



ALASKA ECONOMIC
TRENDS

SEPTEMBER 2023

Alaska's rental market

ALSO INSIDE

How households have changed

FROM THE COMMISSIONER

Resources are waiting for incoming high school seniors

By Catherine Muñoz, Acting Commissioner

Kids are back in school and Alaskans are enjoying the last stretches of warm weather before fall sets in. It's harvest season: a time to gather, pick berries, and preserve the bounty of Alaska's foods for the winter. It is also a time when high school seniors begin to narrow their choices for postsecondary education and training.

It can be overwhelming for many young people when the pressure of "what do I do with the rest of my life" looms front and center. The options are seemingly endless.

The good news is that there are more resources than ever available to young Alaskans, and exploring them now, long before graduation, can make teens more confident about where to go with their futures. So, if you know any young Alaskans, encourage them to check out the resources available right here at home.

The Alaska Department of Labor's Research and Analysis Section provides up-to-date labor market information and a 10-year occupational forecast, both of which are valuable for understanding the types of jobs available across the state and where Alaska's top jobs may be in the future.

Also on the Department of Labor's website is information about Alaska's numerous training programs from apprenticeships, university programs, and on-the-job training through Alaska's regional training network. The Division of Employment and Training Services regularly updates its [Eligible Training Providers List](#), which identifies approved training programs that are eligible for Workforce Innovation and Opportunity Act grant funding to individual Alaskans. This list includes the type of training, name of the program, industry-recognized certification offered, location, and cost.

There is also a resource list of Alaska-based institutions where a person may be eligible to receive State



Training and Employment Program funding, or STEP, available through the [Alaska Commission on Postsecondary Education](#). Alaskans with work histories can contact their closest Alaska Job Center to set up a meeting with a career counselor to discuss how STEP funding could support their employment prospects by

increasing their skills.

Additionally, the Alaska Commission on Postsecondary Education hosts career navigation software called AKCIS. It's a take-anywhere personal learning and career planning tool. AKCIS includes information on careers, employability skills, learning styles, and a personal interest profiler. It also has applications for students and families to help cover their education and training costs.

With many in-demand industries, training providers, and support resources, now is the perfect time for young (and even not-so-young) Alaskans to dig into the many career paths available across the state.

The future workforce of Alaska will be a major topic at the upcoming Alaska Workforce Investment Board's industry-led convening. This two-day gathering of industry representatives, training providers, and the public — which I introduced in last month's *Trends* letter — will be postponed for a few weeks so we can ensure all industries are at the table for this important gathering. Details on the new location and opportunities for public participation will be released in the coming weeks.

Sincerely,

A handwritten signature in black ink that reads "Catherine Muñoz".

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



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A Ketchikan neighborhood,
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ALASKA
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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 2023 is a flipped aerial view of tidal channels on the Copper River, taken by Flickr user Banco de Imágenes Geológicas. License: creativecommons.org/licenses/by-nc-sa/2.0/

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. This material is public information, and with appropriate credit it may be reproduced without permission. To sign up for a free electronic subscription, read past issues, or purchase a print subscription, visit labor.alaska.gov/trends.

Rent up 7 percent over the year

Survey shows broad increases, vacancy still low

By GUNNAR SCHULTZ and ROB KREIGER

Rents went up across Alaska, some significantly, according to our March 2023 survey of landlords in select areas. Rent for two-bedroom apartments rose 7 percent on average over the year, which was the highest since at least 2011.

Over the last 12 years, rent has risen about 2 percent annually, on average. The second-highest increase was in 2012, at 4 percent.

Vacancy rates increased slightly from 2022 in several areas but remained tighter than average in many.

Area rent increases ranged from 3 percent to 16 percent

Median rent for a two-bedroom apartment — the most common type of unit surveyed — ranged from a low of \$1,055 in Wrangell-Petersburg to \$1,600 in the Bethel Census Area.

Except for Bethel, all rents in this article refer to median adjusted rent. Adjusted rent includes the cost of all utilities, whether they're included in the monthly rent payment or paid separately by tenants, which makes rentals more comparable across areas. (See the sidebar on page 6 for more explanation.)

Sitka's rent increase for a two-bedroom apartment was the smallest at 3 percent, while Ketchikan's jumped 16 percent. The larger markets fell into the middle of the pack, with rents up 9 percent in the Fairbanks North Star and Mat-Su boroughs, 7 percent in the Kenai Peninsula Borough, 5 percent in Anchorage, and 4 percent in Juneau.

For comparison, in each of the 10 areas we've surveyed historically (we added Bethel this year), yearly increases since 2011 have averaged between 1 and 3 percent.

Two-bedroom apartment rents plus all utilities, March 2023

Area	Median adj rent*	Change from 2022
Bethel Census Area**	\$1,600	–
Anchorage, Municipality	\$1,532	5%
Fairbanks North Star Borough	\$1,486	9%
Ketchikan Gateway Borough	\$1,466	16%
Kodiak Island Borough	\$1,452	9%
Juneau, City and Borough	\$1,420	4%
Sitka, City and Borough	\$1,404	3%
Chugach Census Area	\$1,314	4%
Matanuska-Susitna Borough	\$1,189	9%
Kenai Peninsula Borough	\$1,095	7%
Wrangell-Petersburg	\$1,055	5%
Average increase from 2022		7%

*Median adjusted rent is the contract rent (the amount paid to the landlord) plus the cost of all utilities, whether they are included in the rent payment or paid separately.

**Bethel's median rent does not include the adjustment for utility costs. See the sidebar on page 6.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, and Alaska Housing Finance Corporation: Rental Market Survey

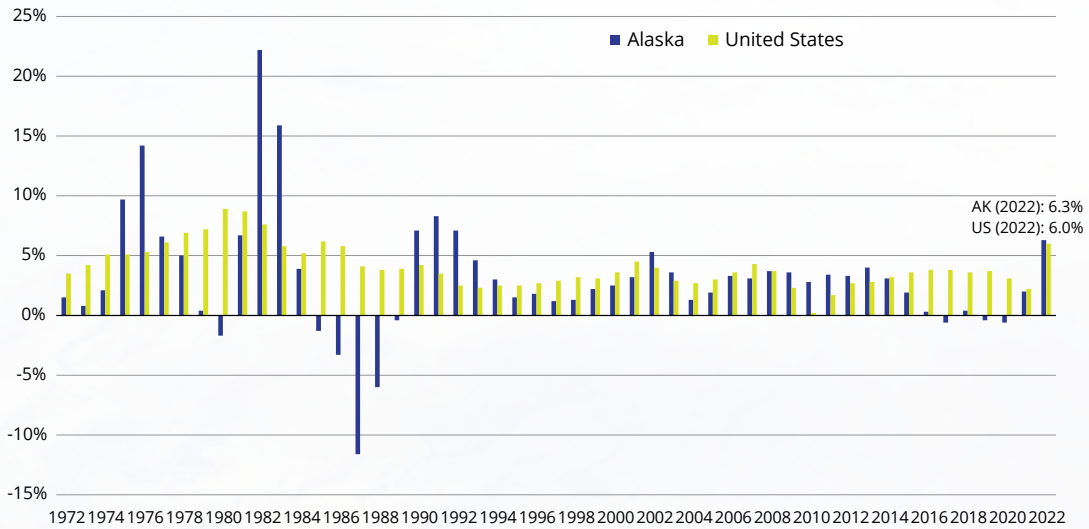
While rents everywhere had increased more than average this year, only the Kenai Peninsula Borough and Ketchikan posted their largest increases since 2011.

Pace of recent rent growth has been similar nationally

Rapid rent increases have been a national phenomenon in recent years. Although our survey data are specific to Alaska, the U.S. consumer price index's "rent of a primary residence" category allows us to compare the pace of rent growth nationally with urban Alaska.

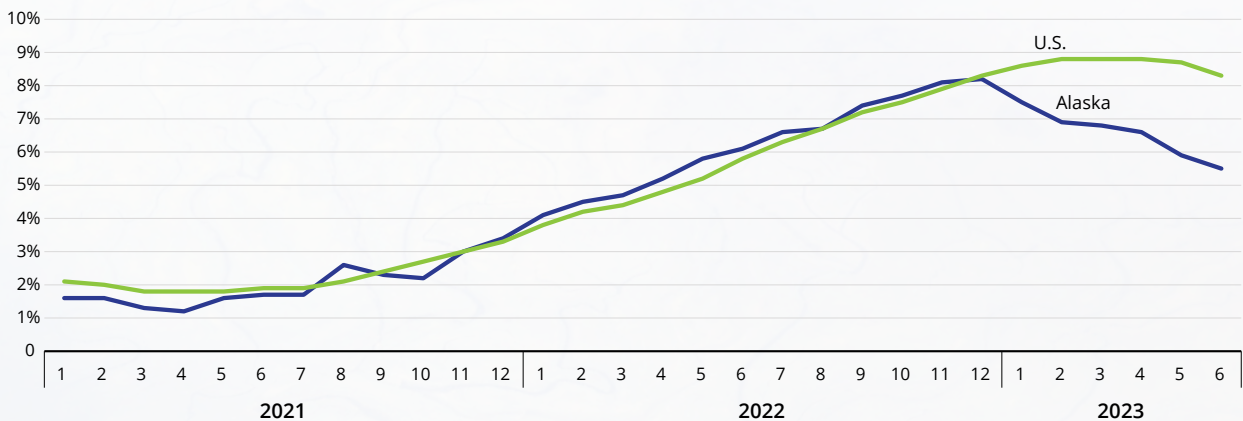
While patterns for the nation and Alaska differed considerably for much of the past decade, rents

Yearly rental inflation rates for U.S. and Alaska since 1972



Source: U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, U.S. and Urban Alaska, primary residence indexes

Recent monthly changes in U.S., Alaska rental cost indexes



Note: Monthly percent changes are relative to the same month the previous year.

Source: U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, U.S. and Urban Alaska, primary residence indexes

grew at similar rates in 2021 and 2022. (Alaska's CPI measures Anchorage and Mat-Su only.) Alaska and the U.S. both recorded decades-high rent growth in 2022.

Both continued to rise faster than usual through June of this year, although Alaska's increase slowed relative to the U.S. during the first half of 2023.

Reasons rent has gone up quickly

In 2021 and 2022, Alaska and the U.S. both posted

their highest annual inflation rates in decades. In addition to general price inflation, when landlords' operating costs rise, they must raise rent to maintain the same level of income from their properties. Maintenance, property taxes, and utilities are examples. The price of heating oil specifically has climbed in recent years.

Availability is another factor, and vacancy rates have been low in recent years. As the pool of rentals that are both vacant and available in an area shrinks, rents typically rise. Landlords face less competition from other landlords while renters face *more* competition from other renters.

About the rental survey

We partner with the Alaska Housing Finance Corporation every March to survey Alaska landlords in selected areas. In 2023, we added the Bethel Census Area to the 10 areas we have surveyed historically.

All rents and rent changes are median adjusted rents for two-bedroom apartments, unless otherwise noted. Two-bedroom apartments are the most common unit type in our survey results. Adjusted rent is the contract rent (the amount paid to the landlord) plus the costs of any utilities tenants cover separately. Using adjusted rent for one unit type makes rents more comparable across areas.

Because 2023 utility adjustments weren't available when this article was published, we used 2022 utility adjustments.

Vacancy rates are for all units surveyed in an area. Vacancy rates represent the percentage of units that were vacant or anticipated to be vacant the week of March 11.

Rental survey results since 2010 will be available on our website by mid-September and will include average and median contract and adjusted rents, vacancy rates, and the percentages of units with utilities included in contract rent by area, building type, and number of bedrooms.

The survey combines the Wrangell and Petersburg boroughs because of their small sizes.

A note on Bethel, new to survey in 2023

In 2023, we added the Bethel Census Area to our survey and received responses for 220 units, including 94 two-bedroom apartments. Bethel had the highest median rent at \$1,600 and the highest vacancy rate among all surveyed units by a wide margin.

Bethel's median rent is based on contract rent only, because area utility adjustment data were not yet available. However, even without the additional utility costs, Bethel's contract rent was higher than the median *adjusted* rent in any other area.

While Bethel utility adjustments were not available, the survey included the types of utilities Bethel's contract rents encompassed and which energy types were most common for heat, hot water, and cooking.

Among all types of units, Bethel's contract rent typically included heat, hot water, garbage, and snow removal. Including sewer and electricity (lights) was less common.

Oil was the primary heat source for 98 percent of Bethel's rentals, and 98 percent used electricity to cook. Electricity was also the most common source for hot water in 72 percent of units, and about 25 percent used oil.

Vacancy rates remain low

In our survey, vacancy rates are based on units that were not occupied, or were expected to be vacant, the week of March 11. Unlike rents, vacancy rates are for all unit types surveyed, not just two-bedroom apartments.

Less vacancy has been a common theme in recent years' surveys, a pivot after a period of higher vacancy. Rates in 2023 ranged from a low of 2.9 percent in the Wrangell-Petersburg area to 17.3 percent in the newly added Bethel Census Area. Fairbanks has had the highest average vacancy rate since 2010, while Anchorage, Juneau, and Mat-Su have had the tightest markets.

Not including Bethel, the average vacancy rate was 5.4 percent in March, up slightly from 4.8 percent in 2022 but well below the average of 6.8 percent since 2010. This year's rate was also lower than any other year from 2012-2021.

Changes by area varied. Vacancy rates increased by less than one percentage point in Anchorage,

Mat-Su, Juneau, Kenai Peninsula, and Ketchikan. Fairbanks' and Chugach Census Area's vacancy rates increased more. Vacancy dropped about two percentage points in Kodiak, Sitka, and Wrangell-Petersburg, although the reasons for those three markets tightening weren't clear from the survey.

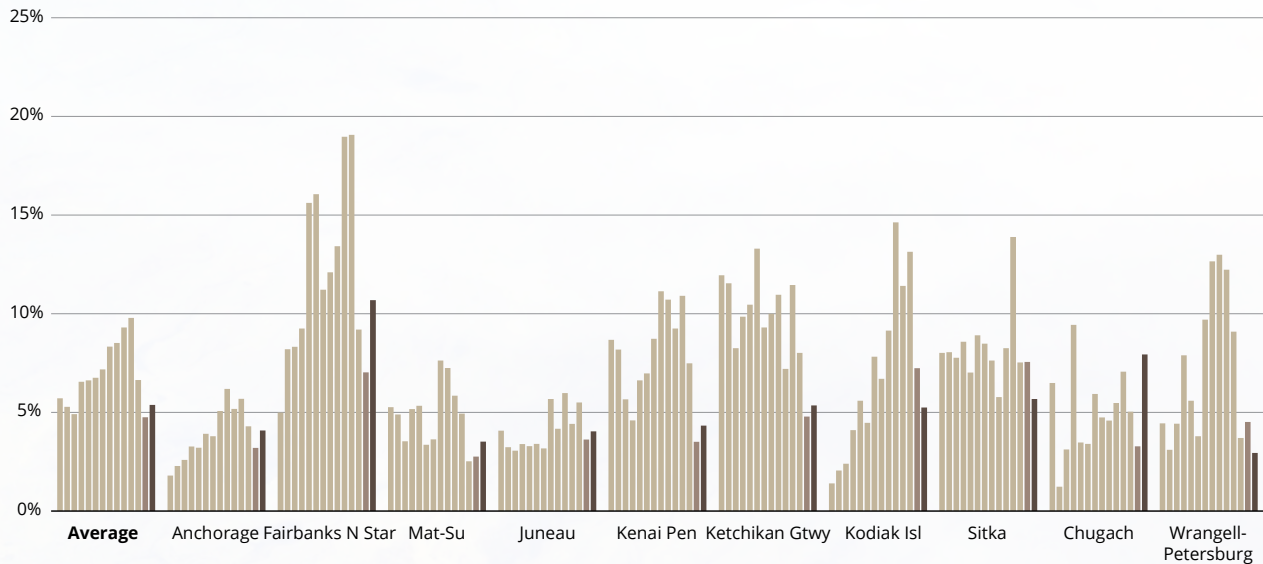
Vacancy rates in most areas remained below their 2010-2023 averages, despite these increases. Rates were at least one percentage point lower than average in Fairbanks, Mat-Su, Kenai Peninsula, Ketchikan, Kodiak, Sitka, and Wrangell-Petersburg. Juneau and Anchorage were close to their average vacancy levels, however, their historical averages are the survey's lowest.

Only the Chugach Census Area, which contains Valdez and Cordova, had much higher vacancy than average. The reasons weren't clear, although this is a small market, so changes to a modest number of units can sway the average.

Vacancy also tight nationally

As with rents, tighter-than-usual vacancy rates

Rental vacancy rate trends since 2010 by area, all unit types



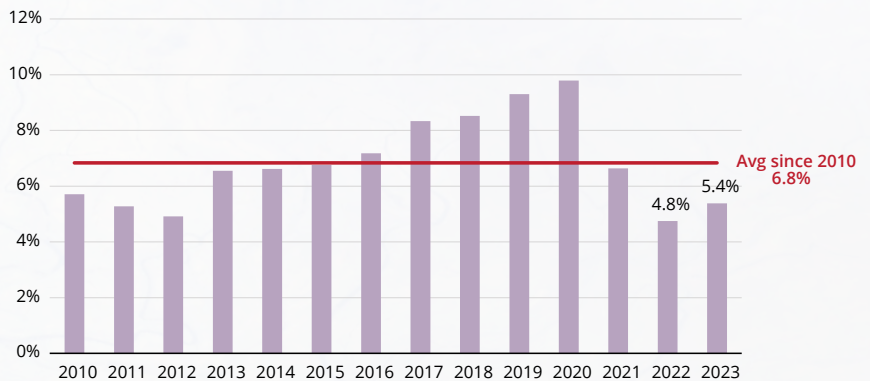
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, and Alaska Housing Finance Corporation: Rental Market Survey

have been common nationally in recent years, according to estimates from the U.S. Census Bureau's Housing Vacancy Survey.

Similar to rent patterns, Alaska and the U.S. followed different vacancy trajectories for much of the past decade but in 2021, both recorded their lowest rates since at least 1986.

In 2022, the vacancy rate ticked up in Alaska and continued to fall at the national level, but both remained below their historical averages.

Average yearly survey-wide vacancy rates



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, and Alaska Housing Finance Corporation: Rental Market Survey

Factors keeping vacancy down

Although most of the pandemic relief programs and conditions that affected the 2021 and 2022 surveys by keeping more renters in their units were no longer relevant this year (such as eviction moratoriums and emergency rental assistance), several other factors appear to be keeping vacancy rates down.

It's important to note that the influences on vacancy rates are numerous and complex, and without holding other factors constant, it's impossible to

isolate the effects of any one of the following factors on rates.

Alaska's long migration outflow has slowed

Migration can greatly influence an area's rental demand, and Alaska recently marked the 10th straight year of negative net migration — more people leaving than moving in.

While a net outflow typically means less demand for rentals, Alaska's slowed considerably in 2021 and 2022, narrowing the gap between the numbers moving in and out.

Homes became less affordable

Renters buying homes creates vacancies, but home prices and interest rates have risen, slowing the number of renters making that transition.

In 2020 and 2021, prices for the average single-family home in Alaska rose faster than usual when interest rates hit record lows, and in 2022, house prices continued their rapid rise even as interest rates climbed and hit decade highs.

This combination of higher home prices and higher mortgage rates pushed housing affordability to its lowest level in more than a decade. Our 2022 survey of mortgage lenders also showed the fewest homes purchased with a conventional 30-year fixed-rate mortgage since at least 1992.

The share of homes purchased by first-time buyers also hit its lowest point on record last year (26 percent), according to national statistics from the National Association of Realtors, and the average age of first-time homebuyers rose to 36 — also a record.

Home-building low in recent years

One big limitation when looking at housing units, whether new or converted, is that we don't know how many are actually entering or exiting the rental market. However, new home construction can push vacancy rates upward by expanding the supply.

Building in general has been low in Alaska for most of the last decade, and residential construction fell to record lows in recent years, further squeezing rental availability.

According to our survey of new housing units, in

Area vacancy rates in March 2023 and the average rates since 2010

Area	Vacancy in 2023	Avg rate since 2010
Bethel Census Area	17.3%	–
Fairbanks North Star Borough	10.7%	11.7%
Chugach Census Area	7.9%	5.1%
Sitka, City and Borough	5.7%	8.1%
Ketchikan Gateway Borough	5.3%	9.5%
Kodiak Island Borough	5.3%	6.8%
Kenai Peninsula Borough	4.3%	7.6%
Anchorage, Municipality	4.1%	3.9%
Juneau, City and Borough	4.0%	4.1%
Matanuska-Susitna Borough	3.5%	4.7%
Wrangell-Petersburg	2.9%	6.9%
Average vacancy rate	5.4%	6.8%

Notes: All unit types. Bethel is new to the survey and is not included in the averages.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, and Alaska Housing Finance Corporation: Rental Market Survey

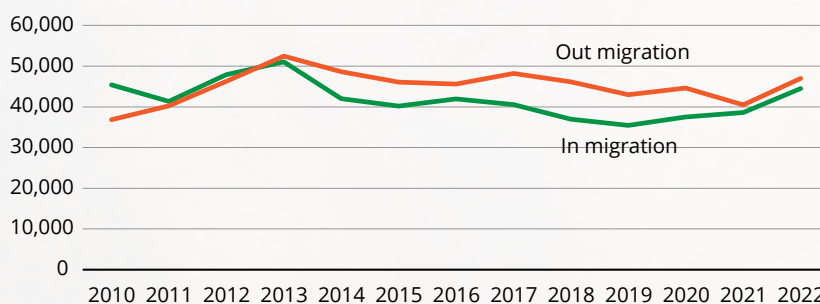
2020 and 2021, Alaska recorded its two lowest years of new building activity since at least 2003, including lows for new single-family homes in 2020 and for multi-family units in 2021. (See the graph on the next page.)

The number of new housing units ticked up in 2022, mainly because of an increase in multi-family units, but remained historically low. Multi-family unit construction rose 51 percent from 2021 to 2022, but the number remained far below early-2000s levels.

AirDNA shows more short-term rentals

Converting long-term rentals to short-term rentals

Alaska's net migration losses have slowed



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

has influenced vacancy in recent years, but short-term rentals are outside the scope of our survey and data on the topic are scarce.

Anecdotally, several landlords who dropped units from our rental survey in 2023 mentioned converting them to short-term rentals.

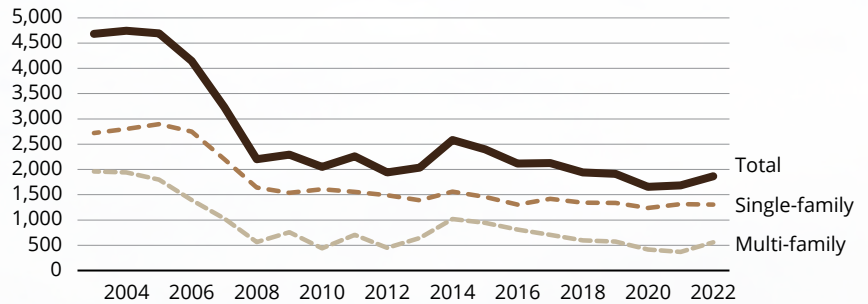
The website AirDNA, which uses scraped data from Airbnb and VRBO as well as partner data, is one measure of short-term rental activity in the areas we survey.

AirDNA's coverage is broad, though, as it includes the number of units, private rooms, and shared rooms available to be booked for at least one night during a given quarter. AirDNA calls these "active rentals."

When this article was published, relevant data from AirDNA were publicly available for 2020 to 2023 and showed the numbers of active rentals in many of the areas we survey were sharply higher in the first quarter of 2023 than in the same periods in 2021 and 2022.

Gunnar Schultz and Rob Kreiger are economists in Juneau. If you have questions about this article, contact Rob at (907) 465-6031 or email rob.kreiger@alaska.gov.

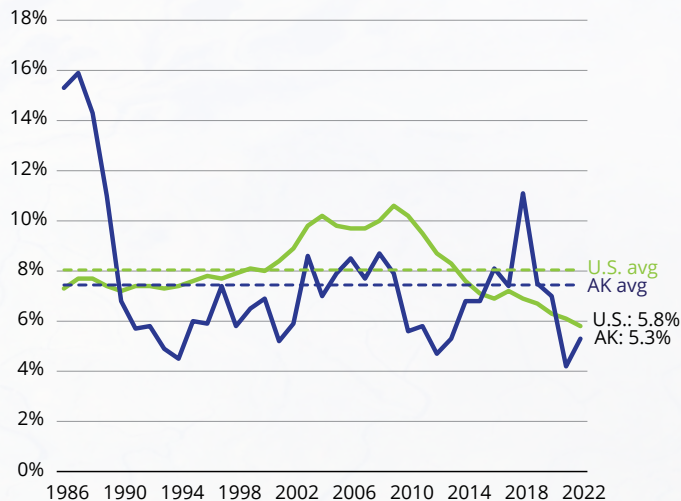
Alaska's new home construction declined



Notes: Single-family homes include houses that are attached. Multi-family units are in buildings with two or more units in which units are stacked or share common utilities.

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section and Alaska Housing Finance Corporation, New Housing Unit Survey

Historical census vacancy rates



Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey

How our households have changed

60 years of decennial censuses paint shifting picture

By DAVID HOWELL

An Alaska household looked quite different in 1960, just after statehood, than it does today. At that time, outside of the Alaska Native population, many people had only recently moved to the state, and most came for work.

The explosive population growth in the decades that followed reshaped the state and the housing landscape — both the homes themselves and the people who occupied them.

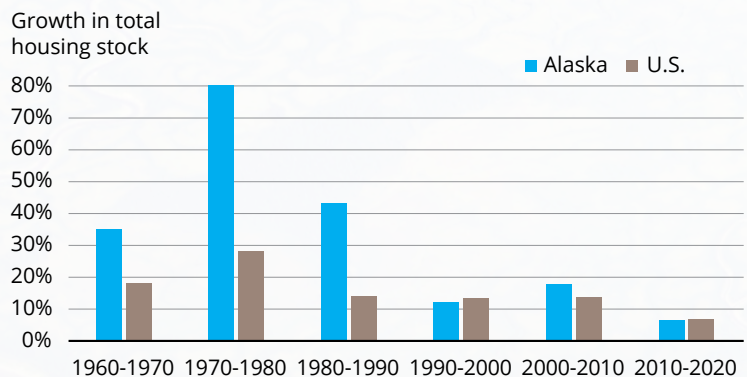
While we have an older and more established population today, the picture of Alaska households is still shifting. Census data from 1960 through 2020 show massive changes in Alaskans' living circumstances over the last 60 years. In contrast, over the same period, the national picture has stayed about the same in most household categories.

The number of homes went from 67,000 to 326,000

In 1960, Alaska had 67,000 homes available for a population of 226,000. Over the next 10 years, Alaska's housing stock grew 35 percent, with Alaska adding homes at twice the rate of the U.S. as a whole. Over the decade, the state gained 74,000 residents.

The 1970s were a time of rapid housing growth for both Alaska and the U.S. Alaska's population grew by 101,000 as the construction of the Trans-Alaska Pipeline System drew in a flood of workers. At the same time, the large baby boomer generation was leaving home en masse nationwide, which drove up the need for housing. Alaska's housing stock jumped 79 percent over that decade while the U.S. added 29 percent.

Explosion of houses built in Alaska in the '70s and '80s, but fewer recently



Source: U.S. Census Bureau

Alaska's population grew even more in the 1980s and reached 550,000 people by 1990. The number of homes increased by over 43 percent that decade (16 percent for the nation). Some of that was likely catch-up after the population boom of the previous decade, but Alaska also gained more permanent residents in the '80s, as many who arrived in the '70s came temporarily for pipeline construction or the military.

Home construction slowed after that, as did population growth. Alaska added 12 percent more housing units in the 1990s and 18 percent in the 2000s. The latter bump came when the large millennial generation began to move out of their parents' homes.

Housing growth has slowed considerably since 2010, both in the state and nationwide, partly due to the national housing bust of the late 2000s.

Alaska added fewer than 20,000 homes over the 2010-2020 decade, the smallest number since statehood. Home construction still outpaced population growth, however, even at that greatly reduced level.

As of the 2020 Census, Alaska had a population of

Percentages by age group living in multigenerational households

Alaska

Ages	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80+	Total
Single-generation home										
1960	0%	5%	25%	20%	39%	58%	59%	53%	33%	18%
1970	0%	4%	37%	13%	24%	56%	75%	80%	50%	18%
1980	0%	6%	41%	26%	28%	58%	76%	62%	80%	25%
1990	0%	4%	37%	29%	37%	63%	74%	83%	70%	28%
2000	0%	3%	38%	27%	42%	62%	76%	73%	72%	30%
2010	0%	4%	43%	25%	35%	61%	75%	76%	65%	33%
2020	1%	3%	41%	29%	30%	54%	73%	80%	73%	35%
Two-generation home										
1960	97%	88%	69%	77%	56%	34%	29%	21%	33%	77%
1970	94%	92%	59%	81%	71%	39%	18%	10%	50%	77%
1980	95%	88%	56%	72%	68%	34%	17%	29%	20%	70%
1990	94%	88%	57%	68%	59%	28%	18%	10%	17%	67%
2000	91%	88%	53%	68%	53%	30%	16%	19%	20%	62%
2010	88%	89%	50%	69%	60%	34%	16%	17%	24%	60%
2020	88%	86%	52%	65%	64%	39%	20%	14%	20%	57%
Three-generation home										
1960	3%	7%	6%	2%	5%	8%	12%	26%	33%	5%
1970	6%	4%	4%	3%	5%	5%	7%	10%	0%	5%
1980	5%	6%	3%	2%	4%	9%	7%	9%	0%	5%
1990	6%	8%	6%	3%	4%	9%	8%	7%	13%	6%
2000	9%	10%	8%	5%	5%	8%	9%	8%	8%	7%
2010	12%	8%	7%	6%	5%	5%	8%	7%	11%	7%
2020	11%	11%	7%	6%	6%	7%	7%	6%	7%	8%

Sources: IPUMS-USA, University of Minnesota and U.S. Census Bureau

733,000 and 326,000 housing units: 224 percent and 386 percent increases since 1960, respectively.

Multigenerational households have become more common

While multigenerational households have long been common among Alaska Natives and in the Lower 48, they weren't common among the rest of Alaska's population in the early decades of statehood.

This is largely because migration expanded the state so much during the second half of the 20th century. Most migrants to Alaska are young, creating more single-generation households or households with parents and children, as most grandparents lived elsewhere.

United States

Ages	0-9	10-19	20-29	30-39	40-49	50-59	60-69	70-79	80+	Total
Single-generation home										
1960	0%	3%	19%	13%	24%	51%	70%	69%	55%	21%
1970	0%	3%	27%	12%	21%	51%	75%	78%	64%	24%
1980	0%	4%	38%	20%	22%	51%	76%	83%	74%	30%
1990	1%	3%	36%	25%	29%	53%	74%	83%	80%	32%
2000	0%	3%	38%	27%	31%	58%	74%	80%	79%	33%
2010	1%	3%	39%	27%	30%	56%	77%	81%	79%	35%
2020	1%	2%	40%	29%	26%	51%	73%	80%	77%	37%
Two-generation home										
1960	91%	87%	73%	81%	68%	41%	22%	21%	32%	70%
1970	92%	89%	67%	83%	72%	43%	20%	15%	26%	69%
1980	92%	89%	58%	76%	72%	43%	20%	12%	20%	65%
1990	91%	89%	57%	70%	66%	40%	21%	13%	15%	62%
2000	88%	88%	54%	68%	63%	35%	19%	14%	15%	59%
2010	88%	88%	53%	67%	64%	37%	17%	13%	16%	57%
2020	87%	88%	51%	63%	67%	42%	20%	13%	17%	55%
Three-generation home										
1960	9%	10%	7%	6%	8%	7%	8%	10%	13%	8%
1970	7%	8%	5%	5%	7%	6%	5%	6%	9%	7%
1980	7%	7%	5%	4%	6%	6%	4%	5%	7%	6%
1990	9%	8%	7%	4%	6%	7%	5%	4%	5%	6%
2000	11%	9%	8%	6%	6%	7%	7%	6%	5%	8%
2010	11%	9%	8%	6%	6%	6%	6%	6%	5%	7%
2020	12%	10%	8%	7%	7%	7%	7%	6%	6%	8%

As the population has become less transient, the percentage living in a household with three or more generations has grown, from 5 percent in 1970 to 8 percent in 2020, putting Alaska on par with the rest of the country. This isn't because more grandparents have joined their families here but because those who moved to Alaska in the 1970s and 1980s are now the grandparents.

Among Alaska Natives, 9 percent lived in multigenerational households in 1960. As the Alaska Native population has grown steadily over the years, the share living in multigenerational households has more than doubled, to 20 percent.

The percentage of people living in multigenerational households in the rest of the country looked similar to the Alaska Native population in 1960 but hasn't grown as much over the last 60 years. The U.S. percentage has ranged from a low of 6 percent in 1980 to a high of 8 percent in 2020.

Multigeneration households will probably become even more common everywhere as the large baby boomer generation gets older. The popularity and availability of in-home health care will also support that growth, as it will make this type of living arrangement possible longer.

But single-generation homes have also increased

The number of generations per household is affected by birth rates as well as migration. Alaska's birth rate is higher than most of the country, meaning we have more two-generation households, which is the most common household type. The difference isn't large, though, at 57 percent for Alaska and 55 percent nationwide.

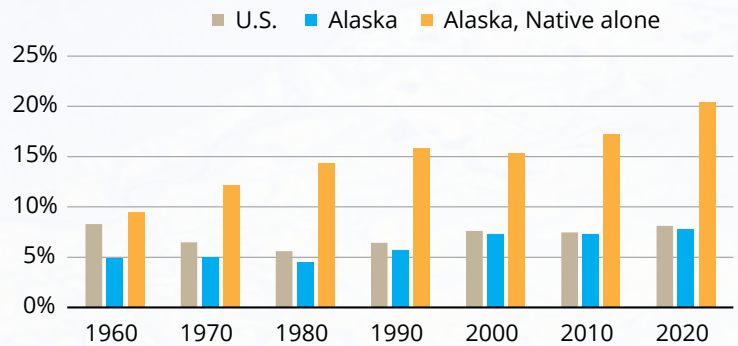
Declining fertility rates have steadily increased the share living in single-generation households, however, from 18 percent in Alaska in 1960 to 35 percent in 2020.

The national fertility decline began earlier, so the U.S. percentage in single-generation homes jumped from 21 percent to 37 percent over those decades.

More people live alone now

Similarly, the percentage of single-person households has been on the rise. Living alone becomes more common as you age, so this living arrangement has grown as the number of seniors and

Multigenerational homes have been common among Alaska Natives



Source: U.S. Census Bureau

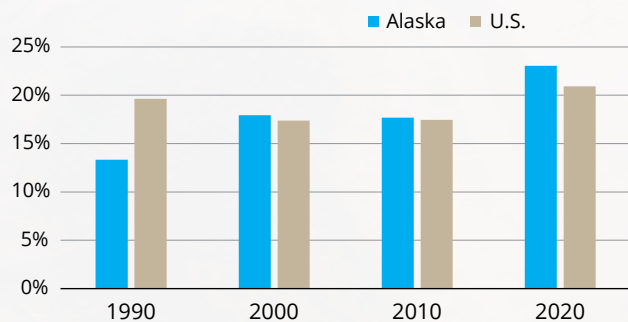
their share of the population have risen.

Alaska's percentage who live alone has steadily increased from a low of 4 percent in 1970 to 10 percent in 2020. It's slightly higher for the U.S. at 11 percent — seniors make up a larger share of the population nationally than they do in Alaska.

The ability to get in-home health care enables people to live alone, and for longer, in the same way it supports three-generation households.

A side effect of more people living alone is that more of Alaska's housing units are occupied by just one person. In the 2020 Census, 27 percent of Alaska housing units had just one occupant. It was 28 percent nationwide.

More now own homes outright



Note: Percentage of population living in a home they paid off. Includes children whose parents own the home outright.
Source: U.S. Census Bureau

More homes now occupied by owners, more homes paid off

Owning a home has become much more common than renting in Alaska over the years. In the 1960s, a slight majority of homes — 52 percent — were rented. As more people moved to Alaska for work, they bought houses, so by 1980, 58 percent of homes were owner-occupied.

The deep recession of the 1980s took a slight toll on home ownership — the percentage dipped to 56 — but it started rising again in 1990 and by 2020, 64 percent of homes were owner-occupied.

The pattern differed from the rest of the country, where owner-occupied housing has been relatively stable, bouncing between 62 and 66

percent over the last 60 years.

More Alaskans over time have also paid off their homes. Just 13 percent of the population lived in a home they owned outright in 1990, and it's now 23 percent. (See the graph at the bottom of the previous page.) Many of the baby boom generation who moved here in the 1980s and 1990s bought relatively cheap housing and have since paid off their mortgages.

The percentage of the national population living in a paid-off home fell from 20 percent in 1990 to 17 percent in 2000 and 2010, then jumped to 21 percent in 2020.

Group living common in Alaska, especially early on

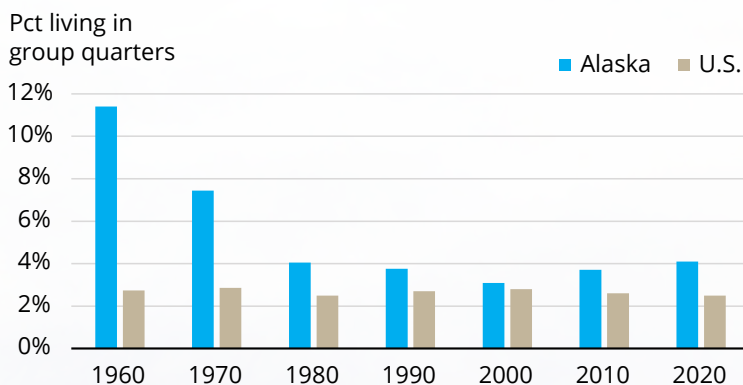
Alaska has always had a significant share of the population living in group quarters: shared housing such as barracks, dorms, or prisons. Group housing was especially common in the years following statehood because so much of the population worked in logging, seafood processing, or the military.

In 1960, 11 percent of the population lived in group quarters compared with just 3 percent nationally. The differences between Alaska and the rest of the country were even more striking when broken down by age. At statehood, 28 percent of those in their 20s lived in group housing and in 1970 it was 22 percent. For the U.S. it was just 7 percent in 1970.

Alaska's share of young adults in group quarters fell considerably during the 1980s but remained double the national average as of 2020.

The decline in group housing has come with population growth and the increase in housing stock. Among all ages, 7.4 percent of Alaskans lived in

More group living in Alaska than the U.S.



Source: U.S. Census Bureau

About the data

Data for this article come primarily from the decennial census short form. More detailed breakouts by age rely on Public Use Microdata Samples from the census long form for 1960 through 2000 and then the Census Bureau's American Community Survey for 2010 and 2020.

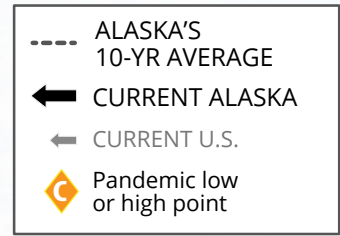
group quarters in the 1970s, and it fell to around 4 percent over the next decade, where it has remained since.

While the group housing graph above shows an uptick for Alaska after 2000, that's mainly a change in how the Census Bureau counts group quarters rather than a true increase. For example, the thousands of oilfield workers in Prudhoe Bay weren't counted in group quarters until 2010.

Nationwide, the group housing percentage hasn't changed much; it has remained between 2 and 3 percent since 1960.

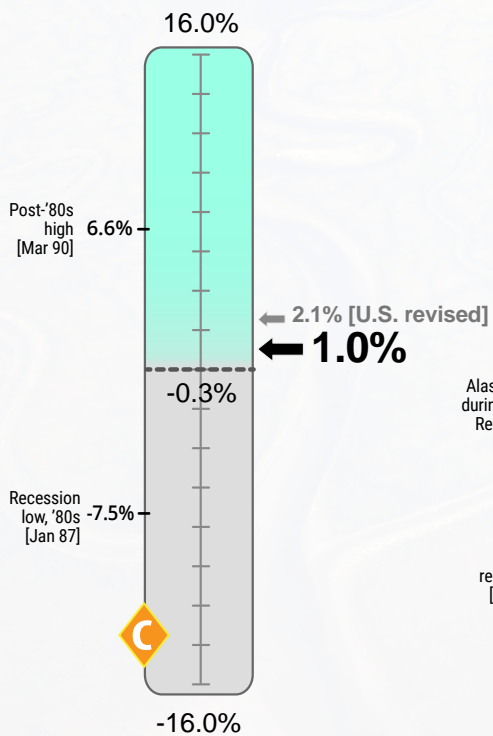
David Howell is the state demographer. Reach him in Juneau at (907) 465-6029 or david.howell@alaska.gov.

Gauging The Economy



Job Growth

July 2023
Over-the-year percent change



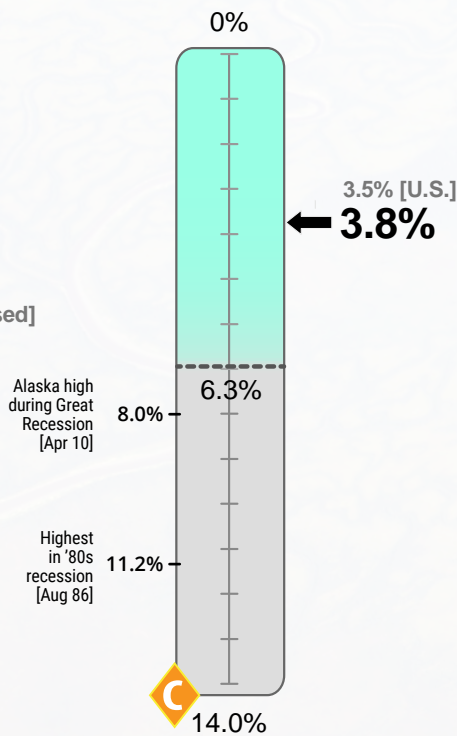
Alaska's July employment was 1.0 percent above last July but still 2.3 percent below July 2019, an important reference point because that was a pre-pandemic employment level.

National employment, which was up 2.1 percent from July 2022, was 3.6 percent above its 2019 level.

In other words, while the U.S. economy has fully recovered from COVID-related job losses, Alaska still has a ways to go.

Unemployment Rate

July 2023
Seasonally adjusted

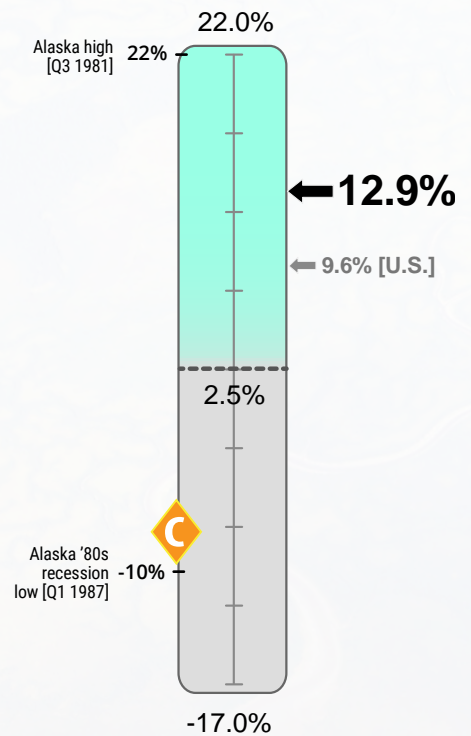


Alaska's unemployment rate has been less useful as an economic measure during the pandemic and its aftermath because of data collection difficulties.

It's clear, however, that unemployment rates in Alaska and the U.S. are historically low and that the shortage of workers is a bigger economic challenge than unemployment.

Wage Growth

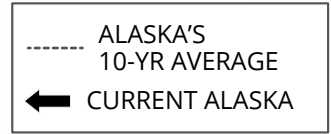
1st Quarter 2023
Over-the-year percent change



After falling hard during the pandemic, total wages paid by Alaska employers have bounced back and show strong growth.

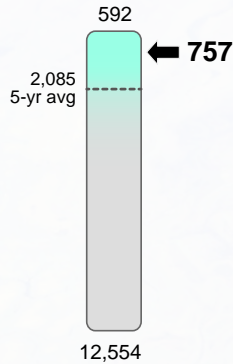
Wages were up 12.9 percent from year-ago levels in the first quarter of 2023 and 16.6 percent above first quarter 2019.

Gauging The Economy



Initial Claims

Unemployment, week ending Aug. 12, 2023*

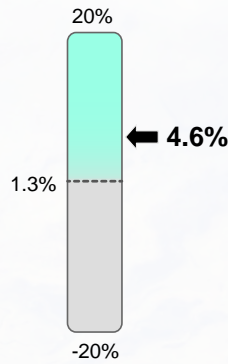


Unemployment claims jumped during the pandemic as many businesses shut down or limited services. Pandemic-driven claims loads have fallen, and new claims for benefits are well below their long-term average.

*Four-week moving average ending with specified week

GDP Growth

1st Quarter 2023
Over-the-year percent change*

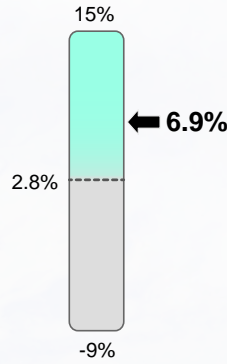


Gross domestic product is the value of the goods and services a state produces. It's an important economic measure but also a volatile one for Alaska because commodity prices influence the numbers so much — especially oil prices.

*In current dollars

Personal Income Growth

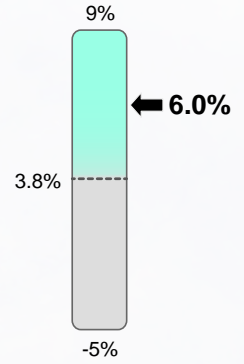
1st Quarter 2023
Over-the-year percent change



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, Q1 2023*

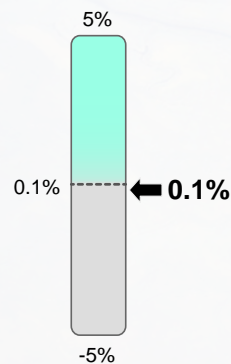


Home prices shown include only those for which a commercial loan was used. This indicator tends to be volatile from quarter to quarter.

*Four-quarter moving average ending with specified quarter

Population Growth

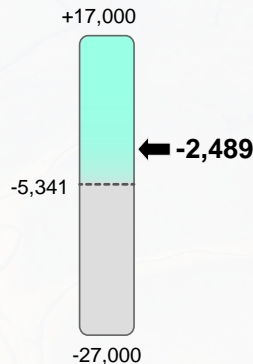
2021 to 2022



After four years of decline, Alaska's population grew slightly in 2021 and 2022, as natural increase (births minus deaths) slightly exceeded losses from migration.

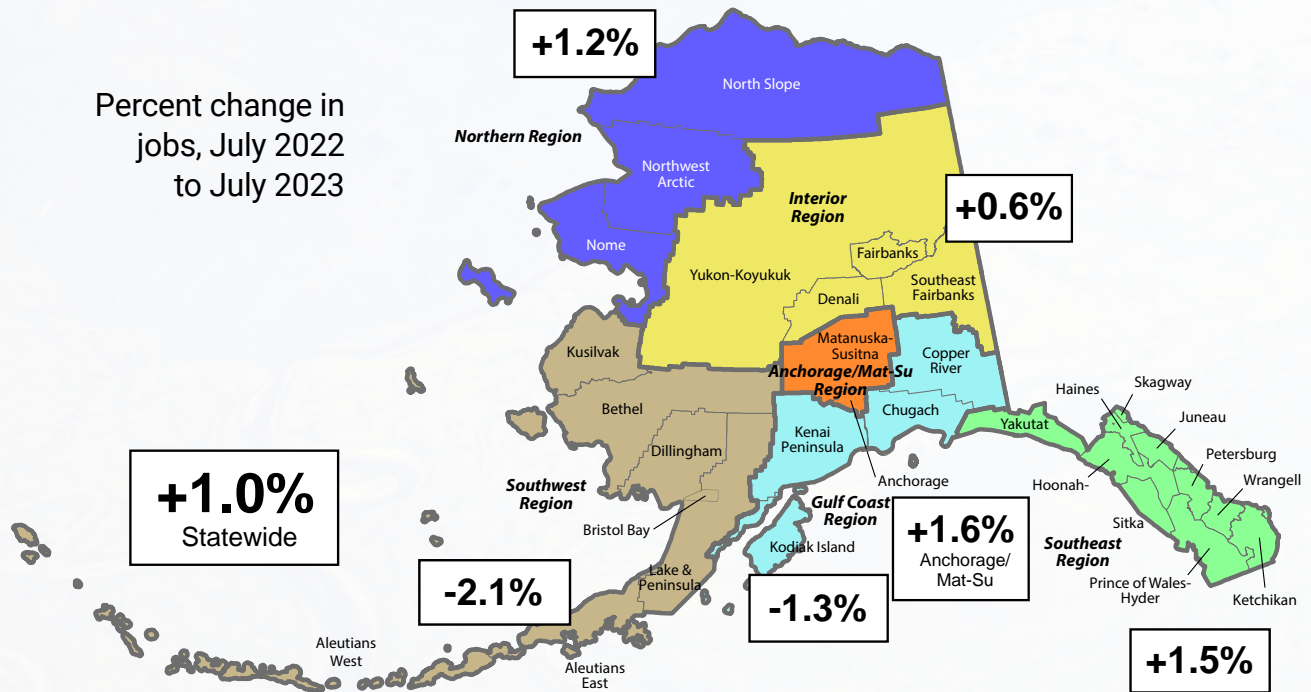
Net Migration

2021 to 2022



The state had net migration losses for the tenth consecutive year in 2022, although the losses have become smaller. Net migration is the number who moved to Alaska minus the number who left.

Employment by Region



Unemployment Rates

Seasonally adjusted

	Prelim.		Revised
	7/23	6/23	7/22
United States	3.5	3.6	3.5
Alaska	3.8	3.7	3.8

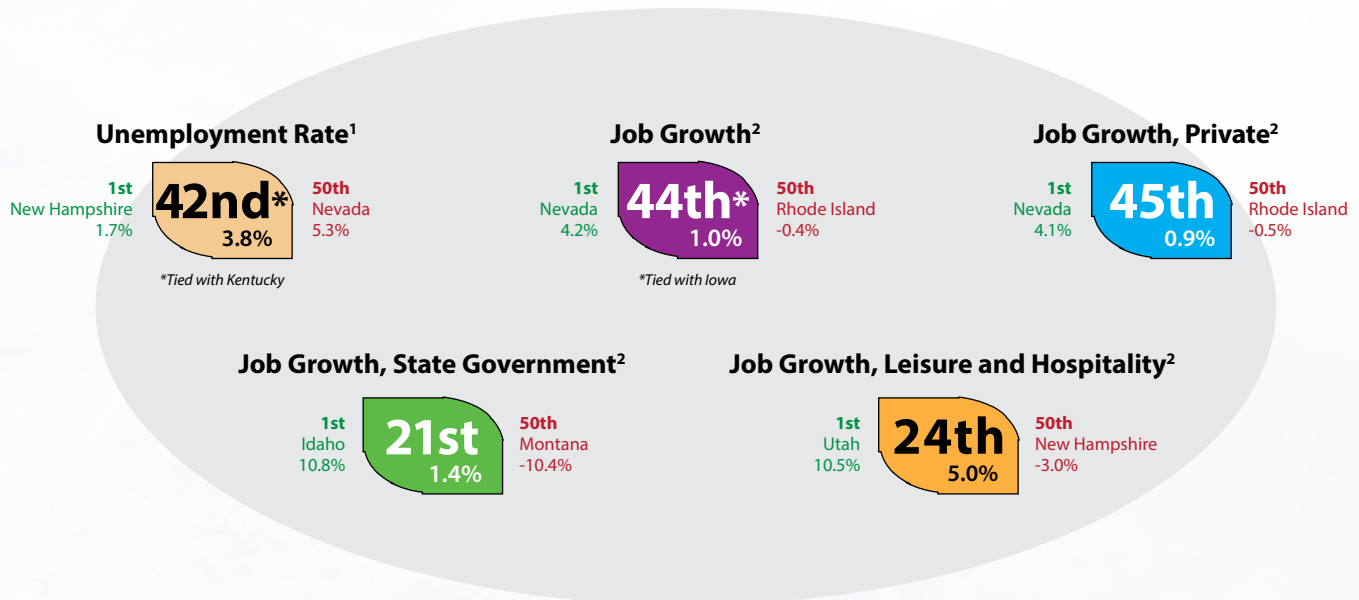
Not seasonally adjusted

	Prelim.		Revised
	7/23	6/23	7/22
United States	3.8	3.8	3.8
Alaska	3.8	4.3	3.4

Regional, not seasonally adjusted

	Prelim.			Revised				Prelim.			Revised		
	7/23	6/23	7/22	7/23	6/23	7/22		7/23	6/23	7/22	7/23	6/23	7/22
Interior Region	3.8	4.2	3.3	Southwest Region	6.7	7.8	5.6	Southeast Region	3.2	3.6	2.7		
Denali Borough	2.6	3.1	2.4	Aleutians East Borough	1.4	2.0	1.2	Haines Borough	4.6	5.1	4.4		
Fairbanks N Star Borough	3.5	3.9	3.1	Aleutians West Census Area	2.2	3.2	2.1	Hoonah-Angoon Census Area	3.3	3.7	2.8		
Southeast Fairbanks Census Area	5.3	5.8	4.0	Bethel Census Area	10.6	10.1	8.8	Juneau, City and Borough	2.7	3.0	2.3		
Yukon-Koyukuk Census Area	8.2	8.8	6.2	Bristol Bay Borough	1.0	2.6	1.0	Ketchikan Gateway Borough	3.0	3.5	2.7		
Northern Region	7.5	7.9	7.0	Dillingham Census Area	6.1	7.2	4.4	Petersburg Borough	3.9	4.9	4.0		
Nome Census Area	7.8	8.0	7.1	Kusilvak Census Area	19.0	17.9	15.8	Prince of Wales-Hyder Census Area	6.5	6.4	5.0		
North Slope Borough	5.2	5.6	4.7	Lake and Peninsula Borough	4.6	5.5	4.1	Sitka, City and Borough	2.5	2.9	2.2		
Northwest Arctic Borough	9.4	9.9	9.4	Gulf Coast Region	3.7	4.3	3.2	Skagway, Municipality	2.3	2.6	2.5		
Anchorage/Mat-Su Region	3.5	3.9	3.3	Kenai Peninsula Borough	4.0	4.4	3.5	Wrangell, City and Borough	4.8	4.7	4.1		
Anchorage, Municipality	3.2	3.6	3.0	Kodiak Island Borough	3.1	4.0	2.6	Yakutat, City and Borough	5.1	6.1	3.1		
Mat-Su Borough	4.4	4.9	4.0	Chugach Census Area	2.6	3.4	1.6						
				Copper River Census Area	4.6	5.9	4.8						

How Alaska Ranks



Note: State government employment includes the University of Alaska.

¹July seasonally adjusted unemployment rates

²July employment, over-the-year percent change

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 yr 1982=100)	257.938	1st half 2023	252.271	+2.2%
Commodity prices				
Crude oil, Alaska North Slope, * per barrel	\$82.46	Jul 2023	\$106.77	-22.8%
Natural gas, Henry Hub, per thousand cubic feet (mcf)	\$2.63	Jul 2023	\$7.19	-63.4%
Gold, per oz. COMEX	\$1,923.00	8/21/2023	\$1,748.40	+10.0%
Silver, per oz. COMEX	\$23.66	8/21/2023	\$18.98	+24.7%
Copper, per lb. COMEX	\$3.76	8/21/2023	\$3.65	+2.8%
Zinc, per lb.	\$1.04	8/20/2023	\$1.62	-35.8%
Lead, per lb.	\$0.97	8/20/2023	\$0.95	+2.1%
Bankruptcies				
Business	52	Q1 2023	29	+79.3%
Personal	4	Q1 2023	0	-
Personal	48	Q1 2023	29	+65.6%
Unemployment insurance claims				
Initial filings	2,705	Jul 2023	3,063	-11.69%
Continued filings	15,967	Jul 2023	16,165	-1.22%
Claimant count	3,652	Jul 2023	3,944	-7.40%

*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; U.S. Energy Information Administration; Kitco; U.S. Census Bureau; COMEX; NASDAQ; Alaska Department of Revenue; and U.S. Courts, 9th Circuit

EMPLOYER RESOURCES

Job centers provide free, broad employer services

Alaska employers can rely on Business Connection services from the Alaska Job Center Network to meet their recruitment, retention, training, and compliance needs, at no cost.

Business Connection staff will help employers to create an account, post effective job orders, and recruit the best candidates in Alaska's ad-free, online labor exchange system, AlaskaJobs; participate in Alaska Career Ready to ensure candidates have the right skill set; hire veterans with leadership, character, and experience; help promote your job via local media; and sponsor job fairs large and small.

For example, some job centers sponsor a weekly employer spotlight radio show and a mini job fair at the job center. Many centers organize large seasonal and annual events, and staff can help you host your own fair too.

You can also learn more about important

incentives and programs such as the Veteran and Work Opportunity Tax Credits, free fidelity bonding, partial wage support for on-the-job training you provide to new hires, apprenticeship development in your workplace, and incumbent worker training to upskill your employees and make your business more competitive.

Job center staff are also equipped with the information you need to meet all your legal obligations as Alaska employers and labor market information to direct your business' efforts. If you are laying off employees or closing, staff will also assist your employees and provide information on WARN notices and Rapid Response services.

Visit or contact your local job center to meet your employment needs. Find contact information at <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.