ALASKA ECONOMIC TRENDS

APRIL 2025

How rent increases compare nationally

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Alaska's population grew slightly in 2024

ALASKA DEPARTMENT OF LABOR & WORKFORCE DEVELOPMENT • **RESEARCH AND ANALYSIS**

FROM THE COMMISSIONER

Details on the ballot measure that takes effect July 1

By Catherine Muñoz, Commissioner

Last November, Alaska voters passed Ballot Measure 1. The Department of Labor and Workforce Development has received many questions about the new law from industry and union leaders, small business owners, and working Alaskans from across the state. The law goes into effect July 1.

The Department of Labor and Workforce Development is tasked with implementing Ballot Measure 1, which has three components. The law will increase Alaska's minimum wage, require employers to provide paid sick leave, and prohibit employers from requiring employees to attend a meeting if the primary purpose is religious or political speech.

1. Minimum wage changes: Alaska's minimum wage will increase from $11.91 per hour to $13.00 on July 1 of this year, then to $14.00 on July 1, 2026 and $15.00 on July 1, 2027. After that, it will be adjusted for inflation every January.

Salaried employees who are exempt from overtime requirements [under AS 23.10.055 (b)] will also see their salaries adjusted to a minimum of $1,040 per week to maintain the exemption.

2. Required sick leave: Starting July 1, all Alaska employers will be required to provide paid sick leave to all employees, full- and part-time, except certain employees exempt from the requirement. See the Alaska Division of Election's webpage on Ballot Measure 1, under Alaska Statute 23.10.069, for a list of exemptions.

For every 30 hours worked, employees will accrue one hour of paid sick leave. The total hours of accruable sick leave will depend on the number employed. For employers with 15 or more employees, workers can accrue a maximum of 56 hours of sick leave per year. For employers with fewer than 15 workers, the maximum will be 40 hours.

Seasonal employers, such as seafood and tourism businesses, must also provide paid sick leave.

3. Political or religious topics: Employers cannot require employees to attend meetings or listen to communications where the primary purpose is the employer's opinions on political or religious matters.

The Department of Labor and Workforce Development is finalizing written regulations for the implementation of Ballot Measure 1. We will soon announce a 30-day public comment period on the regulations, and I encourage Alaskans to provide feedback. Also, be on the lookout for public listening sessions organized by the department.

The department's Wage and Hour office has set up a Frequently Asked Questions page for employers and employees about the impacts of Ballot Measure 1, available here. A link to the FAQ is also on the department's home page.

Sincerely,

Contact Commissioner Catherine Muñoz at
(907) 465-2700 or commissioner.labor@alaska.gov.

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Douglas Island views from Juneau, photo by Michael Hall
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Trends is a nonpartisan, data-driven magazine that covers a variety of economic topics in Alaska.

ON THIS SPREAD: The background image for 2025 is a panorama of snowy tundra at Selawik National Wildlife Refuge. Photo by Lisa Hupp, U.S. Fish and Wildlife Service

If you have questions or comments, contact the authors listed at the end of each article or the editor at sara.whitney@alaska.gov or (907) 465-6561.
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Alaska rent now similar to the U.S.

Gap narrowed in the last decade and then disappeared

By GUNNAR SCHULTZ and ROB KREIGER

After several years of slower increases than most of the country, Alaska's median rent in 2022 was on par with the U.S. for the first time. Several other states that once had lower rent than Alaska have also overtaken us in the rankings.

In 2023, the most recent year available, Alaska's median monthly rental cost including utilities, was $1,373. That ranked slightly below the U.S. median of $1,406 and 20th among states — Alaska's lowest ranking since at least 2005.

Although the pace of Alaska's rent increase picked up briefly during the pandemic, it remained slower than most states, bringing Alaska rent in line with the national level in 2022 and 2023. (Although the Alaska and U.S. rent lines cross in the graph below, both recent estimates fall within the margin of error, making it unclear which is truly higher. For more on the precision of these estimates and what gross rent includes, see "About the data" on page 7.)

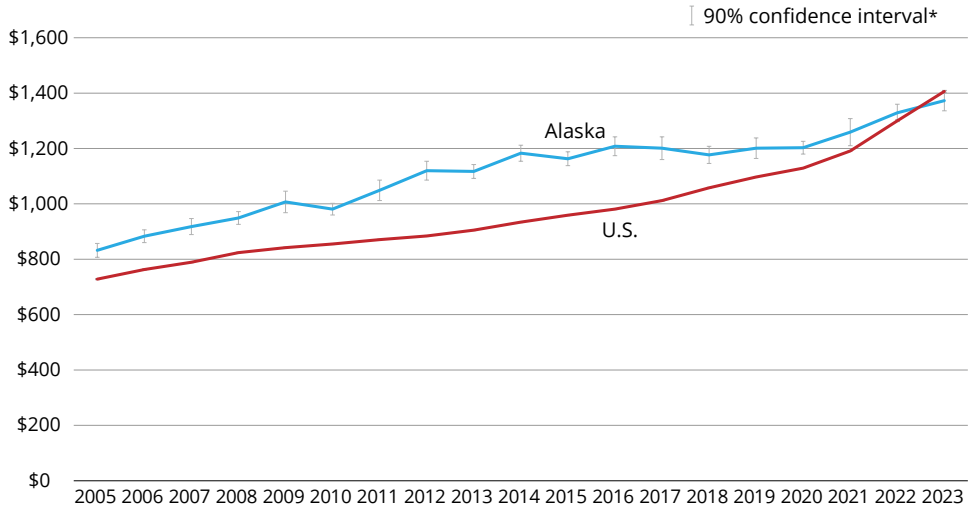
Still, the recent equalizing is a big change historically. Alaska's rent was the highest in the country by far during the early decades of statehood. We ranked first in the 1960, 1970, and 1980 censuses.

The most recent median rents across the U.S. and state rankings

In 2023, Alaska's 20th-ranking median gross rent was close to Georgia, Rhode Island, and Delaware. To put that into context, as recently as 2016, Alaska's rent ranked sixth, on par with New York and Massachusetts and below Hawaii; Washington, D.C.; California; Maryland; and New Jersey.

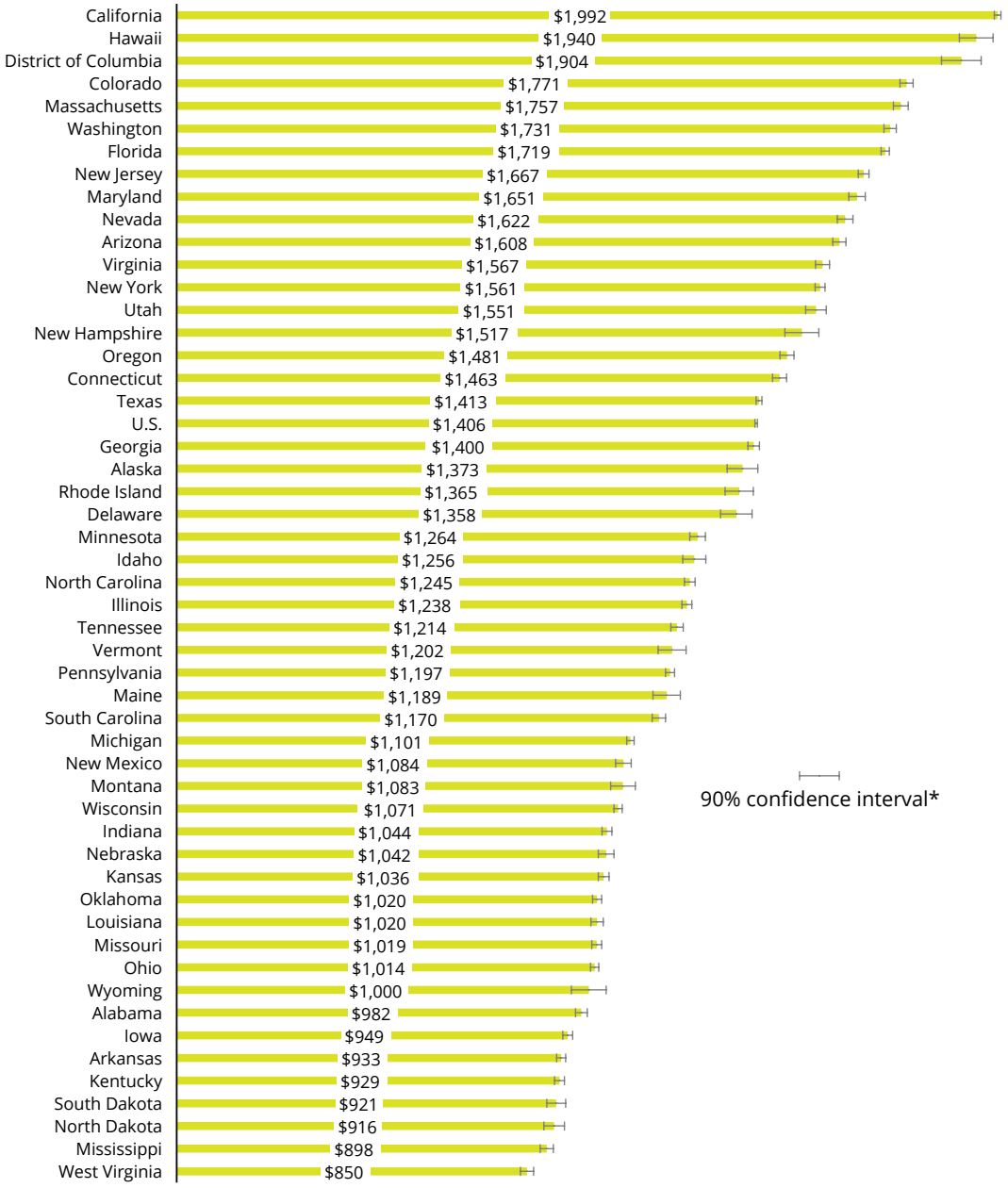
Since 2016, Massachusetts and New York have pulled ahead of Alaska, as have Colorado, Washington, Florida, Nevada, Arizona, Virginia, Utah, New Hampshire, Oregon, Connecticut, and Texas. In contrast to Alaska, many of these states had recent net migration inflows.

Gap closed between Alaska and U.S. median rents



*There is a 90 percent chance the true value falls within the displayed range.
Note: Rent includes utility costs, whether included in the monthly rent payment or paid separately.
Sources: U.S. Census Bureau, American Community Survey 1-Year Estimates and 2020 ACS 1-Year Experimental Data Tables

Median rental costs across the country in 2023



*There is a 90 percent chance the true value falls within the displayed range.
Note: Rent includes utility costs, whether included in the monthly rent payment or paid separately.
Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Alaska's pattern and rank have changed over the decades

Alaska's typical rent falling into the middle of the pack is also a departure from the state's early decades. In 1980, Alaska was about 50 percent above the national level and 18 percent higher than Hawaii, which ranked second that year. As the exhibit on the next page shows, Alaska's household income in 1980 was also the country's highest.

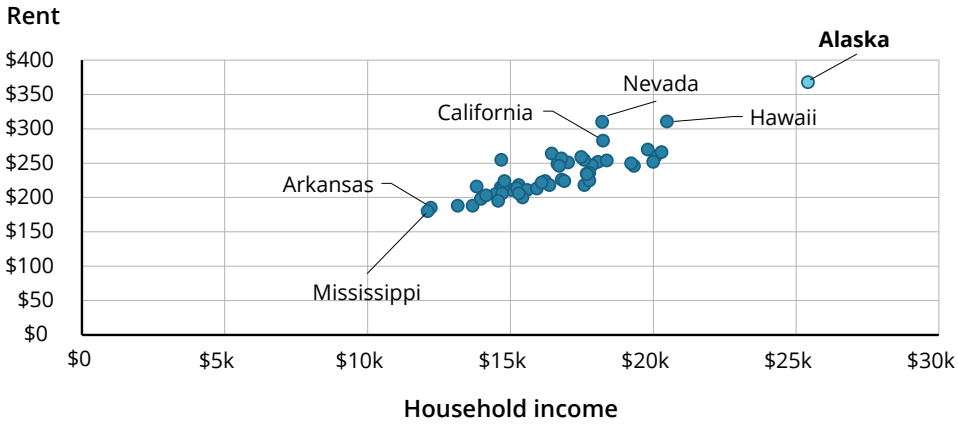
Earlier censuses show the rent gap was even wider before 1980, with Alaska about 75 percent above the nation in 1960 and 1970 and 35 percent above Nevada, which was second then.

More home-building slows rent rise

The 1970s and 1980s were huge for home-building in Alaska, which likely pulled rents closer to the

national level as the young and developing state rapidly expanded its home supply. During those decades, only Arizona and Nevada grew their housing stock faster than Alaska.

Alaska was highest for rent, household income in 1980



Source: U.S. Census Bureau, Historical Census of Housing Tables and Historical Income Tables

Cheaper options for home heating

More Alaskans using less-expensive utility gas instead of heating oil over the early decades probably also slowed rental cost increases.

In 1960, before residential natural gas was used in Alaska, more than 70 percent of households heated with oil and coal, and wood accounted for most of the balance. The share using utility gas rose sharply during the 1960s, 1970s, and 1980s and was the state's primary residential heat source by 1990. Today, about 40 percent of households use gas and about 30 percent heat with oil.

The foreclosure crisis of the 1980s

In the late 1980s, new construction fell sharply. Alaska was hit by a foreclosure crisis during its first state-level recession brought on by lower oil prices, which also appears to have slowed rent increases by making more homes available. Homebuying also became more affordable after prices fell, further softening rental demand.

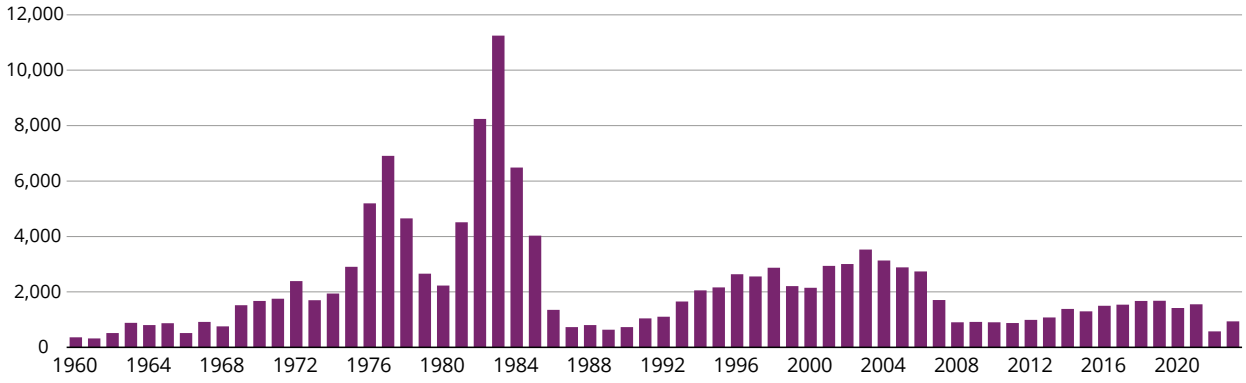
Between 1980 and 1990, the number of rented homes increased at a much faster rate than owned homes, and estimated rental vacancy rates back to 1986 show the rate in Alaska was far above the national level during that time and higher than at any time since.

By 1990, Alaska's rent premium had decreased to the point that the state no longer topped the median rent list. Between 1960 and 2000, Alaska ranked last for its overall rate of increase.

A few exceptions to Alaska's trend of slower rent increases

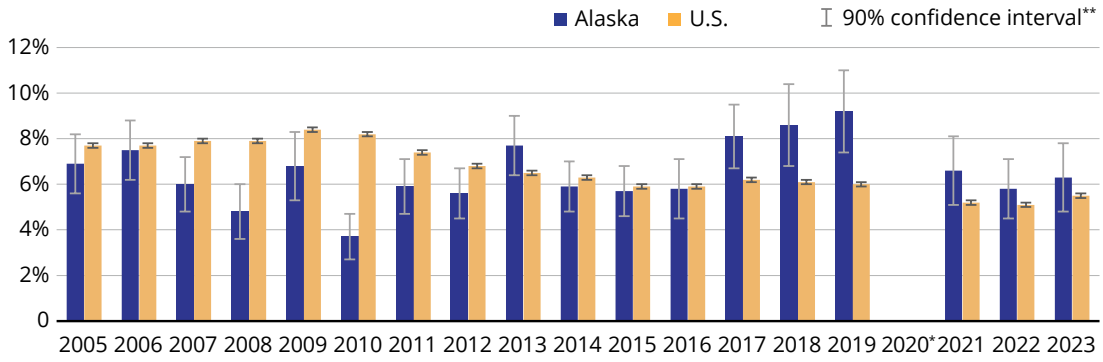
While slower rent growth was the prevailing trend for the state in these early decades, the period from

New housing units permitted in Alaska, 1960 to 2023



Source: U.S. Census Bureau, Building Permit Survey

Alaska and U.S. rental vacancy rates from 2005 to 2023



*No rental vacancy rate estimates were published for 2020.
**There is a 90 percent chance the true value falls within the displayed range.
Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

2005 to 2014 is a clear exception. Rent in Alaska increased faster than in the U.S. and most states over those years.

That period included the U.S. Great Recession and national foreclosure crisis in the late 2000s that only briefly brushed Alaska. It also included the most recent period in which more people were moving into Alaska than leaving.

From 2005-2014, Alaska's median rent rose 42 percent while the national median increased 28 percent. Alaska's rise ranked fifth fastest behind D.C., North Dakota, Wyoming, and Hawaii.

For comparison, half of the states recorded rent hikes of 24 to 35 percent from 2005-2014, and rent in Nevada only rose about 11 percent. Nevada was at the center of the foreclosure crisis during the Great Recession.

Alaska, which had a relatively strong economy, received more movers than it lost from 2008 to 2012, including the biggest single-year net increase since the early 1990s (2010).

According to the American Community Survey, Alaska's rental vacancy rate was also lower than the national rate for six straight years from 2007 to 2012 and tied for the lowest among states in 2010, reflecting a tight market in Alaska with high rental demand.

While data weren't available for the years between the decennial censuses of 1960 through 2000, other

About the data

Median gross rent data come from two U.S. Census Bureau sources. The American Community Survey provides annual estimates from 2005 to 2023 while longform census data give decennial estimates from 1960 through 2000.

Gross rents from these two sources are the contract rent (the amount paid to the landlord) plus additional utility costs it doesn't include, regardless of who pays them. Using gross rent makes costs more comparable across areas. The median is the middle value of all rents paid, excluding units without rent payments.

Data from the decennial census long form aren't comparable with the ACS because of a methodological change when the bureau replaced the former with the latter. Specifically, the bureau excluded single-family rentals on 10 or more acres from decennial census calculations from 1960 to 2000 but included them in the ACS after 2005. About 2 percent of households renting in Alaska fell into that category in 1980, similar to many states. In Iowa, it was about 15 percent.

American Community Survey estimates include margins of error because they are based on a sample. Adding or subtracting the margins of error from an estimate gives a range called a confidence interval in which the area's median rent likely falls. When two estimates' confidence intervals don't overlap, the difference between them is statistically significant, meaning they probably *are* different. If they do overlap, the estimates often aren't precise enough to determine the actual difference with a high degree of confidence.

The Census Bureau provides a tool for testing whether two ACS estimates are statistically different, and it's available here.

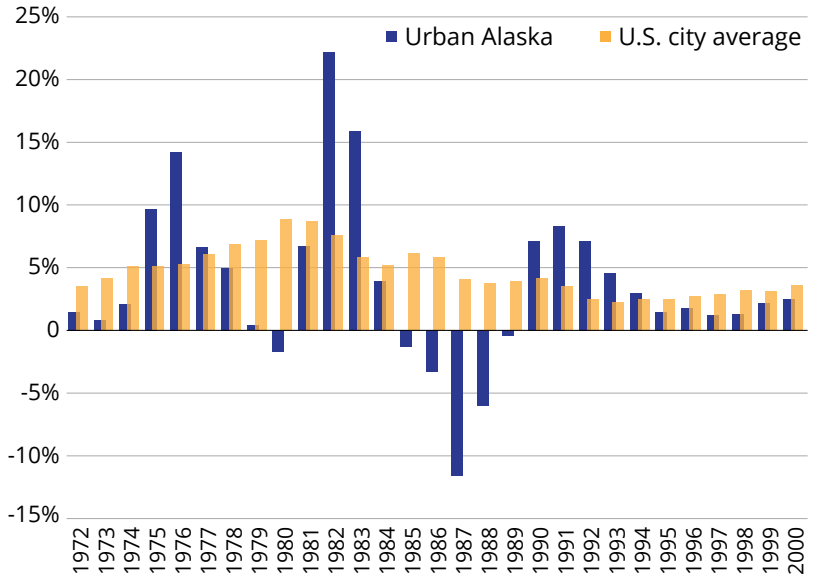
Historical gross rent by state, 1960-2000

	1960	1970	1980	1990	2000*
US	**$71**	**$108**	**$243**	**$447**	**$602**
AL	$45	$69	$188	$325	$447
AK	**$126**	**$189**	**$368**	**$559**	**$720**
AZ	$69	$109	$264	$438	$619
AR	$47	$71	$185	$328	$453
CA	$79	$126	$283	$620	$747
CO	$72	$110	$252	$418	$671
CT	$77	$127	$260	$598	$681
DE	$77	$111	$247	$495	$639
DC	$81	$119	$224	$479	$618
FL	$71	$112	$255	$481	$641
GA	$51	$86	$211	$433	$613
HI	$72	$132	$311	$650	$779
ID	$65	$92	$218	$330	$515
IL	$85	$124	$246	$445	$605
IN	$70	$105	$218	$374	$521
IA	$68	$99	$226	$336	$470
KS	$66	$94	$218	$372	$498
KY	$55	$83	$198	$319	$445
LA	$53	$81	$214	$352	$466
MN	$64	$90	$216	$419	$497
MD	$78	$127	$266	$548	$689
MA	$75	$117	$255	$580	$684
MI	$77	$115	$250	$423	$546
MN	$72	$117	$236	$422	$566
MS	$43	$65	$180	$309	$439
MO	$65	$96	$211	$368	$484
MT	$66	$89	$200	$311	$447
NE	$67	$95	$213	$348	$491
NV	$91	$141	$310	$509	$699
NH	$65	$99	$251	$549	$646
NJ	$80	$126	$270	$592	$751
NM	$71	$88	$215	$372	$503
NY	$74	$111	$249	$486	$672
NC	$55	$86	$205	$382	$548
ND	$71	$97	$206	$313	$412
OH	$75	$105	$225	$379	$515
OK	$57	$82	$215	$340	$456
OR	$70	$107	$257	$408	$620
PA	$64	$93	$224	$404	$531
RI	$62	$93	$222	$489	$553
SC	$49	$77	$206	$376	$510
SD	$67	$88	$188	$306	$426
TN	$52	$82	$203	$357	$505
TX	$60	$95	$246	$395	$574
UT	$66	$97	$235	$369	$597
VT	$62	$98	$224	$446	$553
VA	$71	$115	$259	$495	$650
WA	$71	$113	$254	$445	$663
WV	$53	$72	$195	$303	$401
WI	$79	$113	$234	$399	$540
WY	$67	$87	$252	$333	$437

Note: See the table on page 10 for 2005-2023 rents. Median gross rent estimates for 1960-2000 are not comparable to 2005-2023 because the Census Bureau changed how it calculated median gross rent when its American Community Survey replaced the longform census.

Source: U.S. Census Bureau, Historical Census of Housing Tables

Historical rent change by consumer price index



Note: The CPI for Urban Alaska only covered Anchorage during these years.
Sources: U.S. Department of Labor, Bureau of Labor Statistics, rent of a primary residence index for Urban Alaska and the U.S. city average

sources show rent increases in Alaska probably also outpaced the U.S. during other years of relative economic strength and major net migration flows into the state.

Consumer price index rent growth data, which only covered Anchorage until the late 2010s, show Anchorage temporarily outpaced the national index during the mid-1970s, early 1980s, and early 1990s. (See the chart above.)

The index also shows sharp rent decreases in the late 1980s during the state's recession and foreclosure crisis.

Rent stagnation for Alaska in the 2010s

After the nation recovered from the Great Recession, Alaska's rent increases stagnated during the second half of the 2010s as the state weathered its own recession. Alaska lost jobs from the end of 2015 through 2018 with a plunge in oil prices, then recorded a brief employment uptick in 2019 before the pandemic hit.

The late 2010s also included the years with the current negative net migration streak's deepest losses. Alaska's rental vacancy rates were notably higher than the U.S. over those three years.

Thirty-three states and D.C. had significantly lower vacancy rates than Alaska in 2019, and only Wyoming's rate was distinguishably higher.

Between 2016 and 2019, Alaska's median rent barely budged as the nation's rent rose by about 12 percent. Half of states' increases fell between 7 and 12 percent.

Overall, changes by state ranged from -2 percent in Wyoming to 20 percent in Washington. Wyoming was the only other state with rent estimates that stayed essentially flat over those years.

Alaska's pandemic recovery was slower than most states

Between 2014 and 2019, Alaska ranked last for its pre-pandemic rent growth. Even with a pick-up during the pandemic, Alaska also ranked last for rent increases from 2014 to 2023.

One reason Alaska rent continued to rise slower than the nation during the pandemic is Alaska was among the hardest-hit states and its economic recovery from COVID was more protracted than most.

From 2019 to 2023, Alaska's median rent increased by about 14 percent, the second slowest among states and half the U.S. rate.

For comparison, state increases ranged from 14 percent in North Dakota over those years to 46 percent in Arizona. Half of the states' rent increases ranged from 20 to 30 percent. Many of the states where rent rose the fastest had strong net migration gains.

Alaska's net migration loss streak reached its 11th year in 2023, although the losses from 2021 through 2023 were smaller than in the late 2010s.

What 2024 migration and job numbers show so far

How rent growth in Alaska compares in the future will likely continue to depend on the strength of Alaska's economy relative to the rest of the country and how that affects its migration patterns.

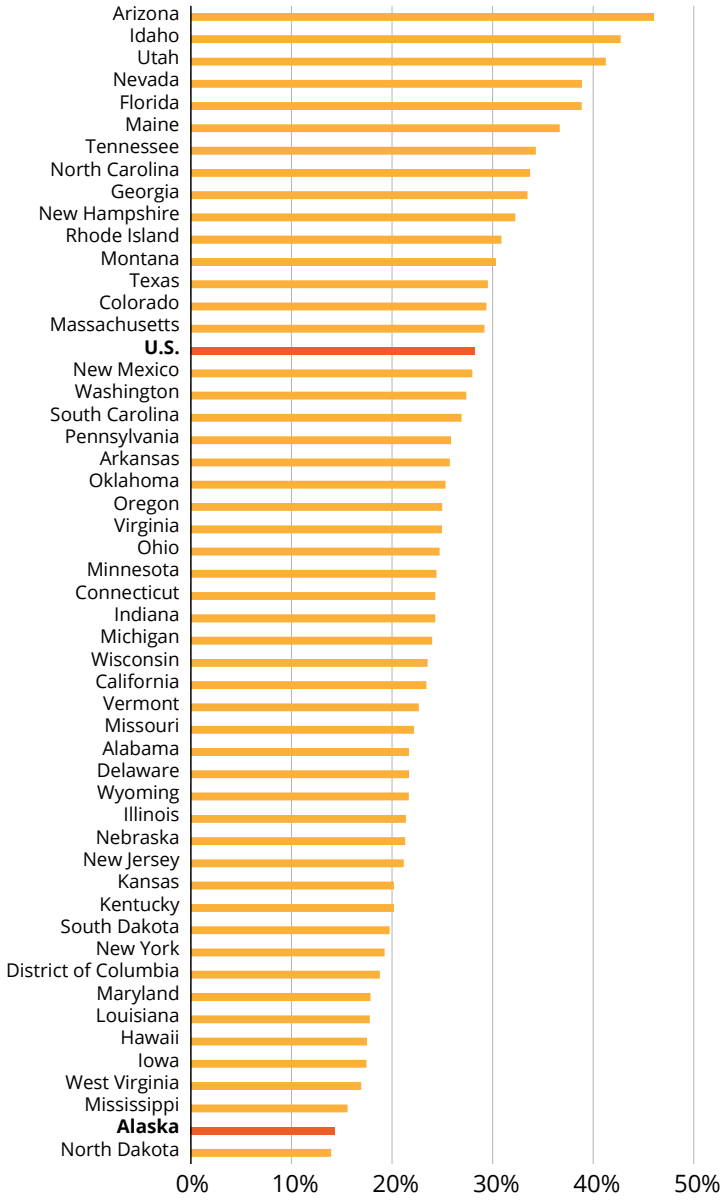
Alaska's negative net migration streak continued in 2024, but the losses were small again, on par with the milder post-pandemic years rather than the severe loss years just before the pandemic.

While the differences between Alaska's employment growth and other states were small recently, neither Alaska nor the nation was in economic turmoil during the last two years, and turmoil in one or the other has usually been the cause of diverging rates of rent increases.

Rent estimates and vacancy rates for 2024 will be available this September.

Gunnar Schultz and Rob Kreiger are economists in Juneau. Call (907) 465-6031 or e-mail rob.kreiger@alaska.gov with questions.

Rent increase by state from 2019-2023



Note: Rent includes utility costs, whether included in the monthly rent payment or paid separately.
Source: U.S. Census Bureau, American Community Survey 1-Year Estimates

Median monthly gross rent by state, 2005 to 2023

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021	2022	2023
US	**$728**	**$763**	**$789**	**$824**	**$842**	**$855**	**$871**	**$884**	**$905**	**$934**	**$959**	**$981**	**$1,012**	**$1,058**	**$1,097**	**$1,129**	**$1,191**	**$1,300**	**$1,406**
AL	$535	$573	$601	$631	$657	$667	$687	$689	$694	$717	$729	$743	$750	$788	$807	$800	$861	$913	$982
AK	**$832**	**$883**	**$918**	**$949**	**$1,007**	**$981**	**$1,049**	**$1,120**	**$1,117**	**$1,183**	**$1,163**	**$1,208**	**$1,201**	**$1,177**	**$1,201**	**$1,203**	**$1,259**	**$1,329**	**$1,373**
AZ	$717	$762	$819	$866	$859	$844	$850	$888	$890	$916	$933	$976	$1,020	$1,036	$1,101	$1,149	$1,253	$1,450	$1,608
AR	$549	$566	$573	$606	$606	$638	$639	$640	$659	$683	$695	$701	$711	$731	$742	$760	$820	$846	$933
CA	$973	$1,029	$1,078	$1,135	$1,155	$1,163	$1,174	$1,200	$1,224	$1,268	$1,311	$1,375	$1,447	$1,520	$1,614	$1,661	$1,750	$1,870	$1,992
CO	$757	$780	$788	$848	$851	$863	$900	$934	$971	$1,020	$1,111	$1,171	$1,240	$1,289	$1,369	$1,401	$1,491	$1,646	$1,771
CT	$839	$886	$931	$970	$1,006	$992	$1,021	$1,019	$1,040	$1,076	$1,108	$1,115	$1,125	$1,171	$1,177	$1,217	$1,277	$1,360	$1,463
DE	$793	$830	$910	$917	$949	$952	$960	$960	$999	$1,024	$1,049	$1,048	$1,086	$1,108	$1,116	$1,133	$1,208	$1,274	$1,358
DC	$832	$914	$934	$1,011	$1,059	$1,198	$1,216	$1,235	$1,307	$1,360	$1,417	$1,376	$1,499	$1,516	$1,603	$1,701	$1,668	$1,843	$1,904
FL	$809	$872	$925	$947	$952	$947	$949	$954	$972	$1,003	$1,046	$1,086	$1,128	$1,182	$1,238	$1,270	$1,348	$1,525	$1,719
GA	$709	$738	$768	$787	$800	$819	$833	$837	$850	$882	$909	$933	$958	$1,008	$1,049	$1,080	$1,153	$1,269	$1,400
HI	$995	$1,116	$1,194	$1,298	$1,293	$1,291	$1,308	$1,379	$1,414	$1,448	$1,500	$1,483	$1,573	$1,613	$1,651	$1,704	$1,774	$1,813	$1,940
ID	$594	$623	$654	$690	$694	$683	$689	$702	$725	$755	$770	$790	$822	$848	$880	$923	$1,035	$1,138	$1,256
IL	$734	$761	$783	$811	$828	$848	$859	$868	$885	$905	$936	$950	$974	$995	$1,020	$1,065	$1,106	$1,170	$1,238
IN	$615	$638	$638	$670	$687	$683	$707	$715	$730	$753	$758	$768	$793	$820	$840	$850	$905	$972	$1,044
IA	$559	$584	$567	$607	$611	$629	$643	$661	$679	$711	$718	$741	$760	$777	$808	$785	$847	$891	$949
KS	$588	$609	$623	$654	$671	$682	$709	$711	$745	$773	$782	$789	$815	$840	$862	$877	$904	$975	$1,036
KY	$527	$548	$563	$578	$613	$613	$626	$636	$668	$678	$702	$707	$724	$779	$773	$795	$830	$891	$929
LA	$569	$618	$651	$698	$715	$736	$747	$747	$763	$801	$800	$808	$836	$854	$866	$866	$924	$984	$1,020
MN	$623	$636	$650	$702	$722	$707	$747	$744	$760	$776	$792	$797	$806	$839	$870	$903	$945	$1,033	$1,189
MD	$891	$953	$1,000	$1,074	$1,108	$1,131	$1,153	$1,170	$1,210	$1,242	$1,278	$1,314	$1,337	1,371	$1,401	$1,425	$1,473	$1,550	$1,651
MA	$902	$933	$946	$991	$988	$1,009	$1,034	$1,036	$1,077	$1,107	$1,164	$1,179	$1,208	1,295	$1,360	$1,449	$1,487	$1,634	$1,757
MI	$655	$675	$683	$706	$716	$730	$739	$748	$768	$788	$803	$818	$835	$861	$888	$908	$969	$1,052	$1,101
MN	$692	$701	$711	$734	$757	$764	$787	$813	$832	$859	$888	$912	$939	$969	$1,016	$1,070	$1,113	$1,200	$1,264
MS	$538	$584	$609	$638	$644	$672	$689	$666	$708	$711	$724	$728	$742	$777	$777	$779	$831	$873	$898
MO	$593	$607	$618	$657	$668	$682	$708	$706	$734	$754	$763	$771	$800	$830	$834	$841	$882	$954	$1,019
MT	$552	$571	$579	$631	$627	$642	$650	$681	$690	$711	$763	$741	$759	$811	$831	$854	$883	$1,005	$1,083
NE	$569	$593	$614	$626	$644	$669	$673	$692	$714	$742	$750	$769	$801	$830	$859	$870	$912	$983	$1,042
NV	$861	$917	$980	$1,011	$993	$952	$936	$944	$952	$955	$980	$1,003	$1,051	$1,108	$1,168	$1,229	$1,311	$1,461	$1,622
NH	$854	$861	$892	$914	$918	$951	$939	$967	$995	$994	$1,017	$1,026	$1,072	$1,090	$1,147	$1,179	$1,263	$1,396	$1,517
NJ	$935	$974	$1,026	$1,068	$1,108	$1,114	$1,135	$1,148	$1,171	$1,202	$1,214	$1,244	1,284	$1,336	$1,376	$1,394	$1,457	$1,555	$1,667
NM	$587	$617	$637	$668	$680	$699	$729	$753	$772	$777	$783	$804	$813	$830	$847	$834	$906	$955	$1,084
NY	$841	$875	$907	$953	$984	$1,020	$1,058	$1,079	$1,109	$1,148	$1,173	$1,194	$1,226	$1,274	$1,309	$1,358	$1,409	$1,499	$1,561
NC	$635	$656	$678	$694	$720	$731	$745	$756	$778	$803	$827	$839	$861	$900	$931	$943	$1,026	$1,131	$1,245
ND	$479	$497	$516	$534	$564	$583	$626	$644	$690	$728	$775	$776	$785	$808	$804	$748	$839	$863	$916
OH	$613	$627	$643	$667	$670	$685	$692	$700	$709	$735	$746	$759	$772	$797	$813	$831	$870	$949	$1,014
OK	$547	$580	$588	$614	$636	$659	$675	$686	$705	$737	$759	$744	$780	$808	$814	$811	$855	$937	$1,020
OR	$689	$714	$743	$780	$819	$816	$840	$862	$887	$924	$943	$1,015	1,079	$1,130	$1,185	1,239	$1,282	$1,370	$1,481
PA	$647	$664	$685	$726	$738	$763	$786	$798	$828	$848	$868	$881	$893	$927	$951	$979	$1,036	$1,116	$1,197
RI	$775	$840	$830	$850	$890	$868	$875	$878	$918	$934	$938	$948	$941	$998	$1,043	$1,069	$1,142	$1,254	$1,365
SC	$611	$640	$645	$675	$706	$728	$741	$754	$766	$791	$819	$841	$848	$892	$922	$937	$976	$1,084	$1,170
SD	$500	$522	$526	$569	$562	$591	$612	$651	$637	$647	$675	$706	$722	$734	$769	$724	$830	$866	$921
TN	$583	$613	$634	$660	$682	$697	$715	$730	$748	$770	$785	$806	$833	$861	$904	$907	$981	$1,096	$1,214
TX	$671	$711	$734	$768	$788	$801	$813	$831	$857	$896	$932	$956	$987	$1,046	$1,091	$1,113	$1,167	$1,290	$1,413
UT	$665	$697	$733	$784	$793	$796	$822	$851	$881	$886	$925	$954	$986	$1,043	$1,098	$1,158	$1,208	$1,372	$1,551
VT	$683	$716	$756	$797	$829	$823	$849	$860	$865	$917	$923	$925	$950	$969	$980	$1,007	$1,115	$1,141	$1,202
VA	$812	$846	$892	$934	$989	$1,019	$1,062	$1,068	$1,086	$1,116	$1,144	$1,159	$1,179	$1,215	$1,254	$1,269	$1,331	$1,441	$1,567
WA	$741	$779	$816	$874	$911	$908	$930	$954	$989	$1,032	$1,080	$1,135	$1,216	$1,316	$1,359	$1,401	$1,484	$1,630	$1,731
WV	$483	$499	$525	$528	$552	$571	$599	$607	$620	$656	$675	$682	$690	$735	$727	$723	$767	$795	$850
WI	$643	$658	$673	$704	$708	$715	$739	$743	$758	$782	$792	$802	$819	$847	$867	$872	$921	$992	$1,071
WY	$537	$601	$636	$636	$700	$693	$759	$742	$780	$792	$815	$840	$832	$818	$822	$800	$889	$895	$1,000

Note: See the table on page 8 for 1960-2000 rents. Median gross rent estimates for 1960-2000 are not comparable to 2005-2023 because the U.S. Census Bureau changed how it calculated median gross rent when its American Community Survey replaced the longform census. The bureau also cautions against comparing 2020 Experimental Estimates with other ACS data.

Source: U.S. Census Bureau, American Community Survey 1-Year Estimates 2005-2023 and 2020 ACS 1-Year Experimental Data Tables

Mild growth, age structure shifts

Alaska's population grew 0.3 percent from 2023 to 2024

By DAVID HOWELL

Alaska's population grew 0.31 percent in 2024, topping 740,000 for the first time this decade. From a peak of just under 743,000 in 2016, the population had decreased through 2020 and then resumed growing slowly.

Alaska added 7,800 people over the last four years to reach 741,000 in July 2024, averaging 0.25 percent growth annually. The state continued to lose small numbers to net migration, but natural increase, or births minus deaths, easily made up for it.

Nearly all the gains have been in regions along the densely populated rail belt. Rural areas that grew steadily for decades are now losing population.

Average population growth by region during this decade

The Anchorage/Matanuska-Susitna Region grew at twice the average rate over the last four years, 0.51 percent per year, and the Gulf Coast was a close second at 0.49 percent. The Interior was the only other region to increase after 2020, growing 0.35 percent each year.

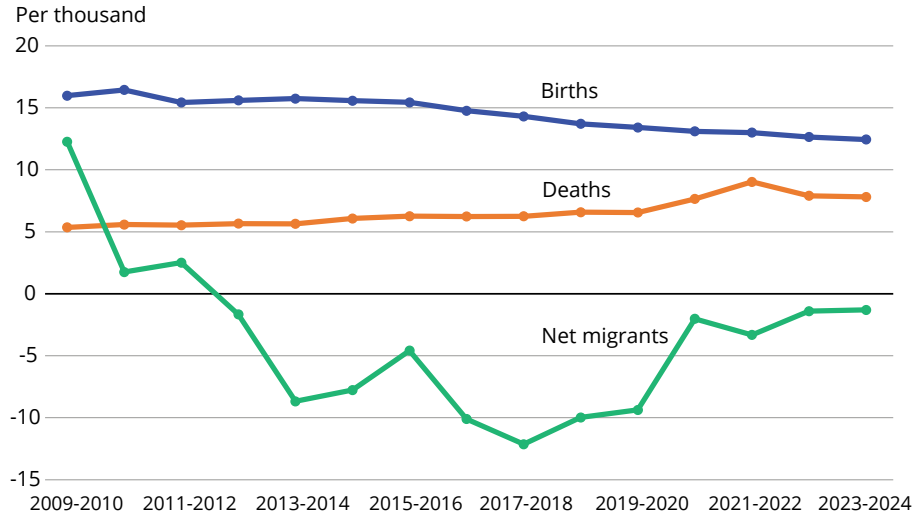
The Northern Region's decline has been the sharpest so far this decade at -1.06 percent annually, followed by the Southwest at -0.80 percent and Southeast at -0.55 percent. Declines are a new trend for the Northern and Southwest regions, which grew the fastest from 2005 to 2014.

Births and deaths are stabilizing from previous decade's volatility

The three components of population change — births, deaths, and migration — have stabilized since the volatility of the 2010s, allowing the population to grow overall.

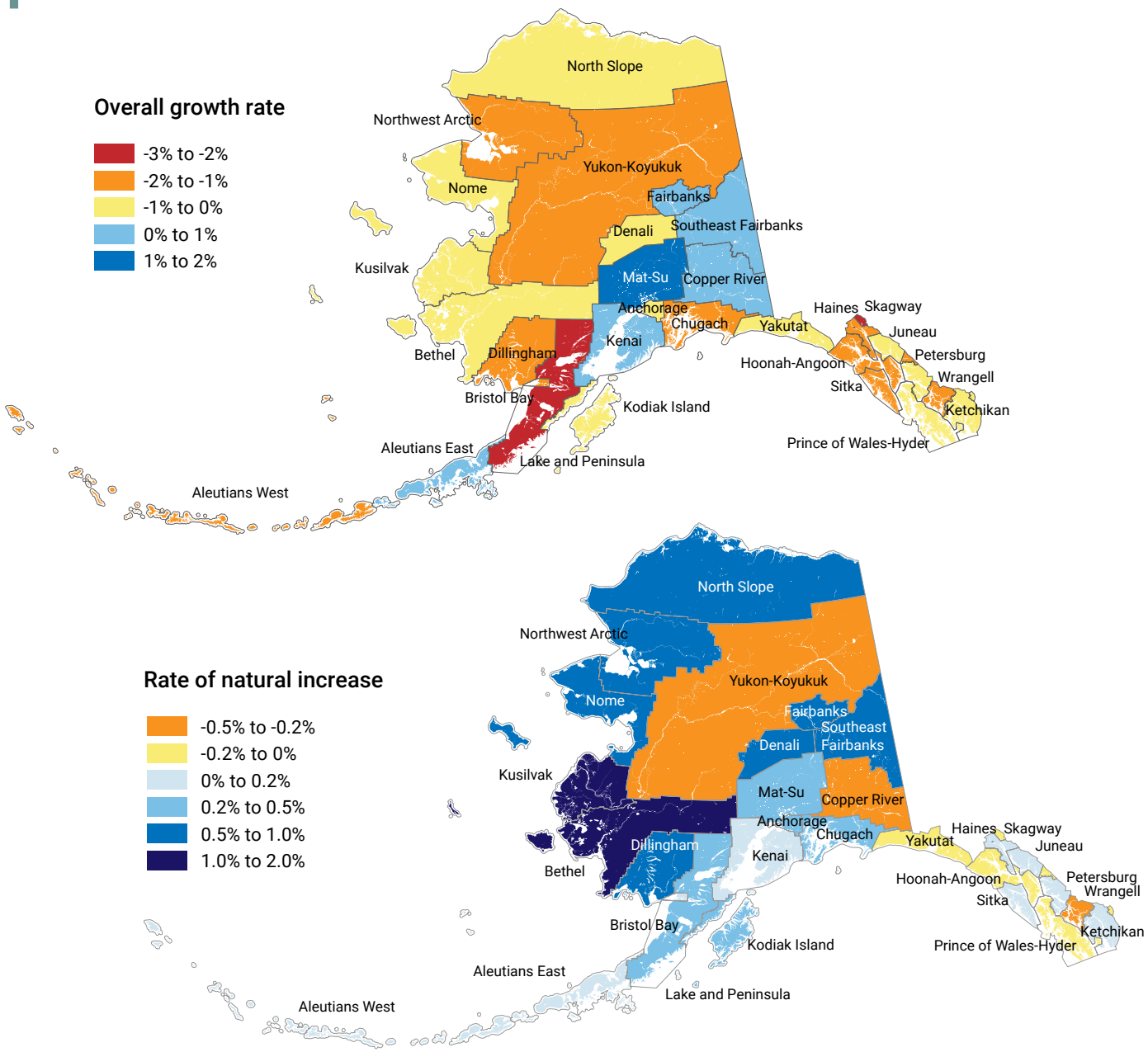
After fertility rates began a steady decline in 2015, the number of births fell rapidly during the latter half of the decade. Net migration losses deepened

Yearly births, deaths, and net migrants per 1,000 Alaskans



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

Average yearly growth, natural increase rates by area, 2020 to 2024



Note: The growth rates shown for Haines are from 2021-2024. Haines' 2020 data are excluded because its population was significantly undercounted during the census.

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

enough late in the decade to cause overall population decline for the first time since the 1980s.

Fertility has leveled off since 2020, and while deaths are still rising, the distinct spike during the COVID-19 pandemic has subsided.

Net migration, or in-movers minus out-movers, has remained negative, but the net losses haven't fallen below -0.4 percent a year this decade.

While net migration losses have been small over the last few years, the total migration flows into and out of Alaska each year have remained large, which is the historical norm. In a given year, over 10 percent of Alaska's population is moving into or out

of the state. Alaska's gross migration flow from 2023 to 2024 was the largest in over a decade, with 92,000 people moving either in or out.

Births, deaths, and migration by region

Not all regions' components of change stabilized after the 2010s.

Natural increase declined everywhere from 2020 to 2024 but it changed the most in Southeast. The Southeast Region has averaged a yearly natural increase of just 54 people so far this decade, down from 339 in the 2010s.

The Gulf Coast's natural increase has dwindled from 482 per year to 195.

Net migration has also been a mix of ups and downs around the state in recent years. The inflow has increased for all the growing regions while declining regions' net losses have deepened.

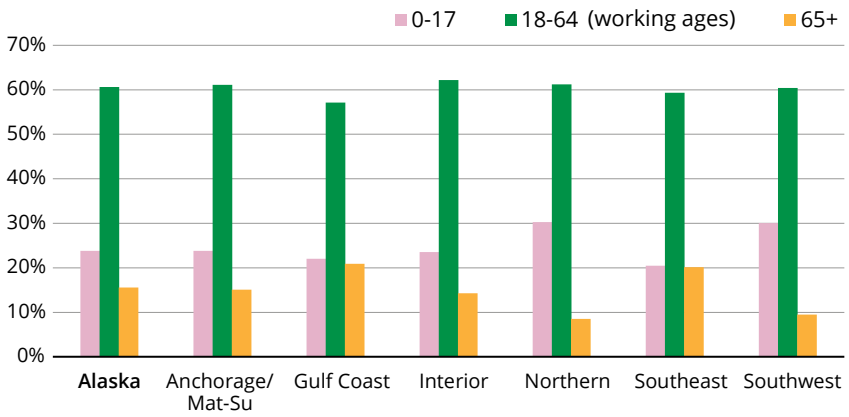
The Anchorage/Mat-Su Region netted 2,100 more movers per year from 2020-2024 than during the previous decade. The Gulf Coast's rate swung from a net loss to a gain. In the 2010s, the Gulf Coast lost 183 people to net migration each year on average, but it gained 212 every year after 2020.

The Northern and Southwest regions' rates dropped the most. The Northern Region averaged -140 for annual net migration in the 2010s and -517 thereafter. Southwest's net losses doubled, from -375 a year to -772.

Alaska's changing age structure

As mentioned in last month's issue of *Trends*, the senior population of Alaska has grown rapidly since 2010 and will continue to increase in the near term. While growth in seniors around the country has made many headlines, other less obvious demographic changes hold major implications for the state's future age structure.

Age structure by Alaska region, 2024



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

Fertility rates have leveled off since 2020, and while deaths are still rising, the COVID spike has subsided.

The millennial generation, born between 1981 and 1996, is starting to reach middle age and aging out of their prime child-bearing years. Even if fertility rates remain stable — that is, the average number of children per woman during her lifetime — the number of births will continue to decline. Those effects are starting to show in the numbers of school-age children.

Declines in the youngest groups signal shifts for the school ages

Fewer children have been born in Alaska since 2020, which is now noticeable in the preschool population. The 0-4 age group is 4,200 smaller than it was in 2020, dropping from 48,000 to 44,000 in 2024.

As these kids start school, the number of 5-to-17-year-olds will fall because larger cohorts will age into adulthood and smaller cohorts will replace them.

Declines among the youngest ages span the state and are especially prominent in the Northern and Southwest regions. The Northern Region's youngest age group has decreased 15 percent since 2020, followed by Southeast at -14 percent and Southwest at -10 percent. The other regions' declines ranged from -7 to -8 percent.

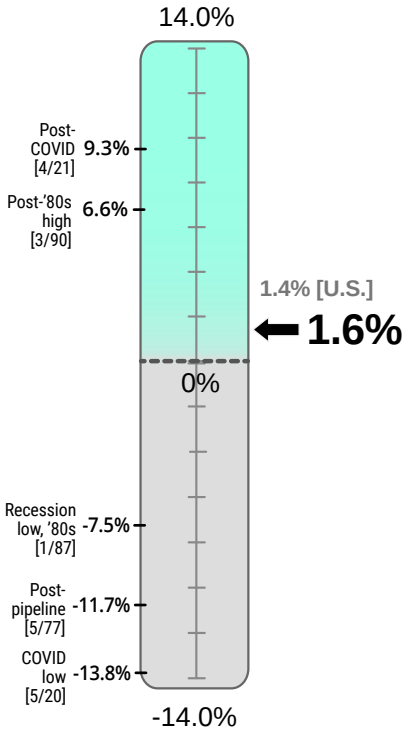
The Northern and Southwest decreases stand out

Continued on page 19

Gauging The Economy

Job Growth

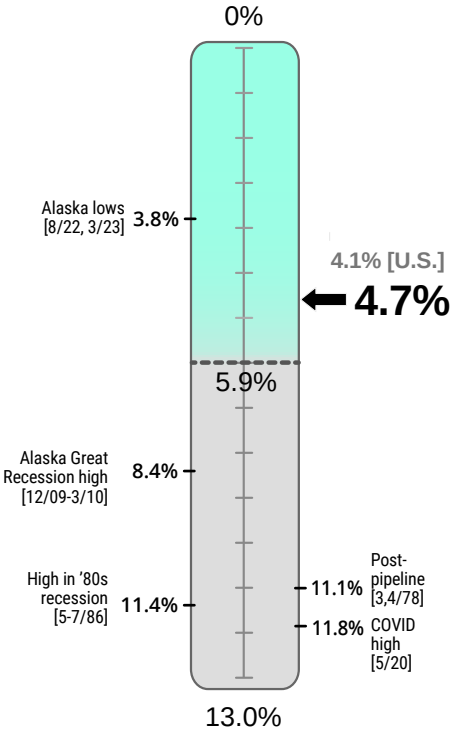
February 2025
Over-the-year percent change



Alaska's February employment was 1.6 percent above last February while national employment was up by 1.3 percent over the same period.

Unemployment Rate

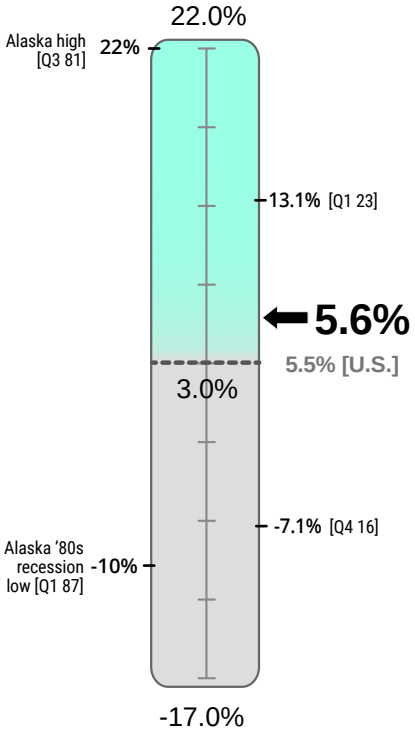
February 2025
Seasonally adjusted



Alaska's unemployment rate has climbed nearly a percentage point since early 2023 but remains well below its 10-year average.

Wage Growth

3rd Quarter 2024
Over-the-year percent change



Total wages paid by Alaska employers have shown strong growth in recent quarters.

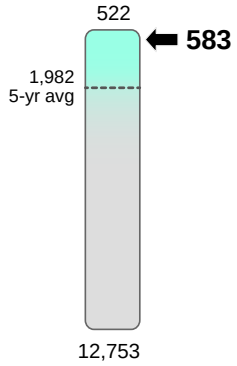
Wages were up 5.6 percent from year-ago levels in the third quarter of 2024 — on par with the 5.5 percent growth for the U.S. — and 26.5 percent above second third 2019.

Gauging The Economy

ALASKA'S 10-YR AVERAGE
CURRENT ALASKA

Initial Claims

Unemployment, week ending March 15, 2025*

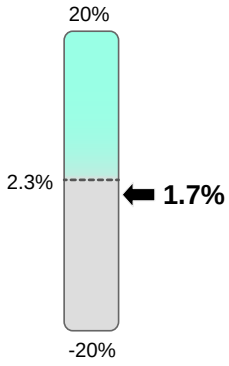


Pandemic-driven high claims loads have fallen, and new claims for benefits are well below their long-term average.

*Four-week moving average ending with specified week

GDP Growth

3rd Quarter 2024
Over-the-year percent change*

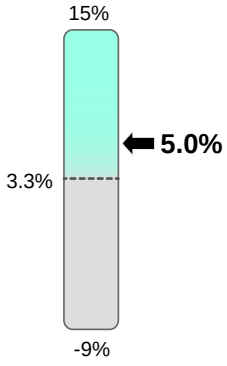


Gross domestic product is the value of the goods and services a state produces. It's an important economic measure but also a volatile one for Alaska because commodity prices influence the numbers so much — especially oil prices.

*In current dollars

Personal Income Growth

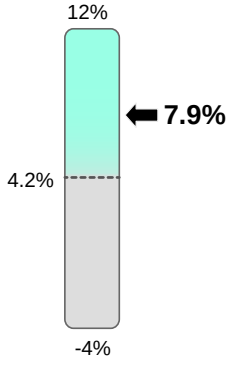
3rd Quarter 2024
Over-the-year percent change



Personal income consists of three main parts: 1) wages and salaries; 2) dividends, interest, and rents; and 3) transfer payments (payments from governments to individuals).

Change in Home Prices

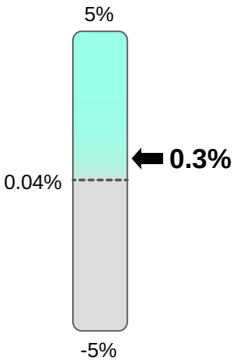
Single-family, percent change from prior year, Q4 2024



Home prices shown include only those for which a commercial loan was used. This indicator tends to be volatile from quarter to quarter.

Population Growth

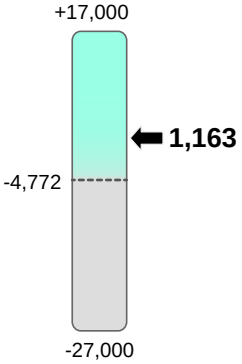
2023 to 2024



After four years of decline, Alaska's population has grown slightly in each of the last four years as natural increase (births minus deaths) has slightly exceeded migration losses.

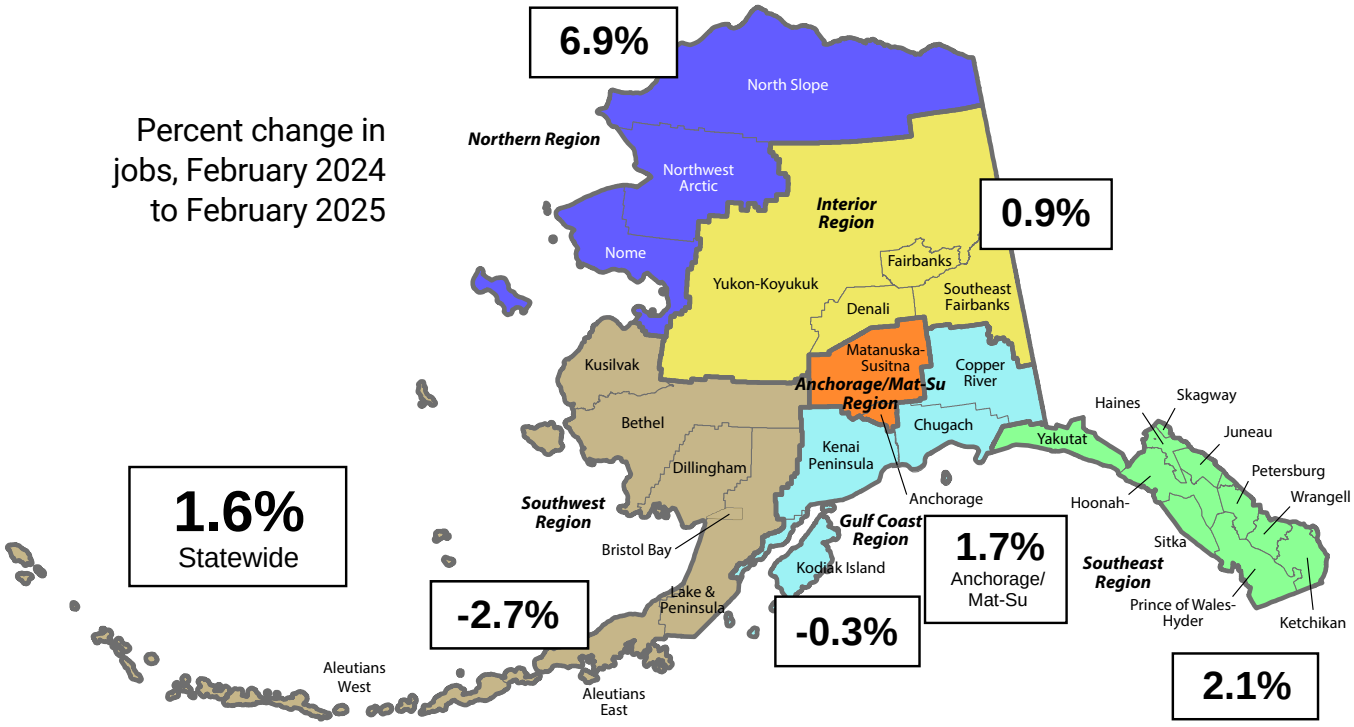
Net Migration

2023 to 2024



The state had net migration losses for the 12th consecutive year in 2024. Losses were on par with 2023 and significantly smaller than the late 2010s. Net migration is the number who moved to Alaska minus the number who left.

Employment Growth by Region



Unemployment Rates

Seasonally adjusted

	Prelim.	Revised	
	2/25	1/25	2/25
United States	**4.1**	**4.0**	**3.9**
Alaska	**4.7**	**4.7**	**4.4**

Not seasonally adjusted

	Prelim.	Revised	
	2/25	1/25	2/25
United States	**4.5**	**4.4**	**4.2**
Alaska	**5.4**	**5.4**	**5.3**

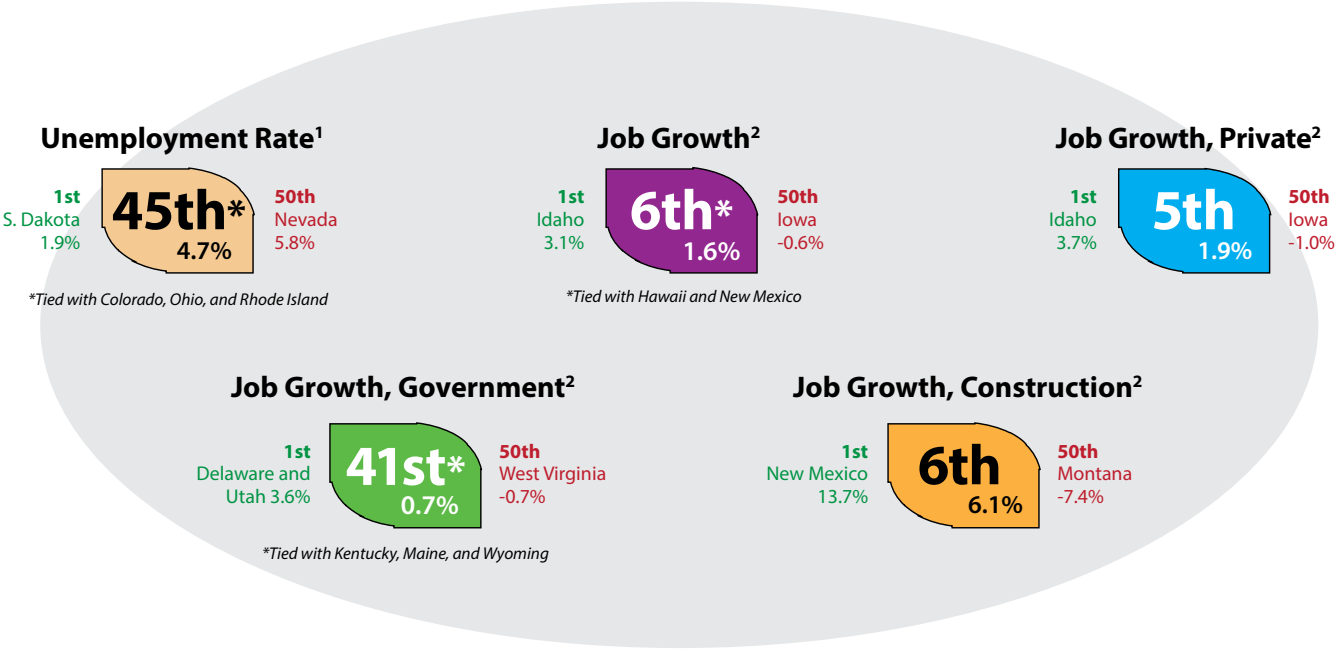
Regional, not seasonally adjusted

	Prelim.	Revised	
	2/25	1/25	2/25
Interior Region	**5.2**	**5.3**	**5.2**
Denali Borough	12.5	13.6	13.3
Fairbanks N Star Borough	4.5	4.7	4.7
Southeast Fairbanks Census Area	7.4	7.4	7.0
Yukon-Koyukuk Census Area	12.6	11.6	11.7
Northern Region	**7.0**	**6.6**	**8.3**
Nome Census Area	9.6	9.1	8.8
North Slope Borough	3.2	3.3	5.2
Northwest Arctic Borough	10.9	9.7	11.1
Anchorage/Mat-Su Region	**4.7**	**4.7**	**4.6**
Anchorage, Municipality	4.3	4.3	4.2
Mat-Su Borough	5.9	5.9	6.0

	Prelim.	Revised	
	2/25	1/25	2/25
Southwest Region	**9.4**	**9.2**	**8.2**
Aleutians East Borough	3.2	3.5	2.5
Aleutians West Census Area	2.5	3.6	2.3
Bethel Census Area	12.7	11.5	11.7
Bristol Bay Borough	11.2	10.8	9.1
Dillingham Census Area	8.7	8.2	8.6
Kusilvak Census Area	19.6	17.7	17.1
Lake and Peninsula Borough	7.6	6.6	7.2
Gulf Coast Region	**6.7**	**7.0**	**6.6**
Kenai Peninsula Borough	6.7	6.6	6.6
Kodiak Island Borough	4.4	6.8	4.8
Chugach Census Area	8.1	7.6	8.3
Copper River Census Area	14.1	13.5	11.2

	Prelim.	Revised	
	2/25	1/25	2/25
Southeast Region	**5.7**	**5.8**	**5.4**
Haines Borough	12.3	12.2	11.5
Hoonah-Angoon Census Area	11.8	11.5	11.4
Juneau, City and Borough	4.2	4.4	4.0
Ketchikan Gateway Borough	5.6	5.6	5.2
Petersburg Borough	7.4	8.9	6.3
Prince of Wales-Hyder Census Area	9.8	9.4	8.9
Sitka, City and Borough	4.2	4.2	4.0
Skagway, Municipality	19.7	19.2	16.4
Wrangell, City and Borough	6.3	6.5	6.7
Yakutat, City and Borough	7.9	7.3	10.7

How Alaska Ranks



Note: Government employment includes federal, state, and local government plus public schools and universities.
[1]February seasonally adjusted unemployment rates
[2]February employment, over-the-year percent change
*Two states don't produce construction job estimates: Delaware and Hawaii.

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

Other Economic Indicators

	Current		Year ago	Change
Urban Alaska Consumer Price Index (CPI-U, base: 1982-84=100)	268.039	2nd half 2024	262.806	+2.0%
Commodity prices				
Crude oil, Alaska North Slope,* per barrel	$74.13	Feb 2025	$81.27	-8.8%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	$3.70	Feb 2025	$1.80	+105.9%
Gold, per oz. COMEX	$3,018.20	3/21/25	$2,182.40	+38.3%
Silver, per oz. COMEX	$33.29	3/21/25	$24.85	+34.0%
Copper, per lb. COMEX	$5.09	3/21/25	$4.05	+31.5%
Bankruptcies	37	Q4 2024	42	-11.9%
Business	2	Q4 2024	6	-66.7%
Personal	35	Q4 2024	36	-2.8%
Unemployment insurance claims				
Initial filings	2,362	Feb 2025	3,179	-25.7%
Continued filings	22,575	Feb 2025	24,653	-8.4%
Claimant count	5,752	Feb 2025	6,116	-6.0%

*Department of Revenue estimate

Sources for this page and the preceding three pages include Alaska Department of Labor and Workforce Development, Research and Analysis Section; U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis; Bloomberg; U.S. Census Bureau; Yahoo Finance: COMEX; Alaska Department of Revenue; and U.S. Courts, 9th Circuit

POPULATION

Continued from page 13

because those regions maintained higher birth rates longer than the state as a whole. (The birth rate is the number of babies born each year per 1,000 people.) Unless birth rates rebound, the number of young children in these areas will continue to decline.

The school-age population has grown about 1 percent since 2020, but all at the older ages. The 5-9 population decreased by 1,300 over that time.

Because the 0-4 group is 8,400 children smaller than the 13-17 group, the school-age numbers will decline even more in the coming years unless Alaska's migration patterns shift.

Half of the state's six regions' school-age populations have decreased over the last four years. Southeast's 5-to-17 group fell by 4 percent and Northern and Southwest by 3 percent. The number of kids in the Gulf Coast grew 3 percent and 2 percent in Anchorage/Mat-Su.

The working-age population decreases vary across the state

As noted in a previous *Trends* article, the working-age population (18 to 64) has been shrinking for a long time. In the last four years, Alaska's working-age count fell by 9,600 people, or -2 percent.

All regions have lost working-age people over that period, but the declines have been more dramatic in some. Southeast has lost 3,000 (-7 percent) since 2020 and the Northern and Southwest regions have lost 5 percent. The Gulf Coast's working-age decline was also larger than Alaska's average at -3 percent (-1,400).

Military buildups in the early 2020s buffered the loss of working-age people in the Interior Region, which was -1 percent in four years — a decline of slightly less than 1,000 people. Anchorage/Mat-Su lost about the same percentage (-2,000 people).

David Howell is the state demographer. Reach him in Juneau at (907) 465-6029 or david.howell@alaska.gov.

EMPLOYER RESOURCES

Rapid Response services mitigate the impacts of layoffs

Many Alaska employers, like those nationally, have faced a host of obstacles over the past few years with temporary or permanent business closures, worker layoffs, and worker shortages.

The Alaska Department of Labor and Workforce Development Rapid Response team's mission is to provide proactive customized strategies, support, and assistance to businesses, communities, families, and individuals to avoid or minimize the impact of job loss and closures.

The team is focused on assisting businesses with the retention of their workers by providing alternatives to layoffs through the exploration of layoff-aversion strategies. In the event of a layoff, Rapid Response ensures services are available to affected workers to assist in their transition to new employment as quickly as possible.

Working with the Rapid Response team before a layoff can connect your business and employees with information, services, and programs geared toward continued employment or rapid reemployment to help through this difficult time, including:

- Incumbent worker training
- Job search assistance
- Resume preparation and interviewing skills workshops
- Local labor market information
- Education and training opportunities
- Unemployment insurance

Visit https://jobs.alaska.gov/rr/ for more on Rapid Response, e-mail dol.rrteam@alaska.gov, or contact your local Alaska Job Center by going to https://jobs.alaska.gov/offices/index.html.

Employer Resources is written by the Employment and Training Services Division of the Alaska Department of Labor and Workforce Development.