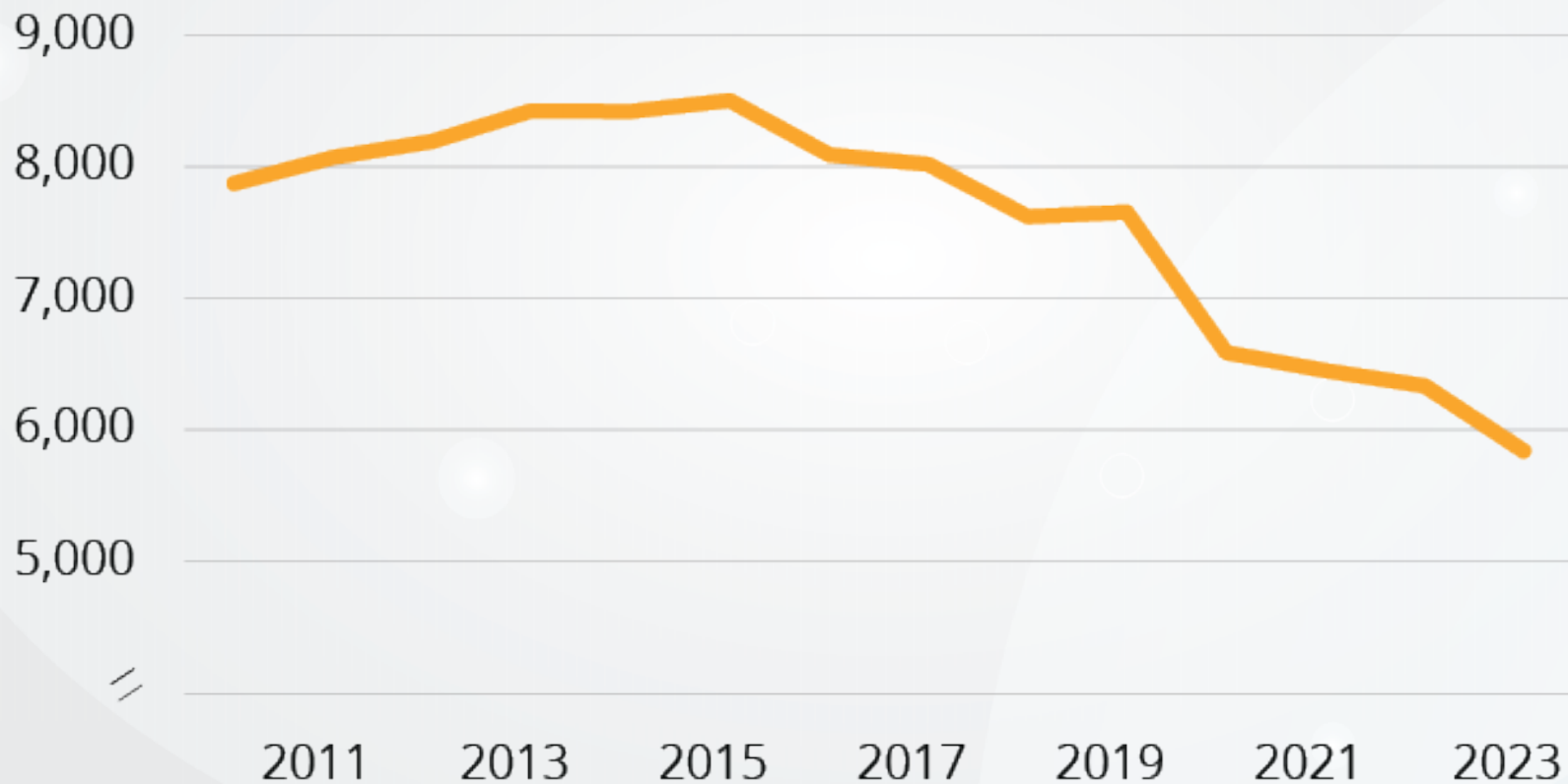


# Data on Some Key Industries

## Industry Details: Seafood

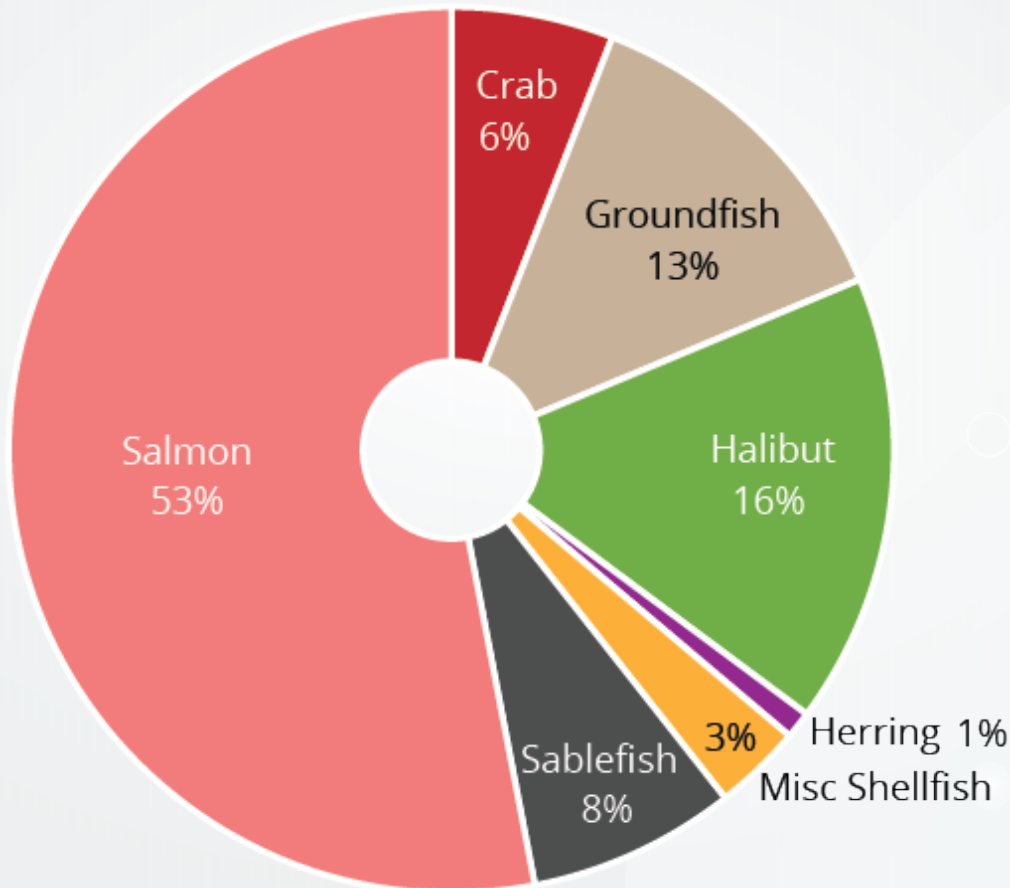
# Fishing Jobs Have Been Falling

Average monthly fishing employment, Alaska, 2011-2023



# More Than Half of Jobs Are In Salmon

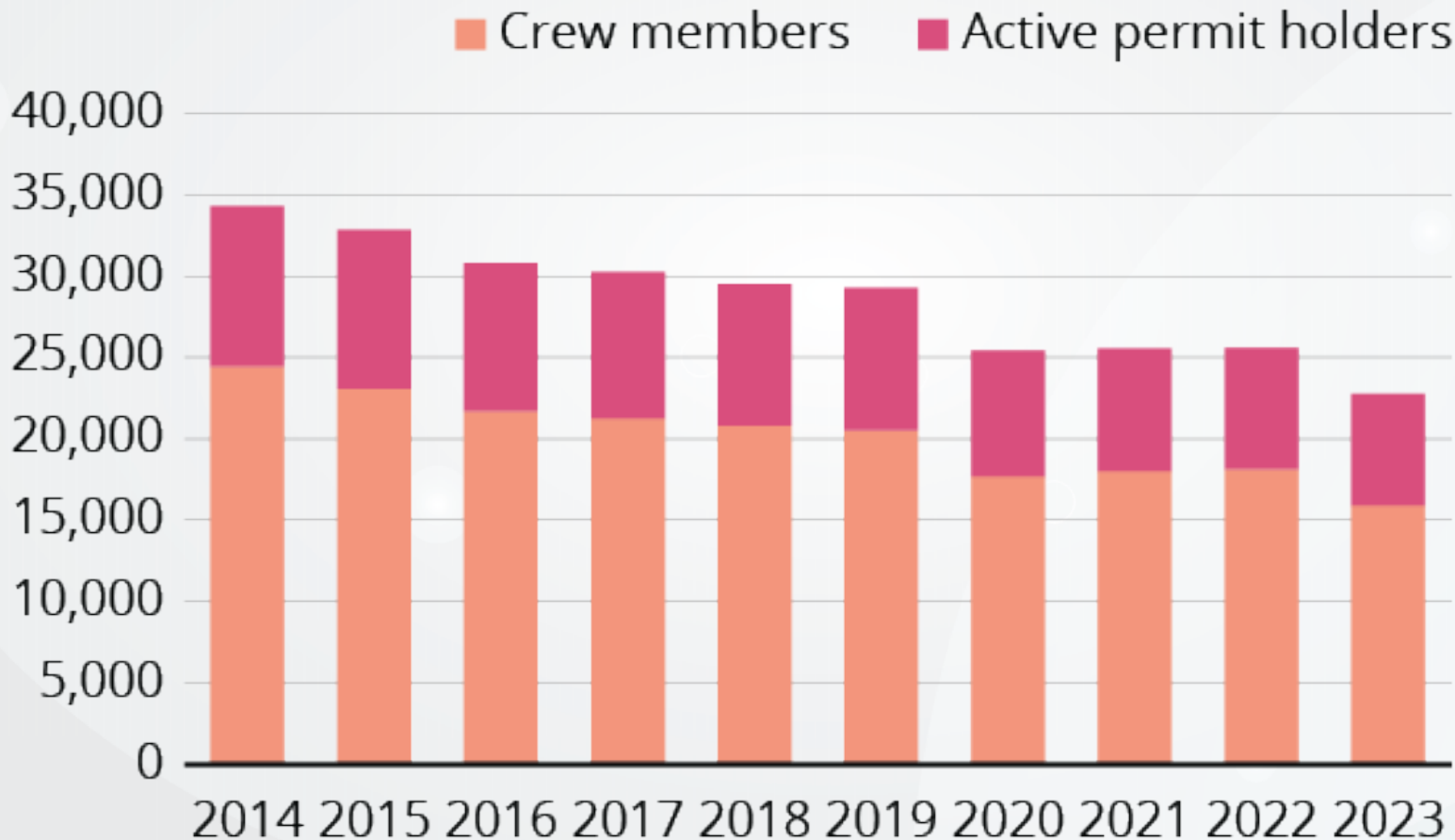
Alaska fishing jobs by species, 2023





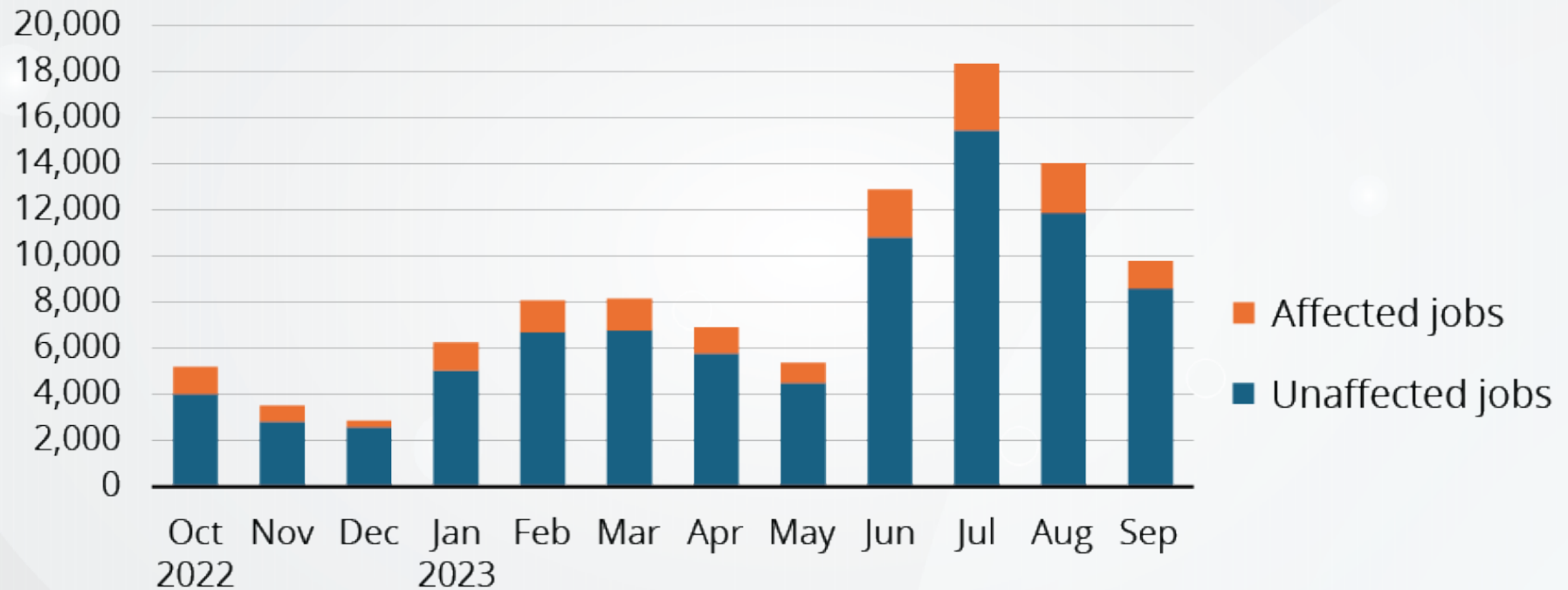
# Declines for Both Permit Holders and Crew

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



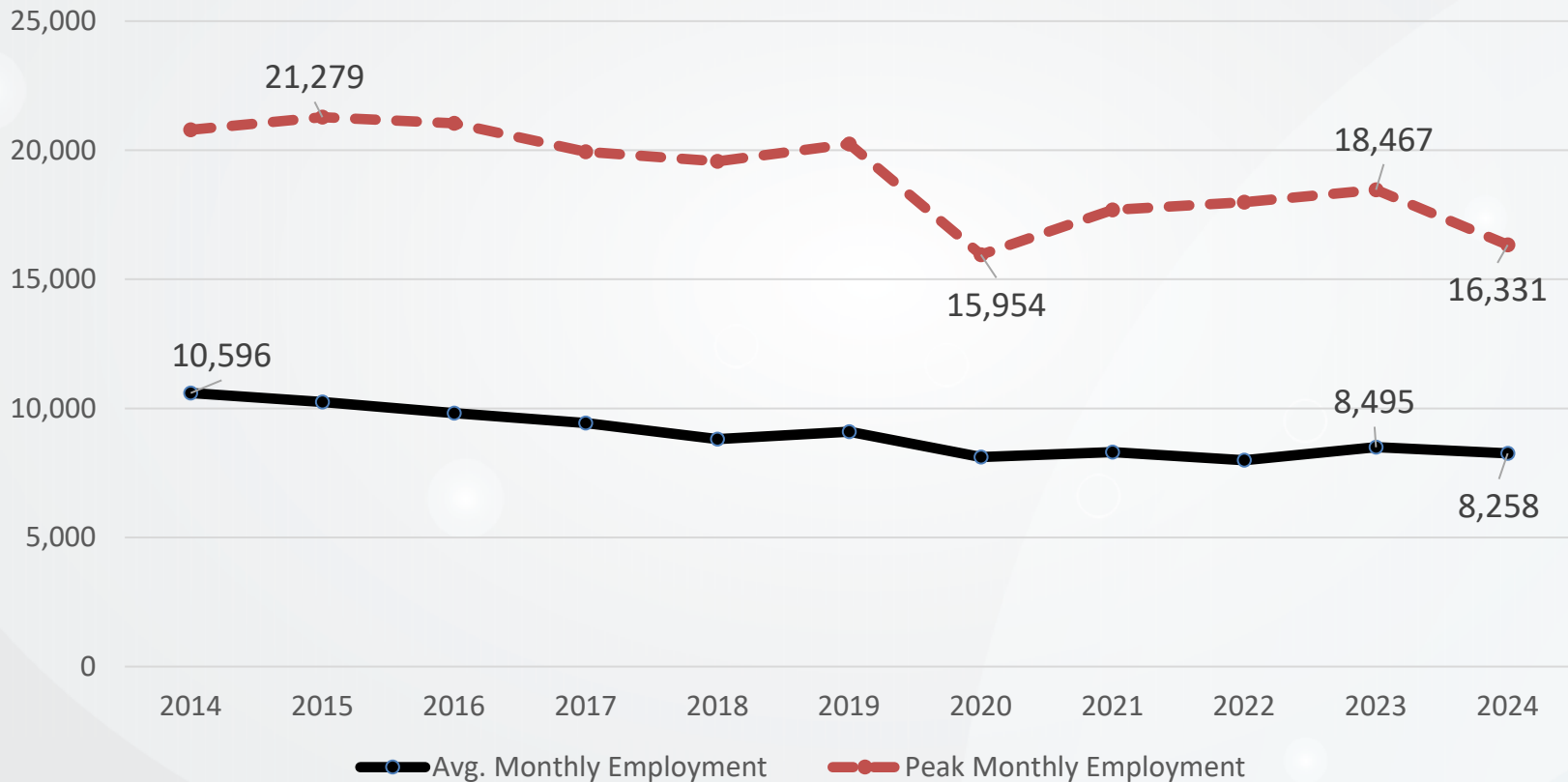
# Big Shakeup in Seafood Processing

Processing jobs in facilities with announced closures or sales



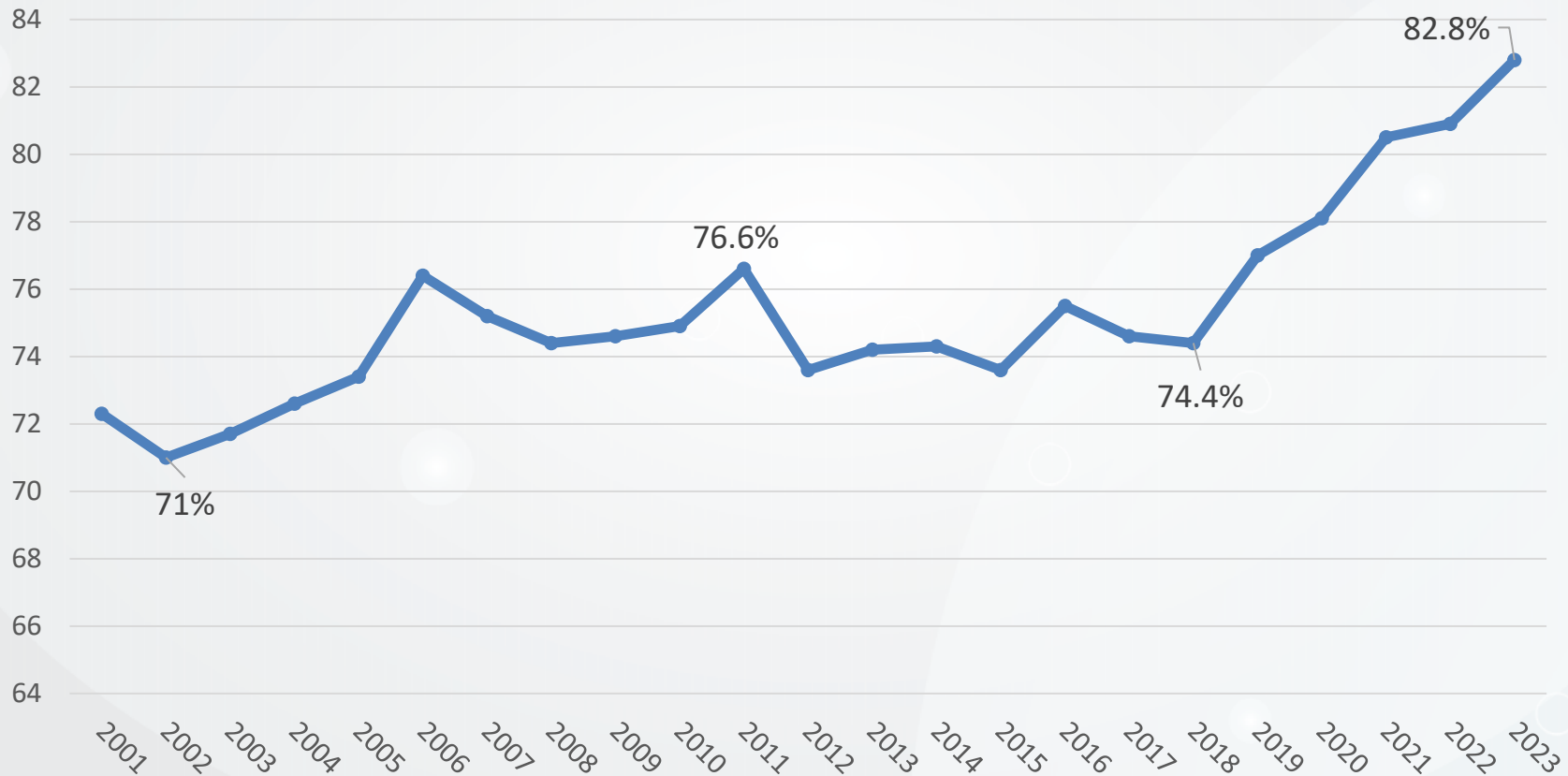
# Processing Jobs Have Also Been Falling

Alaska Seafood processing average and peak employment, 2014-2024



# A Growing Percentage of Nonresidents

Percent nonresident Alaska workers in seafood processing, 2001-2023

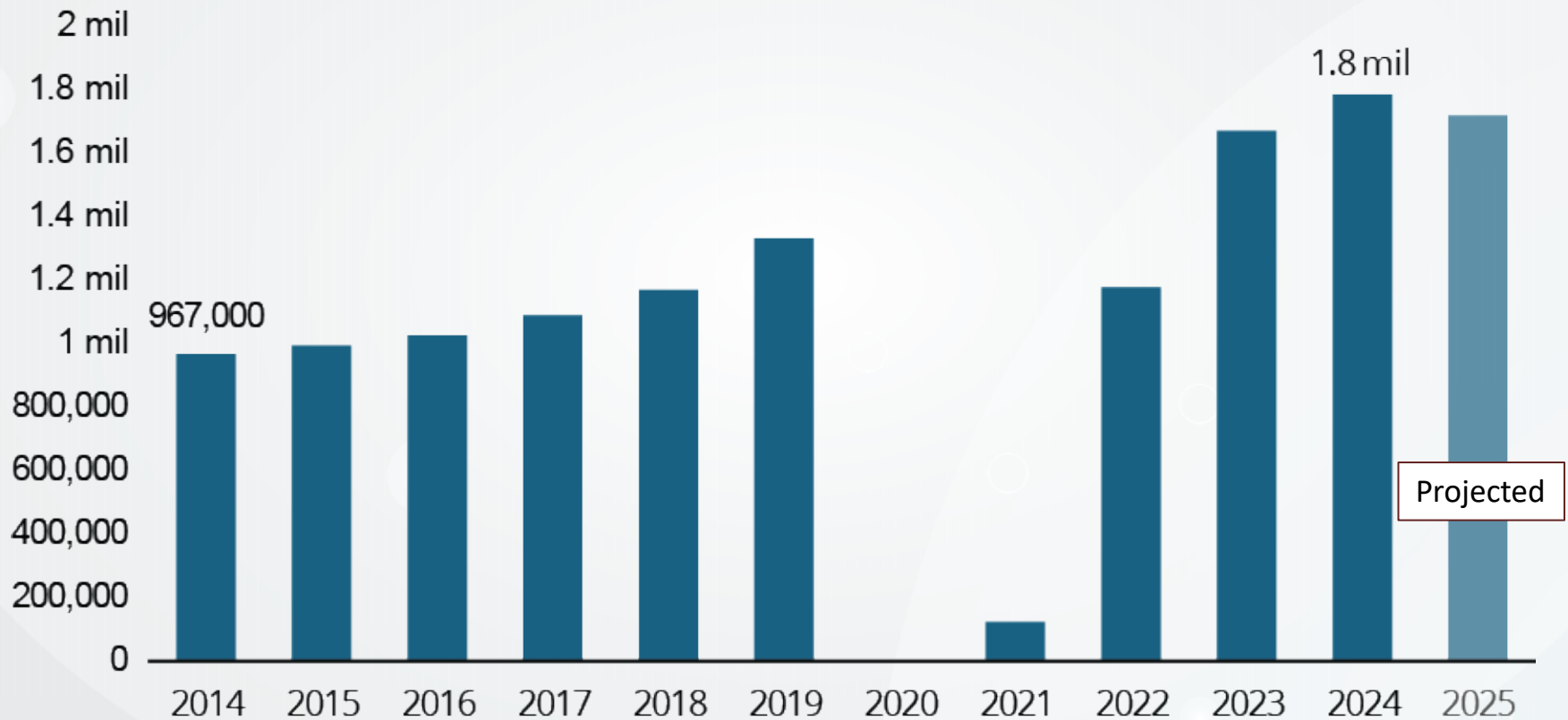


# Data on Some Key Industries

## Industry Details: Tourism

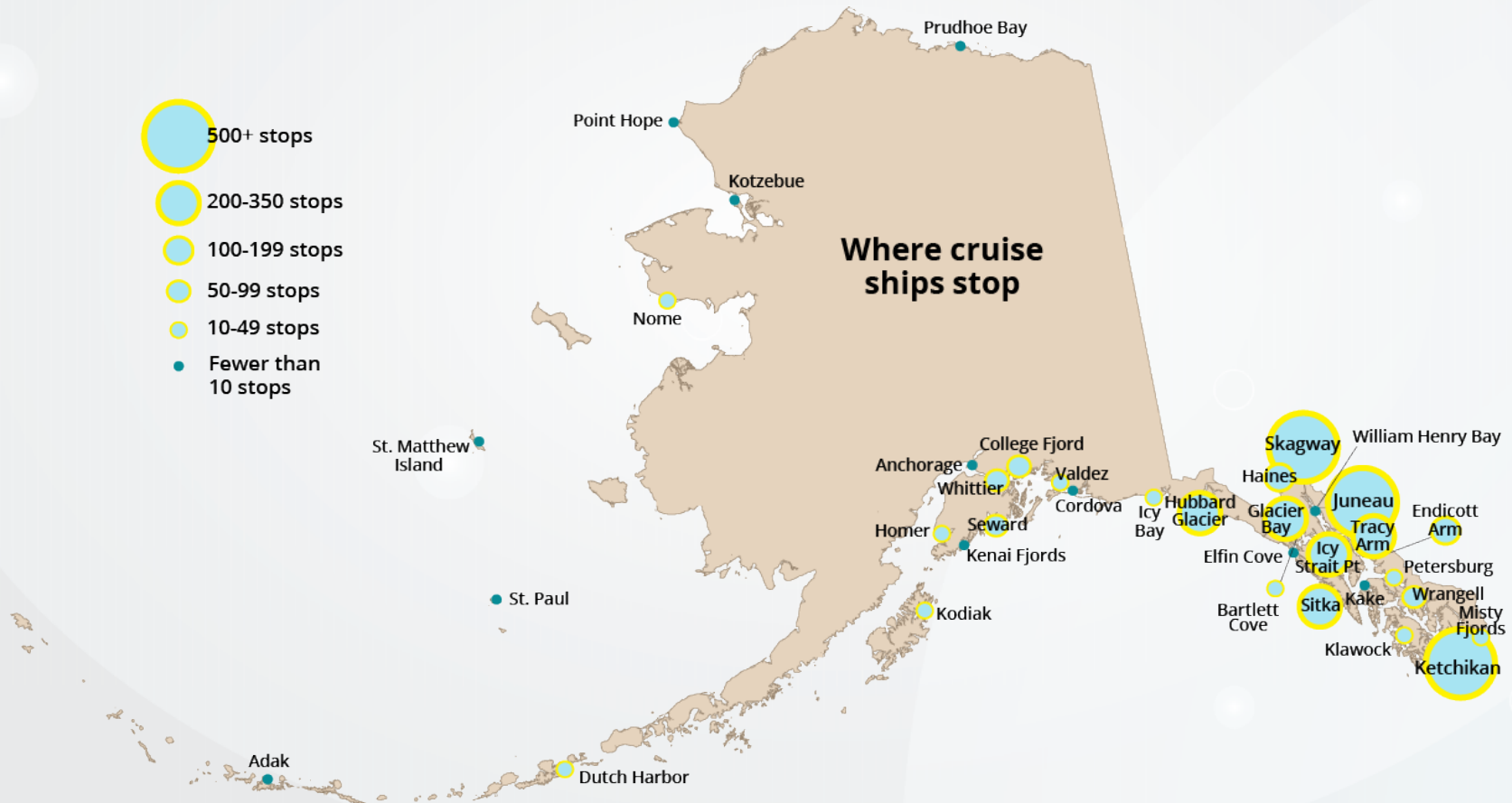
# Tourism Has Been a Growth Industry

## Cruise ship visitors to Alaska, 2014-2025



# Cruise Ship Stops Scattered Around State

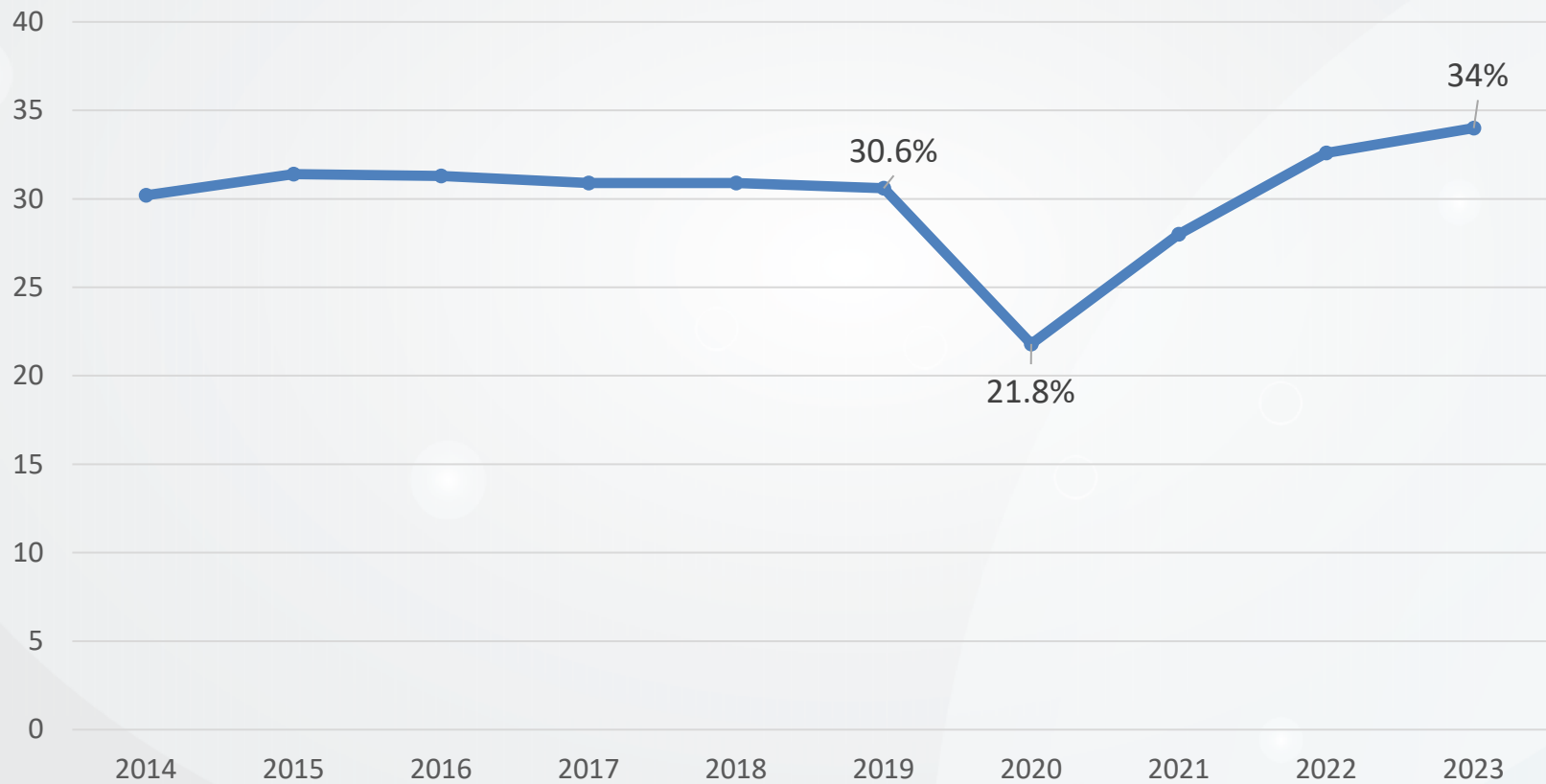
Largest number of cruise stops are in Southeast





# A Growing Share of Nonresident Workers

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

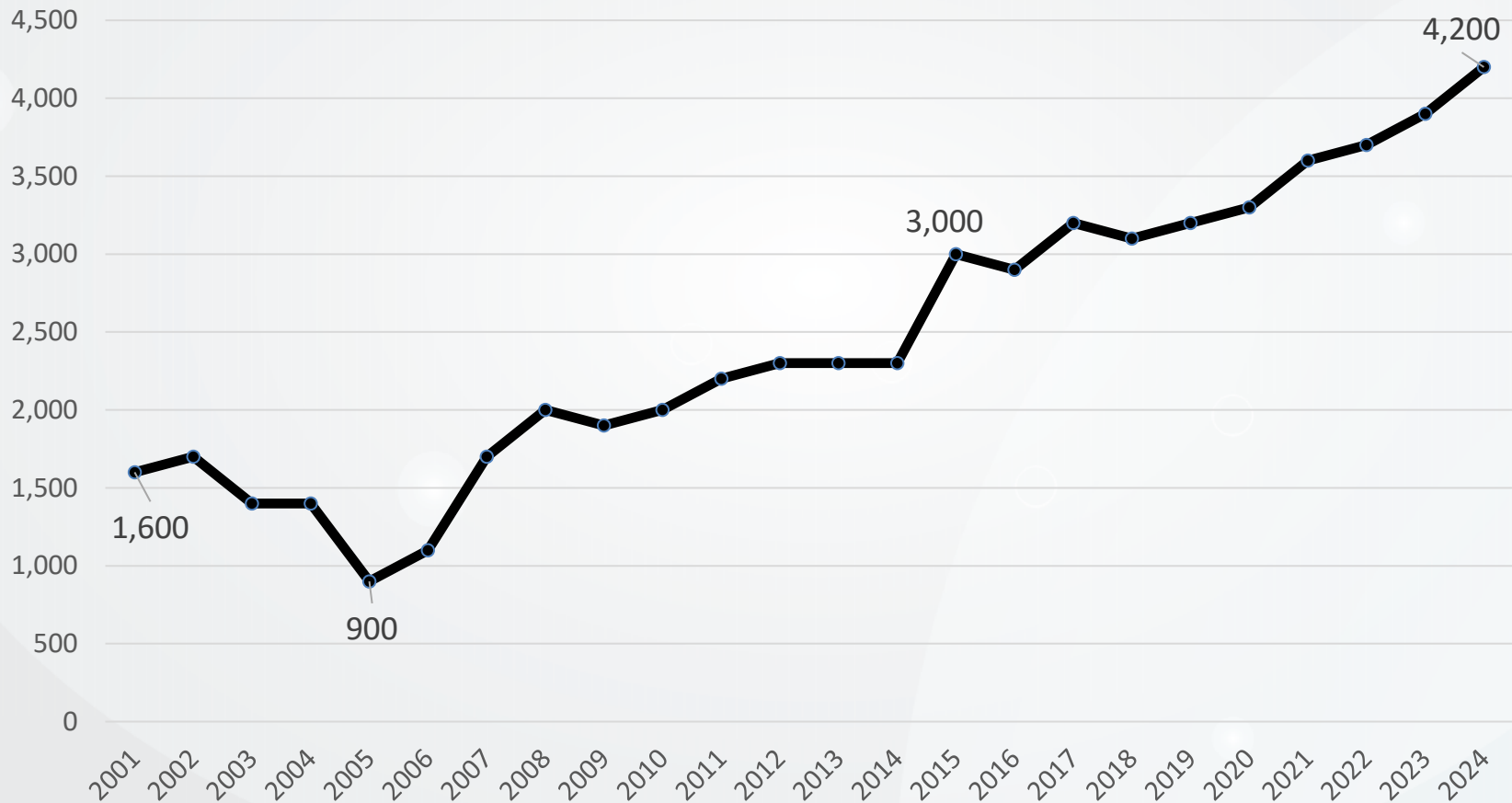


# Data on Some Key Industries

## Industry Details: Mining

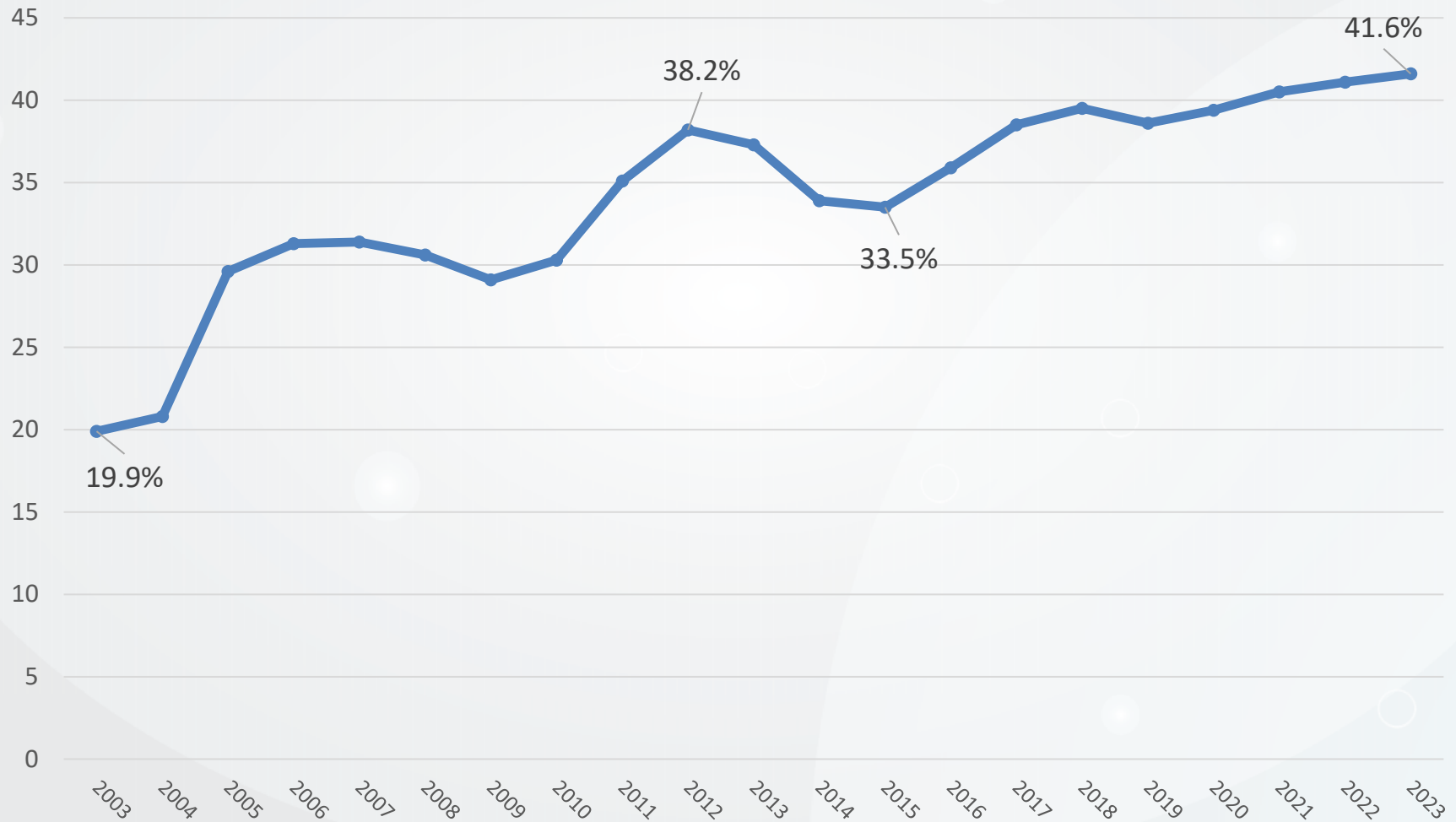
# Strong Steady Growth in Mining Jobs

Average monthly Alaska mining jobs, 2001-2024



# Nonresident Workers in Mining Industry

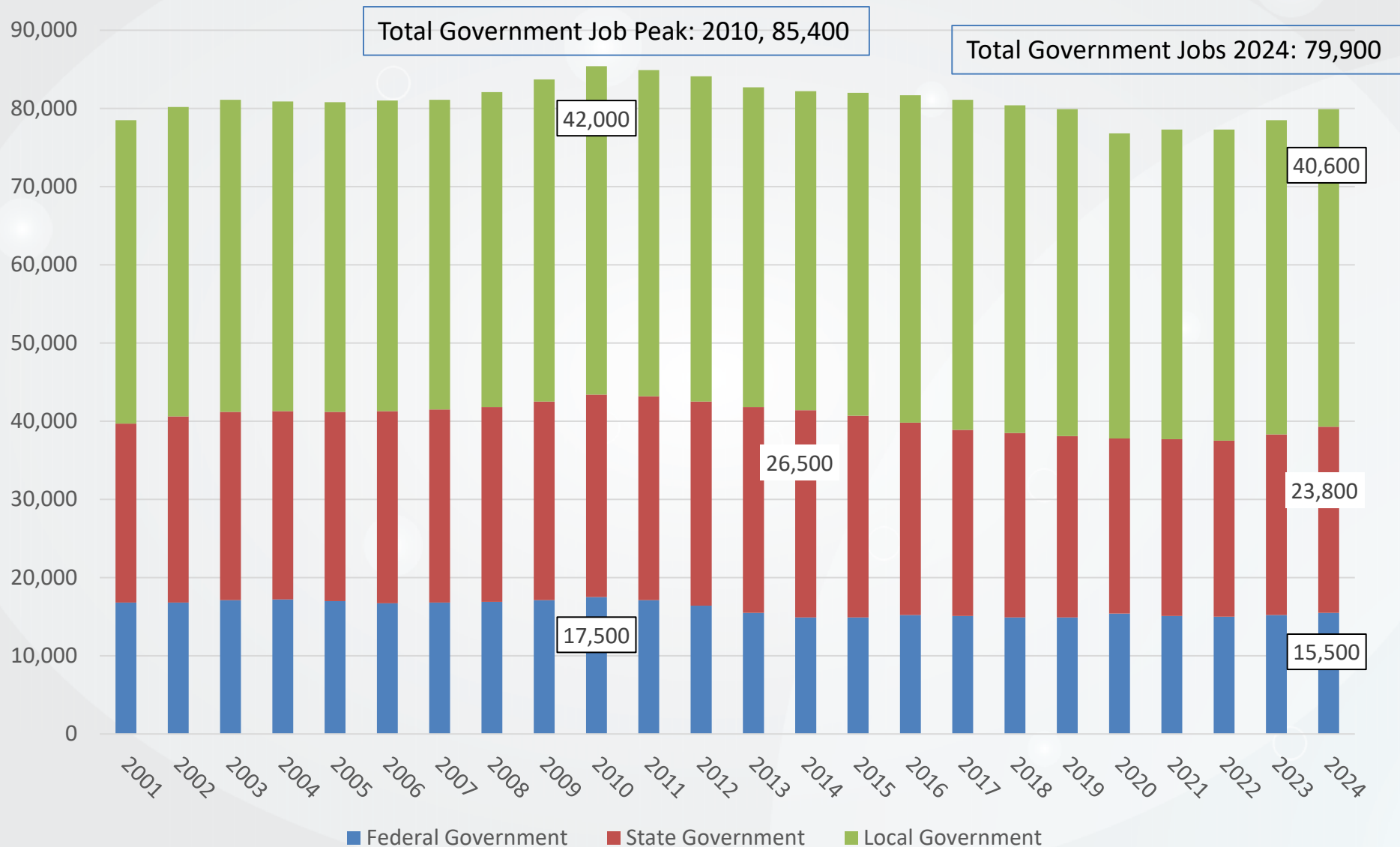
Percent nonresident Alaska workers in mining jobs, 2001-2023



# Other Key Industries and Sectors

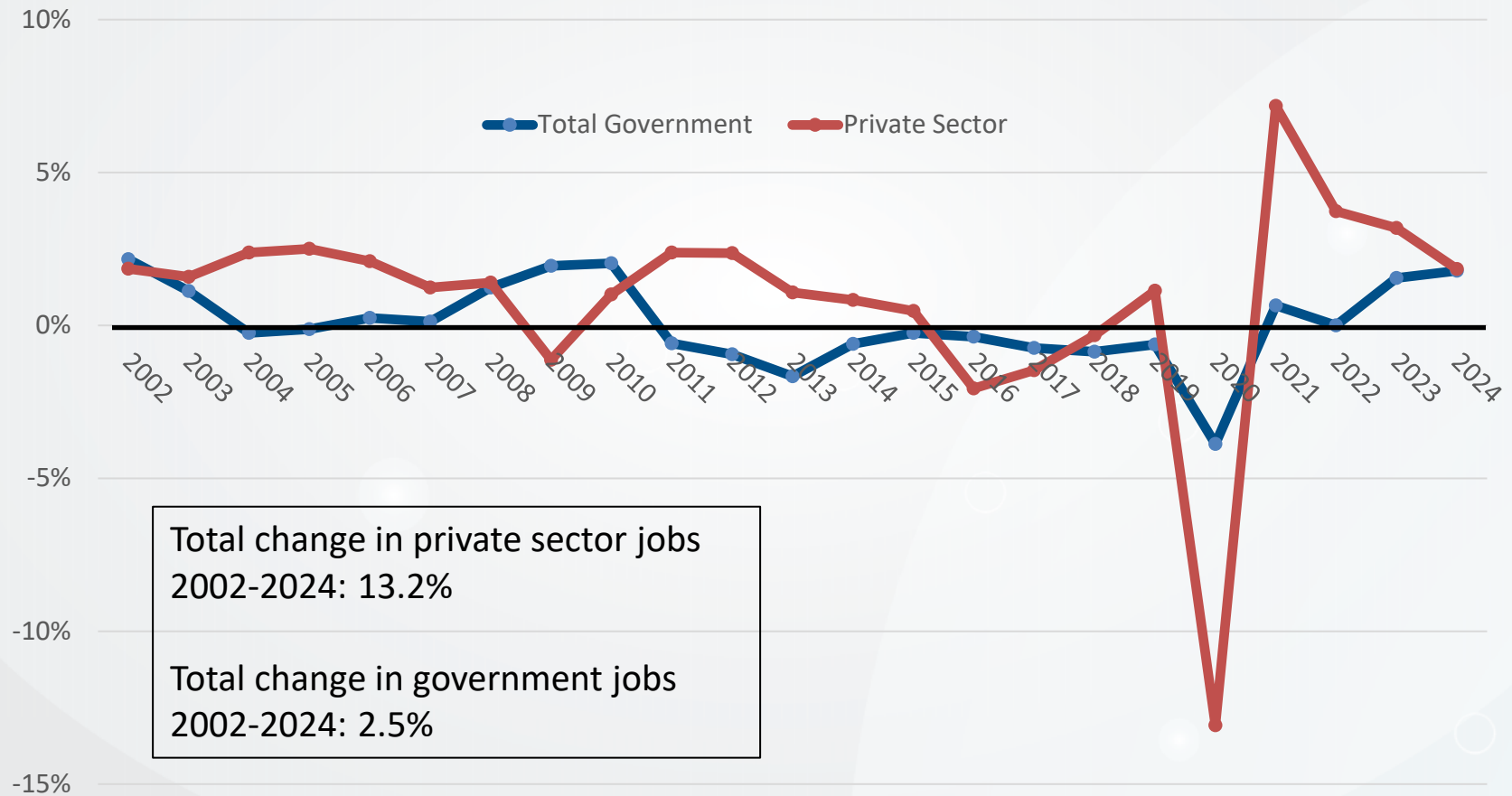
## Industry Details: Government

# 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

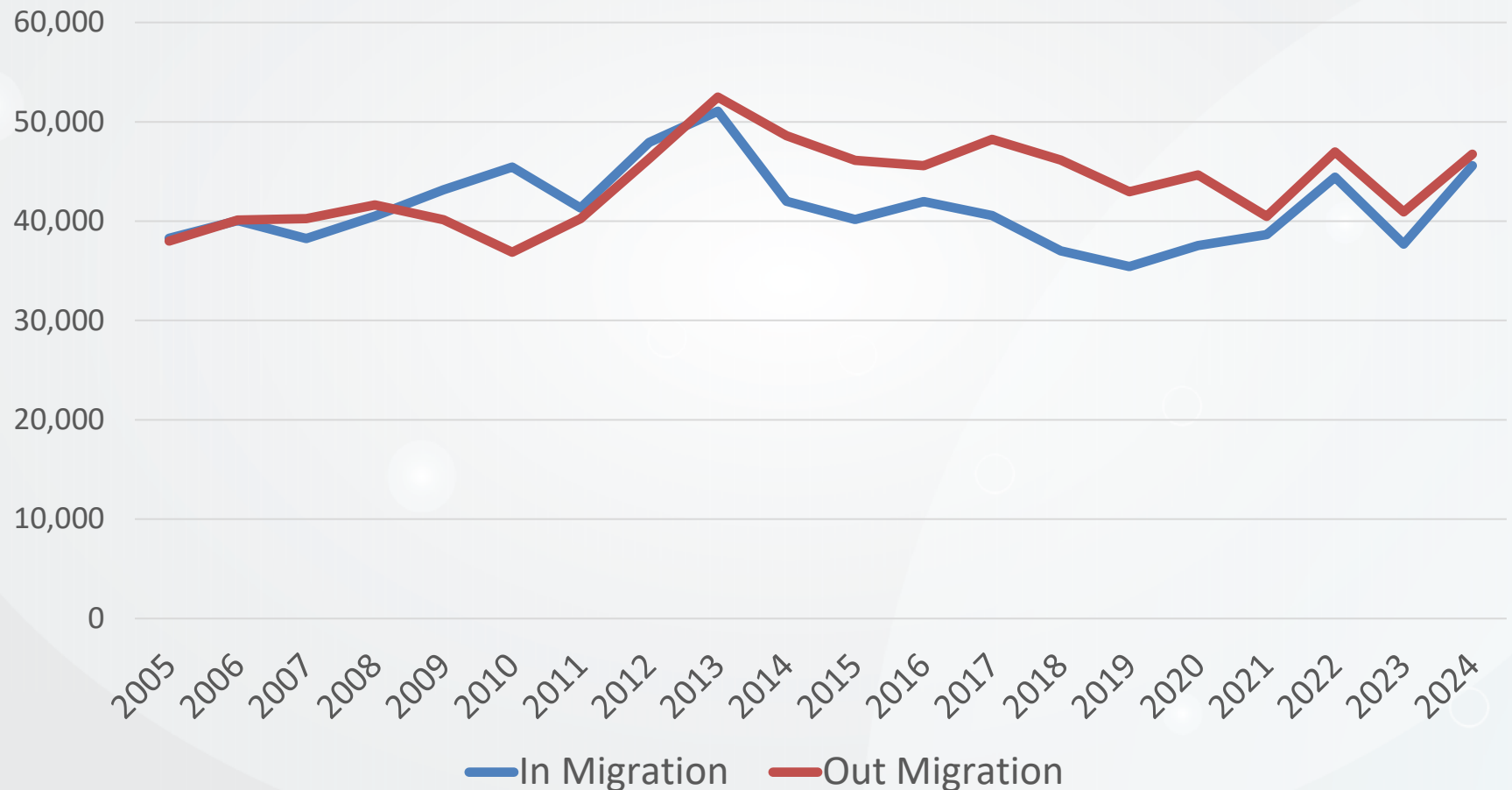
- We underperformed relative to U.S. and most other states over the decade from 2013-2022 by most macroeconomic measures (GDP, employment growth, personal income, net migration)
- BUT, from 2023 forward we've overperformed U.S. economy and most states in job growth (and in GDP for at least 2023)

# One of Our Biggest Challenges

For 12 Consecutive Years, More  
People Have Wanted Out than In

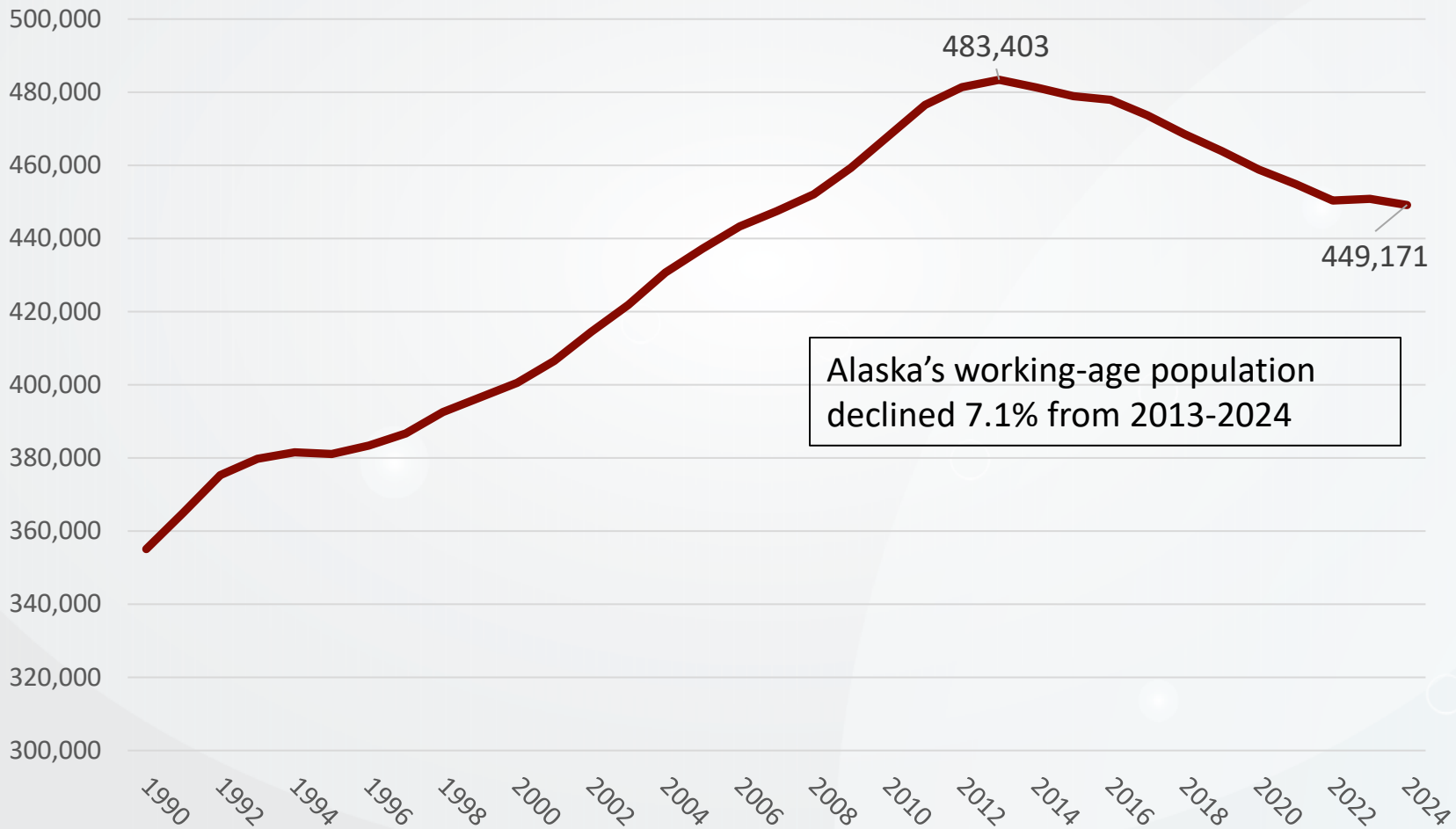
# Negative Net Migration for Last 12 Years

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

# Back to Where We Began

Ending with Some Déjà Vu

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# Questions and a Shortcut To Subscribe

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