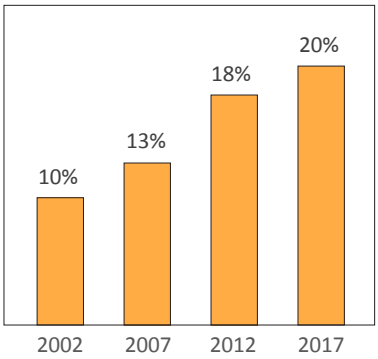
MORE WORKERS ARE 55 AND OVER

An increasing share of Alaska workers are older

1 More 55-Plus Workers

ALASKA, 2002 TO 2017



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

About the data

This article covers roughly 80 percent of all wage and salary workers. It excludes federal workers, those for whom age data weren't available, and others not required to pay unemployment insurance taxes, such as the self-employed.

While federal workers aren't included here, the federal workforce skews older in places with more administrative jobs and younger in military installations, according to the U.S. Office of Management and Budget.

By MALI ABRAHAMSON

While senior citizens make up a smaller share of Alaska than most states, Alaska has the fastest-growing senior population in the nation. The state's 65-plus population grew by 44 percent between 2010 and 2016, and more growth is on the horizon. People are also staying in the workforce longer than in previous decades, which is a nationwide trend. (See the sidebar on the next page.)

An aging population and the growing tendency to work later in life mean a growing share of Alaska's workforce is 55 or older. The percentage has increased markedly, from 10 percent of the resident workforce in 2002 to 20 percent in 2017. (See Exhibit 1.)

The growth in older workers has been fueled by the large baby boomer generation — those born between 1946 and 1964 — the youngest of whom turned 53 in 2017 while the oldest reached their early 70s. This group has shifted the overall age profile of Alaska workers up from a decade ago, when most baby boomers were in their 40s and 50s and the sizable echo boom generation, their children, were mostly in their 20s. (See Exhibit 2.)

Older workers make more in most jobs

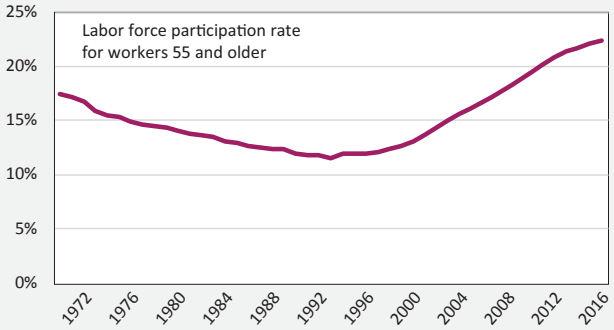
Working longer means more time to build up a career and salary, and workers 55 and older stand out for earning higher wages across the board. They make more than younger workers in nearly every occupation (see Exhibit 3), especially those between 55 and 64, the highest-earning age group. (Wages drop off after age 65, when 40 percent of those still working make less than $15,000 a year on average, which suggests

Working later in life is a nationwide trend

Workplace demographics are shifting older as the population ages, and Americans are also staying in the workforce longer. The labor force participation rate, or the percentage of people 55 or older who are either working or looking for work, topped 20 percent in recent years and is projected to keep increasing in the near future.

According to the U.S. Bureau of Labor Statistics, people are continuing to work for a range of reasons. Overall, they're healthier and more educated than previous generations and they have longer life expectancies. Some keep working due to economic necessity.

Another factor in the shift to an older workforce is that while older people are remaining in the labor force longer, younger groups' labor force participation rates have been decreasing for decades.



Source: U.S. Bureau of Labor Statistics

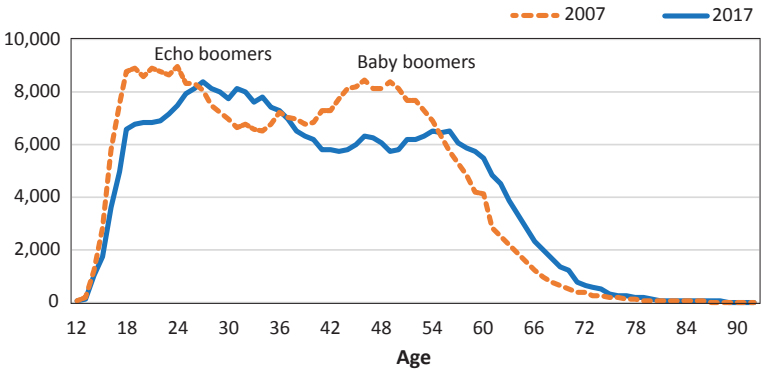
many work part time.)

While older workers made up 20 percent of the Alaska workforce in 2017, they took home 23 percent of the $14 billion in total wages. (See Exhibit 4.)

The occupations with the highest percentages of older workers tend to be the high-paying jobs that take years of experience to reach. For example, older workers held 25 percent of top executive positions in 2017 and 28 percent of postsecondary teaching jobs, such as university professorships. Older people are also likely to work in government, where wages are often higher. They represent 25 percent of public sector workers but just 16 percent of private sector workers.

2 Alaska's Worker Age Profile Shifted

NUMBER OF WORKERS BY AGE, 2007 AND 2017



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

While retail sales has the largest *number* of older workers, they are just 11 percent of the retail workforce. Retail sales worker is the most common occupation for Alaskans of all ages.

A wider gender pay gap

Among older workers, men out-earn women in most industries, and the gender pay gap is wider than among younger workers. Older women have the most wage parity in local government, where they earn 84 cents on their male counterparts' dollar.

Older women are more likely than men to hold government jobs in general, partly because some traditionally female positions such as teachers and nurses are in the public sector. Women represent 59 percent of older workers in state and local government, which includes public schools.

Wages for older women in government are an exception to the higher-earning age trend, however, as they don't earn much more than their younger counterparts.

Fewer in highly seasonal workforces

Across the state, areas with older populations such as Southeast also tend to have higher percentages of older workers. An example is Hoonah-Angoon, where people 55 and older represent 39 percent of the

3 Older Workers Make More in Almost All Occupations

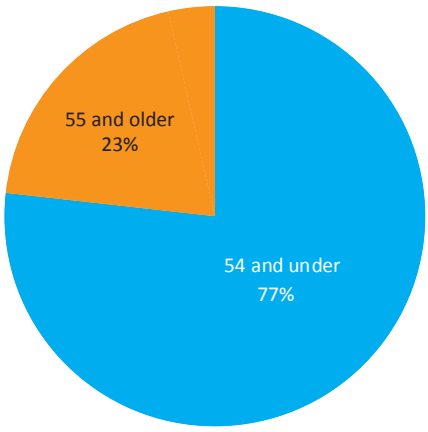
Occupations with the most workers 55 and older, Alaska, 2017

Occupation	Number of workers 55 and older	Median wage, 55 and older	Median wage, all workers	Percent workers 55 and older
Retail Sales Workers	3,597	$20,400	$13,246	11%
Construction Trades Workers	3,093	$44,501	$40,385	13%
Health Diagnosing and Treating Practitioners	2,672	$76,913	$69,292	17%
Other Office and Administrative Support Workers	2,564	$33,301	$25,470	14%
Other Management Occupations	2,562	$73,775	$66,680	22%
Building Cleaning and Pest Control Workers	2,309	$23,369	$13,662	16%
Top Executives	2,241	$81,815	$71,274	25%
Motor Vehicle Operators	2,222	$30,480	$28,074	19%
Information and Record Clerks	2,181	$32,625	$27,206	14%
Other Installation, Maintenance, and Repair Occupations	1,960	$49,237	$42,474	18%
Other Personal Care and Service Workers	1,952	$15,294	$13,194	16%
Secretaries and Administrative Assistants	1,799	$39,882	$33,787	18%
Financial Clerks	1,732	$38,910	$34,410	16%
Other Teachers and Instructors	1,708	$9,264	$10,823	23%
Other Education, Training, and Library Occupations	1,664	$21,812	$17,678	19%
Preschool, Primary, Secondary, and Spec Ed Teachers	1,617	$64,797	$57,563	16%
Material Moving Workers	1,447	$30,857	$19,837	12%
Counselors, Social Workers, Other Community/Social Svc Specialists	1,433	$44,716	$39,637	18%
Food Processing Workers	1,414	$18,248	$10,158	7%
Business Operations Specialists	1,345	$57,202	$54,148	20%
Cooks and Food Preparation Workers	1,272	$21,467	$11,967	9%
Operations Specialties Managers	1,152	$73,719	$68,872	21%
Food and Beverage Serving Workers	1,108	$16,663	$10,585	6%
Vehicle and Mobile Equip Mechanics, Installers, Repairers	1,056	$59,164	$46,356	13%
Material Recording, Scheduling, Dispatching, and Distributing Workers	1,021	$36,347	$28,096	13%
Engineers	941	$90,585	$87,171	17%
Financial Specialists	920	$66,243	$57,256	17%
Health Technologists and Technicians	913	$50,717	$41,952	14%
Postsecondary Teachers	895	$54,202	$55,097	28%
Other Transportation Workers	821	$31,469	$25,200	16%

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

4 A Larger Share of Wages

Percent of total Alaska wages, 2017



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

Older people are 20 percent of workers but they make 23 percent of total wages.

population and 22 percent of the workforce. Wrangell's and Yakutat's numbers are similar.

Areas with younger populations, such as Kusilvak and Bethel, tend to have younger workforces and so do places known for their large seasonal workforces. Examples include Aleutians East Borough and Bristol Bay, with their large fishing industries, and Skagway with its summer tourism. While 25 percent of Aleutians East's population is 55 or older, that group represents just 8 percent of its workers. For Bristol Bay it's 34 percent and 6 percent, respectively, and in Skagway it's 29 percent and 8 percent.

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5 Workers 55 and Older by Area

ALASKA, 2017

Borough or census area	Percent of workers 55+	Population that is 55+
Aleutians East Borough	8%	25%
Aleutians West Census Area	16%	24%
Anchorage, Municipality	17%	23%
Bethel Census Area	15%	17%
Bristol Bay Borough	6%	34%
Denali Borough	9%	29%
Dillingham Census Area	14%	22%
Fairbanks North Star Borough	16%	22%
Haines Borough	18%	41%
Hoonah-Angoon Census Area	22%	39%
Juneau, City and Borough	18%	27%
Kenai Peninsula Borough	19%	33%
Ketchikan Gateway Borough	19%	30%
Kodiak Island Borough	19%	23%
Kusilivak Census Area	14%	14%
Lake and Peninsula Borough	12%	22%
Matanuska-Susitna Borough	17%	24%
Nome Census Area	17%	18%
North Slope Borough	19%	20%
Northwest Arctic Borough	16%	17%
Petersburg Census Area	17%	34%
Prince of Wales-Hyder Census Area	19%	31%
Sitka, City and Borough	16%	30%
Skagway, Municipality	8%	29%
Southeast Fairbanks Census Area	21%	29%
Valdez-Cordova Census Area	16%	29%
Wrangell, City and Borough	21%	40%
Yakutat, City and Borough	21%	32%
Yukon-Koyukuk Census Area	23%	29%

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

MARIJUANA

Continued from page 8

Effects on Alaska's economy

Creating jobs and wages and generating tax revenue are two measurable economic effects of the decision to tax and regulate the use of marijuana in Alaska. But while these are still growing, the marijuana industry will likely remain a tiny piece of the overall economy.

Licensed marijuana employment reached 536 in December 2017, which was less than 0.2 percent of total Alaska employment. Similarly, the $8.3 million in marijuana taxes the state collected in the first 17 months was just a fraction of a percent of Alaska's total tax revenue.

The emerging marijuana industry affects Alaska's economy in other ways that are outside this article's scope but worth noting. As just one example, legalization combined with regulation and taxation moved some revenue from the black market into legal wages, profit, and taxes — in essence, it shifted "off the books" money onto the books. Money spent legally on marijuana is probably a combination of money that would have been spent on the black market and money that would have been spent on other things.

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