ntroduction

Population Projections

by Gregory Williams State Demographer

The discovery of gold, World War II, the Korean War, construction of the Trans-

Korean War, construction of the Trans-Alaska Oil Pipeline, the decision to invest oil royalties and the fall of oil prices all have contributed positively or negatively to the Alaska economy and influenced the development of the present population of the state. When making projections, it is critical to observe historic demographic trends, while keeping in mind that past behavior is no guarantee of future results.

Population projections differ from population estimates. Population estimates use current actual statistics on population trends, such as births, deaths and migration. Population projections, on the other hand, use historical trends and relationships and a series of assumptions about how those trends will change to model the future.

The key to making projections is knowing the trends in the main variables affecting population growth or decline. Some variables, like mortality trends, are very stable and change slowly. By contrast, fertility is more variable, and migration even more pronouncedly so. Although fertility is moderately stable, it is influenced by economic and social trends and policy. It has not been uncommon for trends in fertility to change substantially in a period as short as five to 10 years.

Most unstable of all variables is migration. Migration trends can change direction quickly in a place like Alaska, depending on the prosperity of the state's economy relative to the prosperity of states that provide or receive most of Alaska's incoming and outgoing migrants. In addition, economic and social policy and unique historical events nationwide and around the world can drastically influence Alaska's resource-based economy.

Migration and, to a lesser extent, fertility are related

to jobs. However, while the main reasons that people migrate are to take jobs, attend school or to follow family members, the relationships that link economics and migration are very murky. Timing is not always immediate or consistent. Some people who come to Alaska searching for short-term work leave quickly after the work is gone. Others take any job or live off the land in order to remain. Many people come to Alaska for reasons not associated with work and hope they can find or create work once they get here.

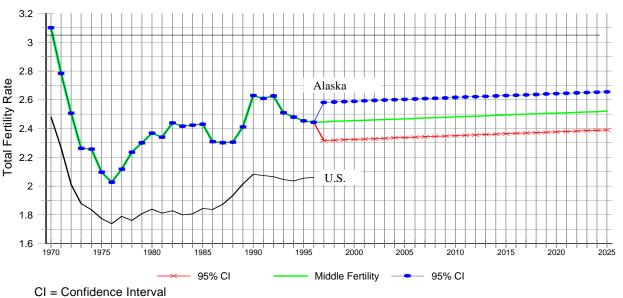
Population projections start with an analysis of historical information about behaviors that affect population growth under the assumption that patterns exist that can be observed, measured and modeled. Even if the future doesn't mirror the past, knowing what the future would look like

Life Expectancy at Birth Alaska and U.S., 1960-1990

	Total	Male	Female		
Alaska					
1960	67.5				
1970	69.3	66.1	74.0		
1980	72.1	68.8	76.5		
1990	74.8	71.6	78.6		
United State	es				
1960	69.7	66.6	73.1		
1970	70.9	67.1	74.8		
1980	73.7	70.0	77.5		
1990	75.4	71.8	78.8		

Sources: National Center for Health Statistics, and Alaska Department of Labor, Research and Analysis Section, Demographics Unit

From 1970 and Projected to 2025, Alaska and



Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit

based upon past trends helps to understand its new direction. Statisticians rely on the odds favoring certain events and not others, but know there is always a chance that something completely unpredictable or an extraneous force will dramatically change the future. Clearly, the farther into the future one goes the less reliable projections become. Twenty-five-year projections are not meant to be good for 25 years, any more than today's five-day weather forecast need not be updated for five days. Events must be constantly monitored for the influences that are beyond our ability to track and predict.

Population projections and the economy

Demographers and economists have been in the projections business for a long time. Demographers tend to be interested in the factors that cause population change. As a by-product of their population projections, demographers sometimes generate projections of the labor force or households. Economists tend to be interested in how the elements of the overall economy will cause employment to grow or decline based on consumption, production and the supply and demand for labor. As a by-product, economists, in turn, sometimes generate projections of population. Attempts to build joint economic/demographic

models, however, have met with only limited success. None has been so successful as to become the standard for projections in both fields. The projections of population presented here rely primarily on a demographic approach. However, these projections are compared with forecasted job growth to see if the assumptions about migration are reasonable.

These projections are cohort component projections using gross migration flows. A cohort is a group of people who share a common event, typically the same year of birth. The birth cohort of 1946, for example, was the leading edge of the baby boom. A component projection means that factors such as death, birth and migration are independently modeled, as are their interactions, to produce the final projection.

Gross migration refers to a separate consideration of trends and patterns of in-migration and out-migration. The trends observed here are developed from several sources of indicator data: applications for the Alaska Permanent Fund Dividend, change in residence address from federal income tax returns, birth and death statistics, and employment statistics.

Projections usually are prepared for low, middle and high growth scenarios. This article presents

the middle, or most likely, series projections. The middle series is accompanied by 95% confidence intervals to define the confidence that is placed in the projection for each future year. By observing population-related events from year to year, demographers can measure the average and the historical distribution of these events. This information is used to establish a higher and lower range on either side of the historical average. There is 95% confidence that future data will fall within this range.

Assumptions about variables affecting population change:

Mortality

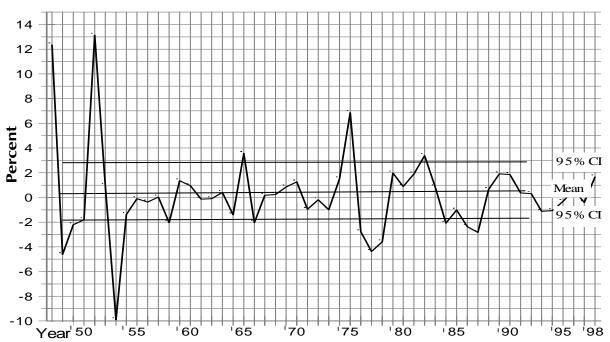
The average life expectancy for Alaskans in 1960 was 2.2 years shorter than life expectancy nationwide. By 1990, however, the gap between Alaska and U.S. life expectancy had closed to only 0.6 years. (See Exhibit 1.) It is assumed that Alaska's life expectancy will continue improving at the same pace as that of the nation. Changes in life expectancy, barring a catastrophic fatal disease, generally have a limited impact on projections. Between 1980 and 1990, Alaska and national life expectancies have converged, particularly for men. In 1989-91, life expectancy was 71.6 years for Alaska men and 78.6 for Alaska women.

Fertility

Fertility is trended through the use of age/racespecific fertility rates. These sum to the total fertility rates, which can be interpreted as completed family size if women were to continue having children throughout their child-bearing years at the current age-specific patterns. The 95% confidence intervals around the current fertility rates are based on the average and plus or minus 1.96 standard deviations for the birth rates measured during the last 25 years. That is, there is

Migration 3

Net Migration as Percent of Population, 1945-98



CI= Confidence Interval

Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit

95% confidence that, based on the historical average fertility behavior, the future average will fall within the range established by the confidence limits. Alaska's fertility is not assumed to converge toward the national average, nor is it likely to follow the national pattern into the future. (See Exhibit 2.) Fertility historically has had the greatest impact on Alaska's population growth. It continues to have the largest impact on projected population growth. Changes in marriage and fertility behaviors will, therefore, have the largest single impact on the projected future population of the state.

Migration

While events such as construction of the Trans-Alaska Oil Pipeline have caused the influx or exodus of large numbers of people, Alaska's booms and busts have been relatively short lived, usually lasting from one to four years. Over the past 50 years, the rate of growth or decline in population attributable to migration has exceeded plus or minus 4.0% of Alaska's population in only a few years. (See Exhibit 3.) When those few extreme years are excluded, the average of all annual change due to migration since World War II has been almost zero (-0.08%). The resulting 95% confidence interval is plus or minus 2.66%.

As Alaska's population gets larger, the number of migrants inevitably grows smaller relative to the base population. The result is a gradual decline in the influence of migration on annual population change. The impact of sudden surges or declines due to migration is best addressed in the alternative high and low projections series not presented here. The most significant observation concerning a boom and bust cycle is that, unless projections are made from the top of a boom cycle or the bottom of a bust cycle, the net effect of these movements is almost nil for overall historical population growth trends.

Influences of policy

This middle series population projection is intended to reflect the sum of the recent "good"

and "bad" economic history of Alaska. No assumptions are made about the effects of future policy changes, the future volume of oil pumped or its price, environmental policy concerning the Arctic National Wildlife Refuge, logging in the Tongass National Forest, the federal management of wildlife and fisheries or cutbacks in the military. While the impacts of these events can be quantified in terms of jobs, the population impacts of these events are often much more difficult to quantify. Further, different kinds of events have different impacts.

The closing of military bases has immediate effects, both direct and indirect. Military movements of personnel are relatively sudden events, removing people from communities and precluding births that would otherwise have occurred in a community. This makes for a sharper change in population than would be produced by other civilian migration. The closure of Adak Naval Base in the Aleutians, the reduction of Army personnel at Anchorage's Ft. Richardson and the reorganization of Air Force personnel are excellent 1990s examples. While these projections do not assume any further reductions in overall military, it is possible that Alaska could lose the remaining personnel at Ft. Richardson in a coming round of base closures that could occur early in the next century.

Population size and growth

Beginning with a 1998 population of just over 621,400, the middle series forecast for year 2000 population is almost 635,400. (See Exhibit 5.) Under these assumptions, the population in the succeeding years is projected to be about 670,400 in 2005; 708,900 in 2010; 750,900 in 2015; 793,200 in 2020 and 833,000 in 2025. The implied annual growth rate ranges from about 1.0 to 1.5 percent, most of which is from natural increase rather than migration. Through the projections period to 2025, births would increase from about 9,800 to almost 14,000 annually, and deaths would increase from nearly 2,800 to almost 6,000 annually.

Populations and Components of Change 1946-98

•			•				
July 1		opulation	Average	C	Components Of Cl		
To	Period	Change	Annual	Dirtho	Dootho	Natural	Net
June 30	Population		Rate of Change	Births	Deaths	increase	Migrants
1945-46	103,000		090	2,050	1,220	830	
1946-47	117,000	14,000	12.73	2,490	1,200	1,290	12,710
1947-48	126,000	9,000	7.41	2,890	1,180	1,710	7,290
1948-49	132,600	6,600	5.10	3,300	1,190	2,110	4,490
1949-50	137,100	4,500	3.34	3,620	1,220	2,400	2,100
1950-51	160,000	22,900	15.42	4,110	1,310	2,800	20,100
1951-52	185,500	25,500	14.76	5,130	1,310	3,820	21,680
1952-53	193,800	8,300	4.38	6,270	1,280	4,990	3,310
1953-54	200,100	6,300	3.20	6,910	1,240	5,670	630
1954-55	206,500	6,400	3.15	7,190	1,200	5,990	410
1955-56	212,400	5,900	2.82	7,480	1,220	6,260	-360
1956-57	218,600	6,200	2.88	7,730	1,240	6,490	-290
1957-58	220,100	1,500	0.68	7,450	1,200	6,250	-4,750
1958-59	224,000	3,900	1.76	6,830	1,170	5,660	-1,760
1959-60	230,400	6,400	2.82	7,290	1,250	6,040	360
1960-61	236,700	6,300	2.70	7,560	1,300	6,260	40
1961-62	242,800	6,100	2.54	7,610	1,290	6,320	-220
1962-63	249,900	7,100	2.88	7,670	1,320	6,350	750
1963-64	253,200	3,300	1.31	7,480	1,380	6,100	-2,800
1964-65	265,200	12,000	4.63	7,170	1,390	5,780	6,220
1965-66	271,500	6,300	2.35	6,810	1,320	5,490	810
1966-67	277,900	6,400	2.33	6,410	1,300	5,110	1,290
1967-68	284,900	7,000	2.49	6,350	1,317	5,033	1,967
1968-69 1969-70	294,600 308,500	9,700 13,900	3.35 4.61	6,670 7,230	1,330 1,370	5,340 5,860	4,360 8,040
1909-70	319,600	11,100	3.53	7,230 7,437	1,444	5,993	5,107
1970-71	329,800	10,200	3.14	7,437 7,129	1,462	5,667	4,533
1972-73	336,400	6,600	1.98	6,781	1,468	5,313	1,287
1973-74	348,100	11,700	3.42	6,847	1,467	5,380	6,320
1974-75	384,100	36,000	9.83	7,275	1,497	5,778	30,222
1975-76	409,800	25,700	6.47	7,694	1,570	6,124	19,576
1976-77	418,000	8,200	1.98	8,175	1,612	6,563	1,637
1977-78	411,600	-6,400	-1.54	8,668	1,654	7,014	-13,414
1978-79	413,700	2,100	0.51	9,043	1,654	7,389	-5,289
1979-80	419,800	6,100	1.46	9,400	1,671	7,729	-1,629
1980-81	434,300	14,500	3.40	9,912	1,738	8,174	6,326
1981-82	464,300	30,000	6.68	10,783	1,775	9,008	20,992
1982-83	499,100	34,800	7.22	11,728	1,862	9,866	24,934
1983-84	524,000	24,900	4.87	12,319	1,945	10,374	14,526
1984-85	543,900	19,900	3.73	12,727	2,033	10,694	9,206
1985-86	550,700	6,800	1.24	12,556	2,110	10,446	-3,646
1986-87	541,300	-9,400	-1.72	11,941	2,096	9,845	-19,245
1987-88	535,000	-6,300	-1.17	11,483	2,073	9,410	-15,710
1988-89	538,900	3,900	0.73	11,468	2,088	9,380	-5,480
1989-90	553,124	14,224	2.61	11,776 11,704	2,142	9,634	4,590
1990-91 1991-92	569,300 587,129	16,176 17,829	2.88 3.08	11,794 11,734	2,218 2,205	9,576 9,529	6,600 8,300
1991-92	597,129 597,669	10,540	3.06 1.78	11,734	2,203	9,529 8,859	1,681
1992-93	601,555	3,886	0.65	10,970	2,472	8,573	-4,687
1993-94	602,897	1,342	0.03	10,970	2,397	7,964	-4,68 <i>1</i> -6,622
1995-96	607,314	4,417	0.22	10,437	2,473	7,904	-2,998
1996-97	609,873	2,559	0.42	10,026	2,519	7,507	-4,948
1997-98*	621,400	11,527	1.87	9,871	2,672	7,199	4,328
	* Provisional	,		-,•	_, · · _	.,	.,0_0

Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit The historical and projected populations and the components of change from 1946 through 2025 are shown in Exhibits 4, 5 and 6. Exhibit 5 also shows the numbers for the 95% confidence intervals for the projections. For example, based on birth, death and migration assumptions set by Alaska's history since 1946, during the 1998-99 period, there would be a 95% likelihood that the population growth rate will fall inside of the 0.69%-1.55% range. Assuming historical behavior and the accuracy of the provisional 1998 estimate, there is

a 95% likelihood that the 1999 population will number between 625,676 and 631,108.

Age Distribution

While Alaska's median age remains around 32-33 years throughout the 1998-2025 projection period, the aging of the baby boom generation becomes a dominant factor by 2025. (See Exhibits 7 and 12.) As the generations who came to Alaska before the Trans-Alaska Oil Pipeline era dwindle and the



July 1 to June 30		End of Period Population		•			Average Annua Rate of Change		
Year	Low	Middle	High	Low	Middle	High	Low	Middle	High
1998-99	625,676	628,436	631,108	4,276	7,036	9,708	0.69	1.13	1.55
1999-00	629,831	635,370	640,788	4,155	6,934	9,680	0.66	1.10	1.52
2000-01	633,900	642,259	650,471	4,069	6,889	9,683	0.64	1.08	1.50
2001-02	637,943	649,164	660,268	4,043	6,905	9,797	0.64	1.07	1.49
2002-03	642,021	656,150	670,184	4,078	6,986	9,916	0.64	1.07	1.49
2003-04	646,131	663,237	680,217	4,110	7,087	10,033	0.64	1.07	1.49
2004-05	650,335	670,418	690,455	4,204	7,181	10,238	0.65	1.08	1.49
2005-06	654,581	677,761	700,968	4,246	7,343	10,513	0.65	1.09	1.51
2006-07	658,970	685,291	711,716	4,389	7,530	10,748	0.67	1.10	1.52
2007-08	663,502	693,018	722,710	4,532	7,727	10,994	0.69	1.12	1.53
2008-09	668,121	700,884	733,907	4,619	7,866	11,197	0.69	1.13	1.54
2009-10	672,869	708,928	745,349	4,748	8,044	11,442	0.71	1.14	1.55
2010-11	677,699	717,115	757,027	4,830	8,187	11,678	0.72	1.15	1.55
2011-12	682,619	725,416	768,882	4,920	8,301	11,855	0.72	1.15	1.55
2012-13	687,604	733,852	780,938	4,985	8,436	12,056	0.73	1.16	1.56
2013-14	692,601	742,350	793,138	4,997	8,498	12,200	0.72	1.15	1.55
2014-15	697,621	750,941	805,532	5,020	8,591	12,394	0.72	1.15	1.55
2015-16	702,576	759,515	817,997	4,955	8,574	12,465	0.71	1.14	1.54
2016-17	707,427	768,007	830,570	4,851	8,492	12,573	0.69	1.11	1.53
2017-18	712,146	776,488	843,258	4,719	8,481	12,688	0.66	1.10	1.52
2018-19	716,756	784,919	855,990	4,610	8,431	12,732	0.65	1.08	1.50
2019-20	721,136	793,232	868,853	4,380	8,313	12,863	0.61	1.05	1.49
2020-21	725,257	801,414	881,812	4,121	8,182	12,959	0.57	1.03	1.48
2021-22	729,123	809,480	894,877	3,866	8,066	13,065	0.53	1.00	1.47
2022-23	732,739	817,425	908,094	3,616	7,945	13,217	0.49	0.98	1.47
2023-24	736,088	825,271	921,441	3,349	7,846	13,347	0.46	0.96	1.46
2024-25	739,148	832,993	934,876	3,060	7,722	13,435	0.41	0.93	1.45

Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit number of older women increases, the sex ratio of Alaska will approach that of the nation as a whole. The sex ratio can be expected to drop from 108 males per 100 females in 1998 to 103 by 2025.

For the baby boom generation, the leading edge of retirement begins to be noticeable after about 2010, and the peak of the baby boom will have reached retirement age by 2025. Current job

entry opportunities for younger workers begin to disappear by 2005 as the peak of baby boomers' children begin to enter the workforce in large numbers. Opportunities for younger workers may become tighter between 2005 and 2010. The period 2010-2015 should provide advancement opportunities for younger Alaskans as boomers in senior positions begin to retire in large numbers.

Components of Change 1998 to 2025



July 1 to June 30		Births			Deaths			Natural Increase)		Net grants	1
Year	Low	Middle	High	Low	Middle	High	Low	Middle	High	Low	Middle	High
1998-99	8,205	9,849	11,496	2,782	2,782	2,782	5,423	7,067	8,714	-1,147	7 -31	994
1999-00	8,164	9,840	11,529	2,859	2,867	2,870	5,305	6,973	8,659	-1,150	-39	1,021
2000-01	8,167	9,888	11,620	2,945	2,959	2,969	5,222	6,929	8,651	-1,153	3 -40	1,032
2001-02	8,242	10,004	11,790	3,029	3,050	3,058	5,213	6,954	8,732	-1,170	-49	1,065
2002-03	8,343	10,149	11,984	3,115	3,140	3,154	5,228	7,009	8,830	-1,150	-23	1,086
2003-04	8,498	10,355	12,238	3,211	3,234	3,248	5,287	7,121	8,990	-1,177	7 -34	1,043
2004-05	8,677	10,586	12,530	3,287	3,319	3,344	5,390	7,267	9,186	-1,186	-86	1,052
2005-06	8,867	10,827	12,831	3,377	3,412	3,432	5,490	7,415	9,399	-1,244	1 -72	1,114
2006-07	9,092	11,110	13,161	3,491	3,525	3,551	5,601	7,585	9,610	-1,212	2 -55	1,138
2007-08	9,308	11,384	13,495	3,602	3,642	3,669	5,706	7,742	9,826	-1,174	4 -15	1,168
2008-09	9,529	11,653	13,816	3,714	3,765	3,802	5,815	7,888	10,014	-1,196	3 -22	1,183
2009-10	9,782	11,956	14,183	3,821	3,885	3,922	5,961	8,071	10,261	-1,213	3 -27	1,181
2010-11	10,020	12,241	14,521	3,945	4,004	4,040	6,075	8,237	10,481	-1,245	5 -50	1,197
2011-12	10,214	12,476	14,812	4,059	4,125	4,175	6,155	8,351	10,637	-1,235	5 -50	1,218
2012-13	10,418	12,728	15,124	4,163	4,243	4,300	6,255	8,485	10,824	-1,270	-49	1,232
2013-14	10,561	12,913	15,359	4,289	4,366	4,426	6,272	8,547	10,933	-1,275	-49	1,267
2014-15	10,671	13,089	15,638	4,400	4,500	4,557	6,271	8,589	11,081	-1,251	1 2	1,313
2015-16	10,725	13,207	15,861	4,539	4,628	4,698	6,186	8,579	11,163	-1,231	l -5	1,302
2016-17	10,751	13,300	16,064	4,646	4,757	4,822	6,105	8,543	11,242	-1,254	1 -51	1,331
2017-18	10,795	13,411	16,288	4,751	4,878	4,944	6,044	8,533	11,344	-1,325	5 -52	1,344
2018-19	10,809	13,494	16,483	4,884	5,006	5,106	5,925	8,488	11,377	-1,315	5 -57	1,355
2019-20	10,700	13,531	16,723	5,010	5,149	5,250	5,690	8,382	11,473	-1,310	-69	1,390
2020-21	10,585	13,555	16,968	5,161	5,310	5,415	5,424	8,245	11,553	-1,303	3 -63	1,406
2021-22	10,463	13,578	17,203	5,277	5,450	5,564	5,186	8,128	11,639	-1,320	-62	1,426
2022-23	10,353	13,615	17,463	5,409	5,603	5,721	4,944	8,012	11,742	-1,328	3 -67	1,475
2023-24	10,252	13,671	17,740	5,569	5,760	5,897	4,683	7,911	11,843	-1,334	4 -65	1,504
2024-25	10,140	13,710	17,991	5,731	5,933	6,083	4,409	7,777	11,908	-1,349	9 -55	1,527

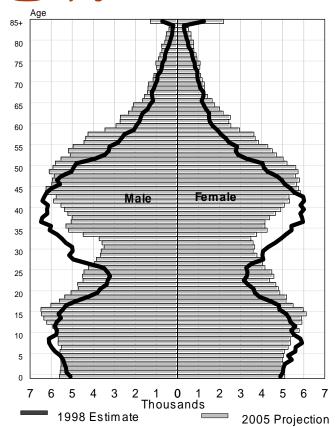
Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit ¹ Small variations in the residual net migration are due to rounding error in the components.

Population Projections by Age 1998 to 2025

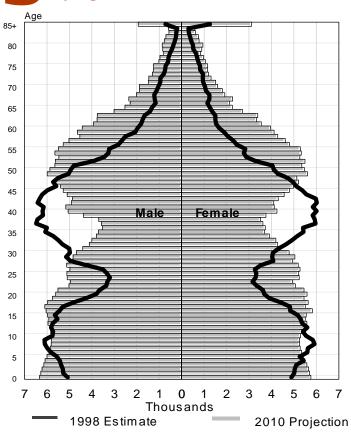
Age	1998	2000	2005	2006	2010	2015	2020	2025
65+	32,694	35,658	44,461	46,845	57,597	78,425	102,559	124,303
60-64	16,119	17,827	24,511	26,107	35,836	43,120	45,094	40,786
55-59	24,826	27,484	39,862	42,319	48,060	50,374	45,853	38,517
45-54	89,752	99,430	111,204	112,306	108,799	95,507	77,729	73,831
35-44	120,347	116,831	102,570	98,373	83,608	79,227	95,171	111,400
30-34	49,539	47,147	36,967	36,427	42,569	53,033	59,164	58,894
25-29	39,401	35,238	40,582	42,949	50,551	56,575	56,291	53,892
20-24	34,485	37,869	46,784	47,996	52,451	52,241	50,197	51,551
15-19	48,622	51,817	57,833	58,593	57,787	55,775	57,438	63,893
10-14	55,756	58,602	58,599	57,790	56,556	58,340	64,908	72,053
5-9	57,823	56,099	54,056	54,079	55,902	62,383	69,288	73,073
0-4	52,036	51,368	52,989	53,977	59,212	65,941	69,540	70,800
Total	621,400	635,370	670,418	677,761	708,928	750,941	793,232	832,993
Median Age	32.4	32.9	33.4	33.2	32.4	32.2	32.4	32.7
Males Per 100 Females	108.3	107.9	106.8	106.6	105.8	104.7	103.8	102.9
Youth Dependency (<18/18-64)	50.2	49.6	47.7	47.5	46.5	48.9	53.2	56.6
Aged Dependency (65+/18-64)	8.3	8.9	10.5	10.9	13.0	17.4	22.7	27.5

Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit

Population Projections By Age & Male/Female—Year 2005



Population Projections By Age & Male/Female-Year 2010



Seniors Surge: The most marked and certain population change will be the great expansion of the senior population by year 2025.

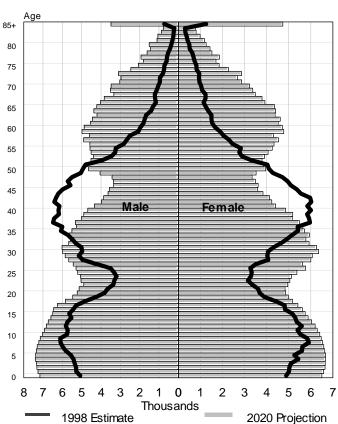
Baby Boomer Bulge: Baby Boomers begin to reach retirement around 2015 to 2020.

Children of the Boomers: As the peak of baby boomers' children enter the job market around 2005 to 2010, job entry opportunities are expected to become noticeably tighter.

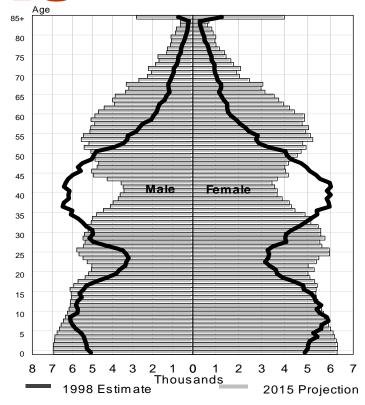
School-Age Populations: These are difficult to project due to the uncertainty of future fertility rates, and will require continual monitoring.

Source: Alaska Department of Labor, Research and Analysis Section, Demographics Unit

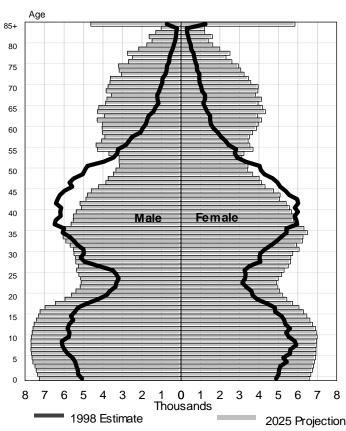
Population Projections By Age & Male/Female-Year 2020



Population Projections By Age & Male/Female-Year 2015



Population Projections By Age & Male/Female-Year 2025



The burden of dependency for individuals and the state also is expected to increase sharply during the projection period. In 1998, each 100 Alaskans of working age are supporting 50 children and eight elders. By 2025, each 100 Alaskans of working age will be supporting about 57 children and 28 elders.

Specific Ages

Trends since 1990 in age groups five to 17, 16 and over, and 65 and over are of particular interest. The historical uncertainty of fertility trends, compounded by migration, makes the future number of school-age children the most uncertain to project. Projection of school needs beyond 2005-2010 is problematic and will require continual monitoring.

The population aged 16 and over represents the potential labor force for Alaska. While the population as a whole is projected to grow at a little over one percent per year, the population 16 and over is expected to grow by about 1.5 percent annually over the next 10 years and then gradually decline to about one percent annually.

The most pronounced and most certain population growth during the next 27 years will be that of Alaska's elders. This group is currently increasing at about four percent annually. The rate of growth for this group is expected to increase to 5.0-6.5 percent annually from 2005 through 2020. Facilities, as well as medical and social services, to serve this population will need to expand at a corresponding rate.

Population, labor force and employment

The projected population 16 years of age and over represents Alaska's potential future labor supply. The forecast of the economy and future jobs is an indicator of the demand for labor. A time period that coincides with a number of mediumterm economic projections is 2006. The working age population 16 years of age and older for 2006 is projected to be about 500,000. The civilian labor force for 2006 can be projected relative to the national trend in the change in age and male/ female-specific labor force participation rates. Based on the national 1990-2006 change in labor force participation, the projected civilian labor force for Alaska would be approximately 335,700 in 2006. This assumes that the armed forces population in Alaska remains at its current level of about 18,100.

This projected civilian labor force population in 2006 is consistent with a recent wage and salary employment projection done at a detailed industry level by labor economists at the Alaska Department of Labor. After adjustment for the self-employed, workers not covered by unemployment insurance, multiple-job holders, nonresident workers and the unemployed, the middle series population projection would not be out of line with a relatively conservative projection of job growth for the state. Excessive out-migration of Alaska residents because of a shortage of jobs is not expected. The pressures of population growth are likely to continue to encourage orderly in-migration to the state.

Alaska Population Projections 1998-2025, due to be published this fall, will present more detailed trends, including projections of the state population by race; high, middle and low projection series; and projections for boroughs and census areas.