



FEBRUARY EMPLOYMENT REPORT 2025



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FEBRUARY JOBS REPORT

Each month, AEDC publishes the Anchorage Jobs Report, providing key insights into the city's labor market. This report highlights local unemployment trends, average work hours, earnings, industry performance, and broader workforce dynamics. By analyzing these indicators, we offer a clear picture of Anchorage's employment landscape—helping businesses, policymakers, and job seekers make informed decisions.

For more information, please email info@aedcweb.com

FEBRUARY JOB NUMBERS

Headline Numbers

Job Numbers: Off to a Solid Start

- ↓ 900 more jobs in February 2025 vs. January 2025
- ↑ 2,300 more jobs in February 2025 than in February 2024

Of the 900 jobs that were gained:

- ↑ Private employment added 700 jobs (up 0.6%)
- ↑ Government employment added 200 jobs (100 state jobs and 200 local government jobs; overall sector up 0.7%)

January 2025 employment numbers

- ↓ 465 fewer people in the labour force
- ↓ 381 less payroll jobs
- ↑ 84 fewer employed individuals

Unemployment rate

- ➡ No change in unemployment rate (4.3%)

Private Residential Building Permits Authorized

- ➡ Minimal change, up 1 permit (from 29 permits in January to 30 permits in February, seasonally adjusted)

Median Home Listing Price in Anchorage

- ↓ Down \$12,500 to \$443,500

Recap

Anchorage's job market showed signs of resilience in February, with employment rising to 149,400, a modest increase of 900 positions from January's 148,500. This uptick follows the usual post-holiday dip, a period when many seasonal workers are let go and industries like construction and tourism jobs are shelved until the summer season returns.

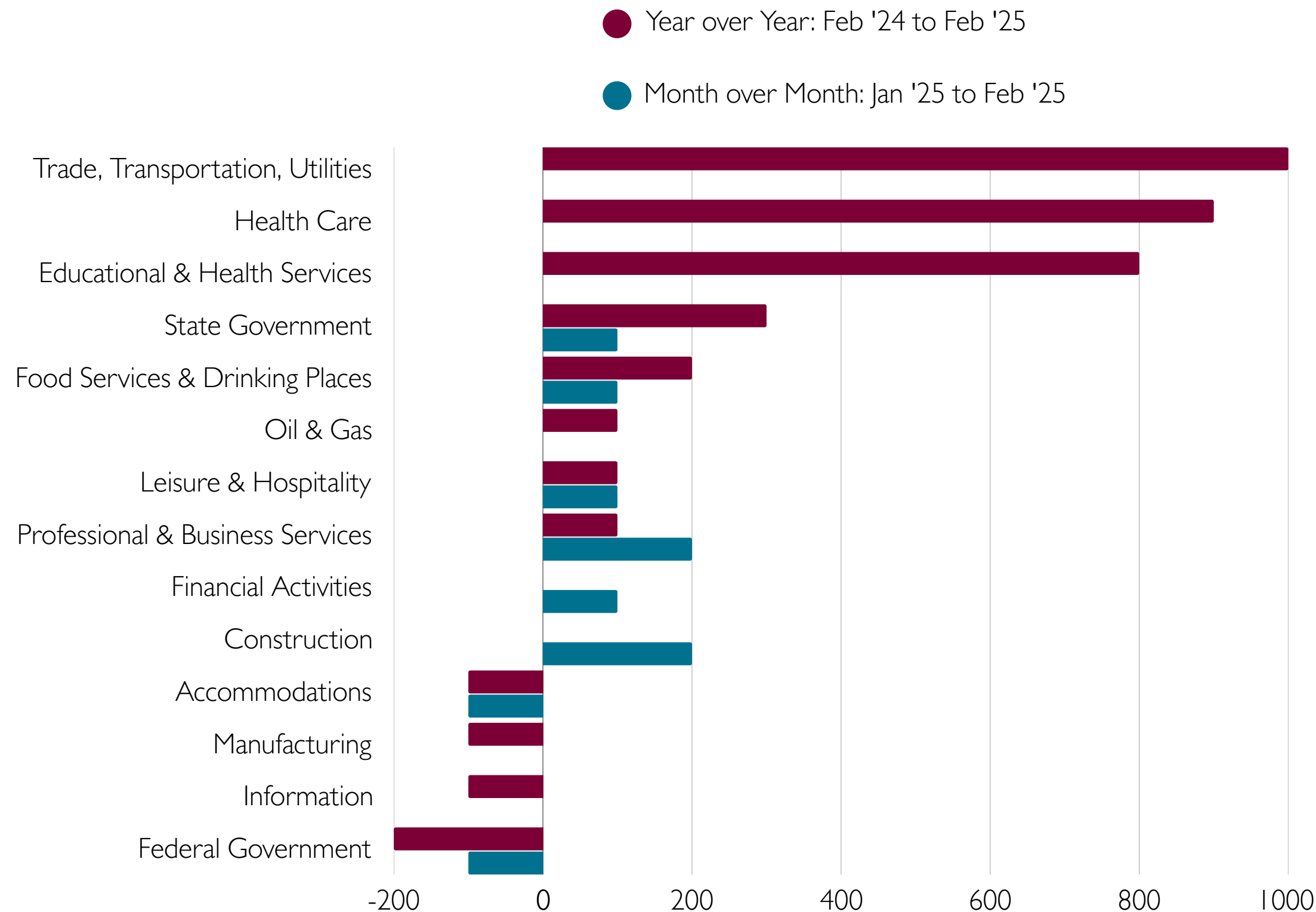
Despite the natural ebb and flow of Anchorage's employment landscape, the city's workforce continues to build on its gains. Compared to February 2024, employment is up by 2,300 jobs, signaling healthy year-over-year growth. While winter tends to bring slower hiring, the February numbers indicate that the city's economy is poised for further growth as industries like construction, hospitality, and transportation gear up for the spring season.

Note on Federal Worker Estimates

The February job numbers reflect a decrease of 100 federal workers, with total federal employees falling from 8,600 in January to 8,500 in February. A recent court ruling in California, which mandated the rehiring of probationary workers, may slow the decline in federal employment. The impact will largely depend on how many federal employees opt to return to work, as well as future staffing decisions by agencies.

FEBRUARY JOB GAINS & LOSSES

This chart shows monthly and yearly job changes across most major industries in Anchorage



Year over year, Anchorage's February estimated jobs increased by 1.6% to 149,400. The three fastest-growing sectors were:

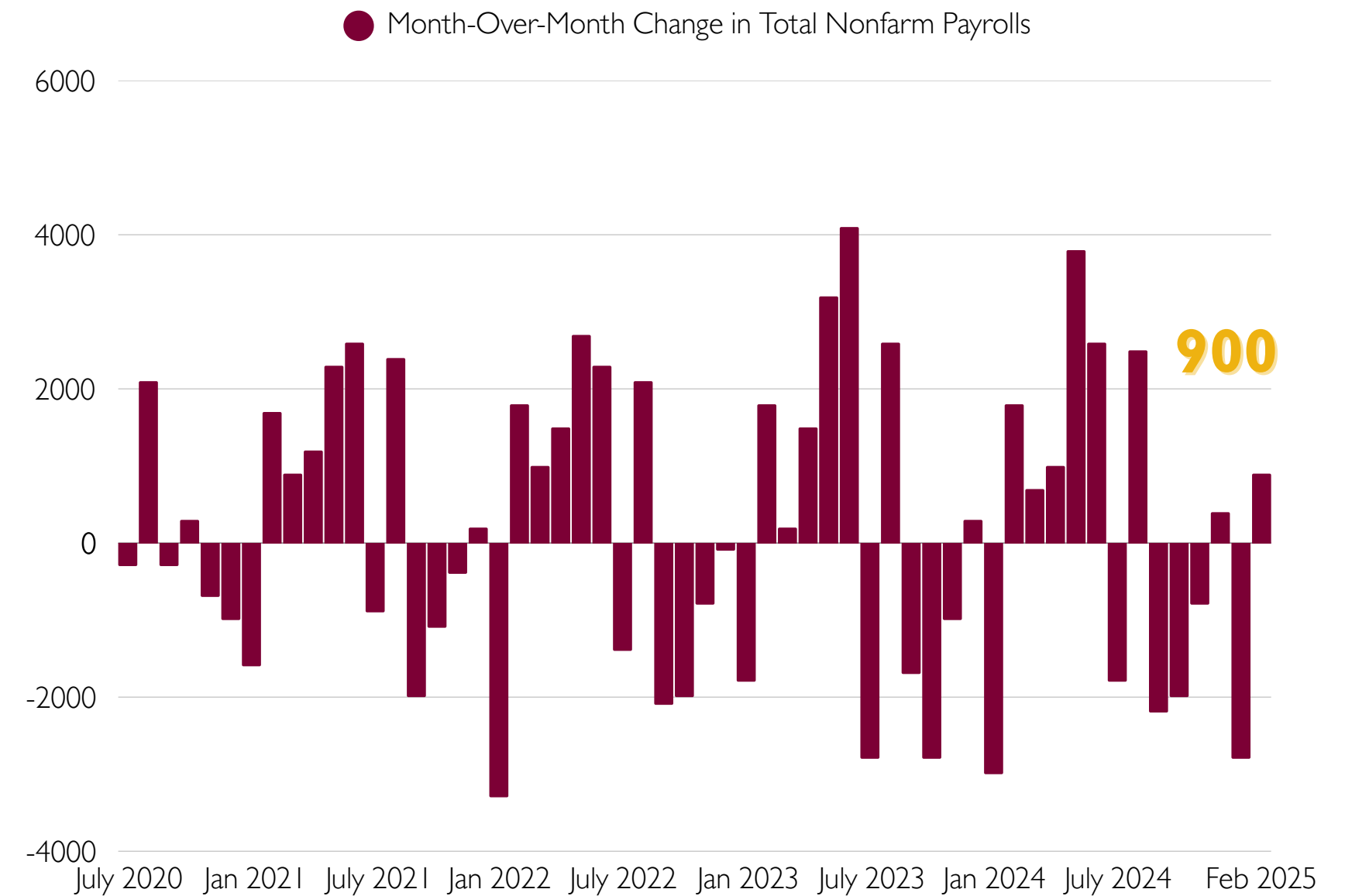
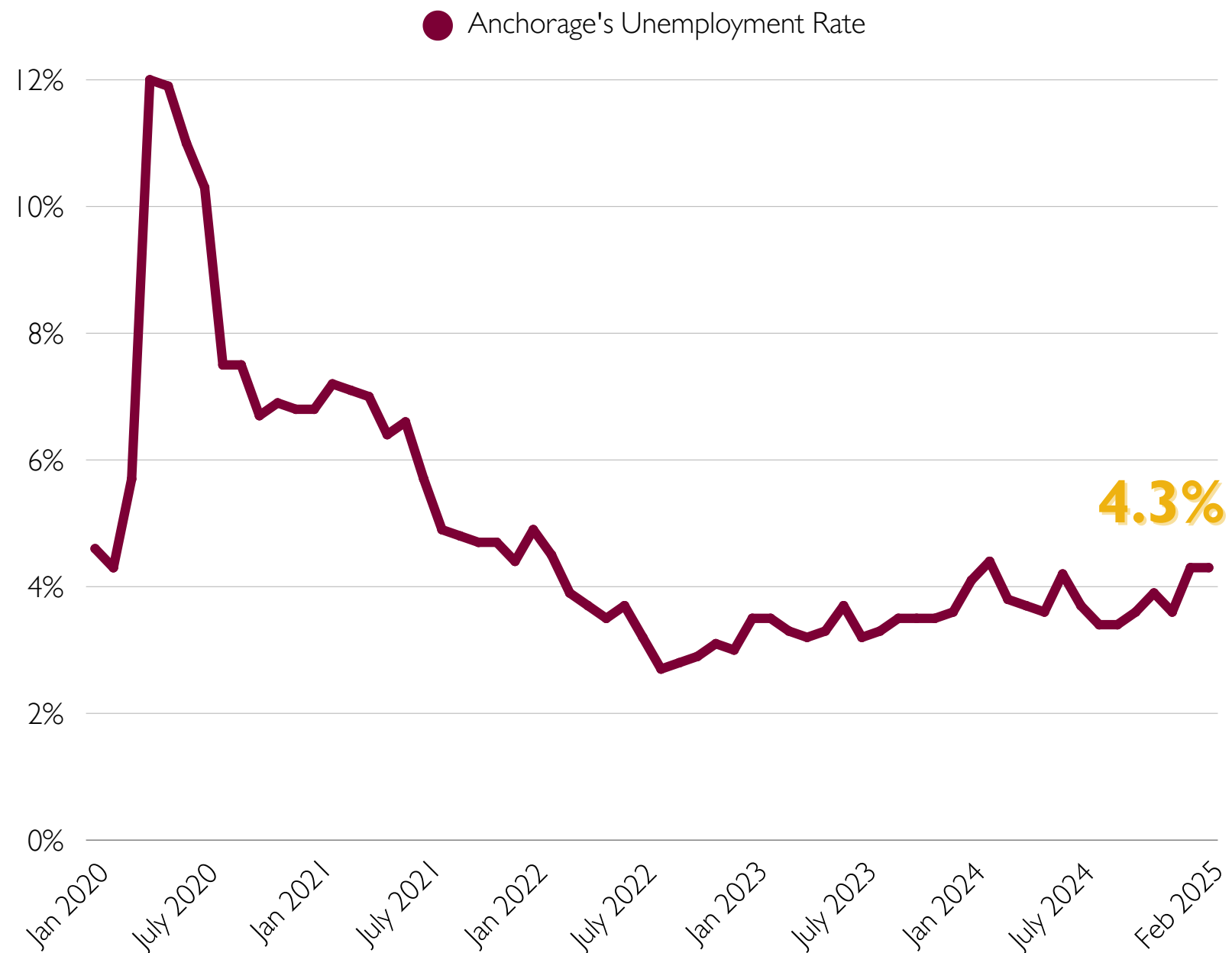
- **Transportation/Utilities/Warehouse (7.9%, +1,000)**
- **Oil & Gas (6.3%, +100)**
- **Health Care (4.2%, +900)**

Month over month, total Anchorage jobs grew by an estimated 0.6% (900 jobs), following seasonal trends.



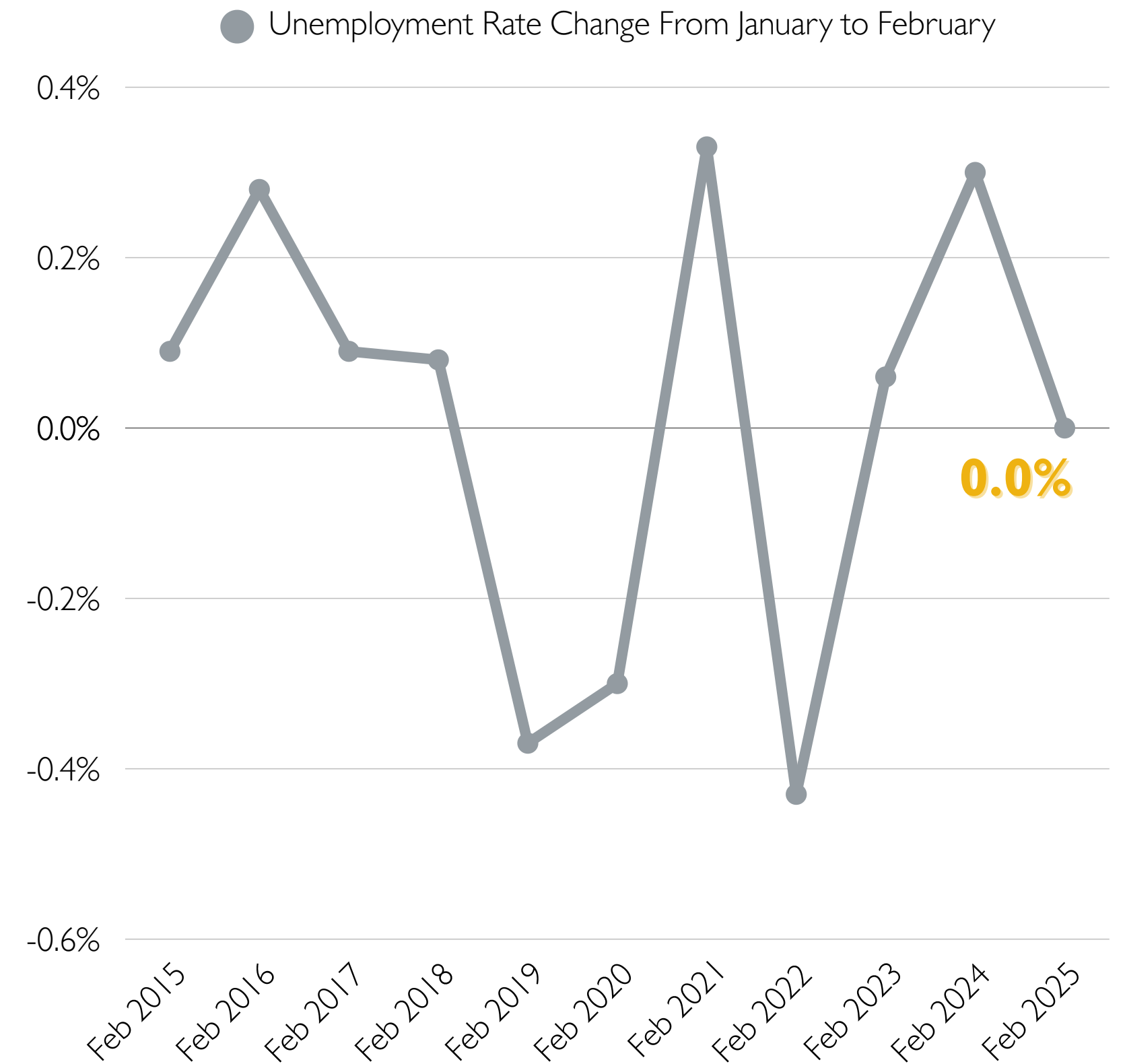
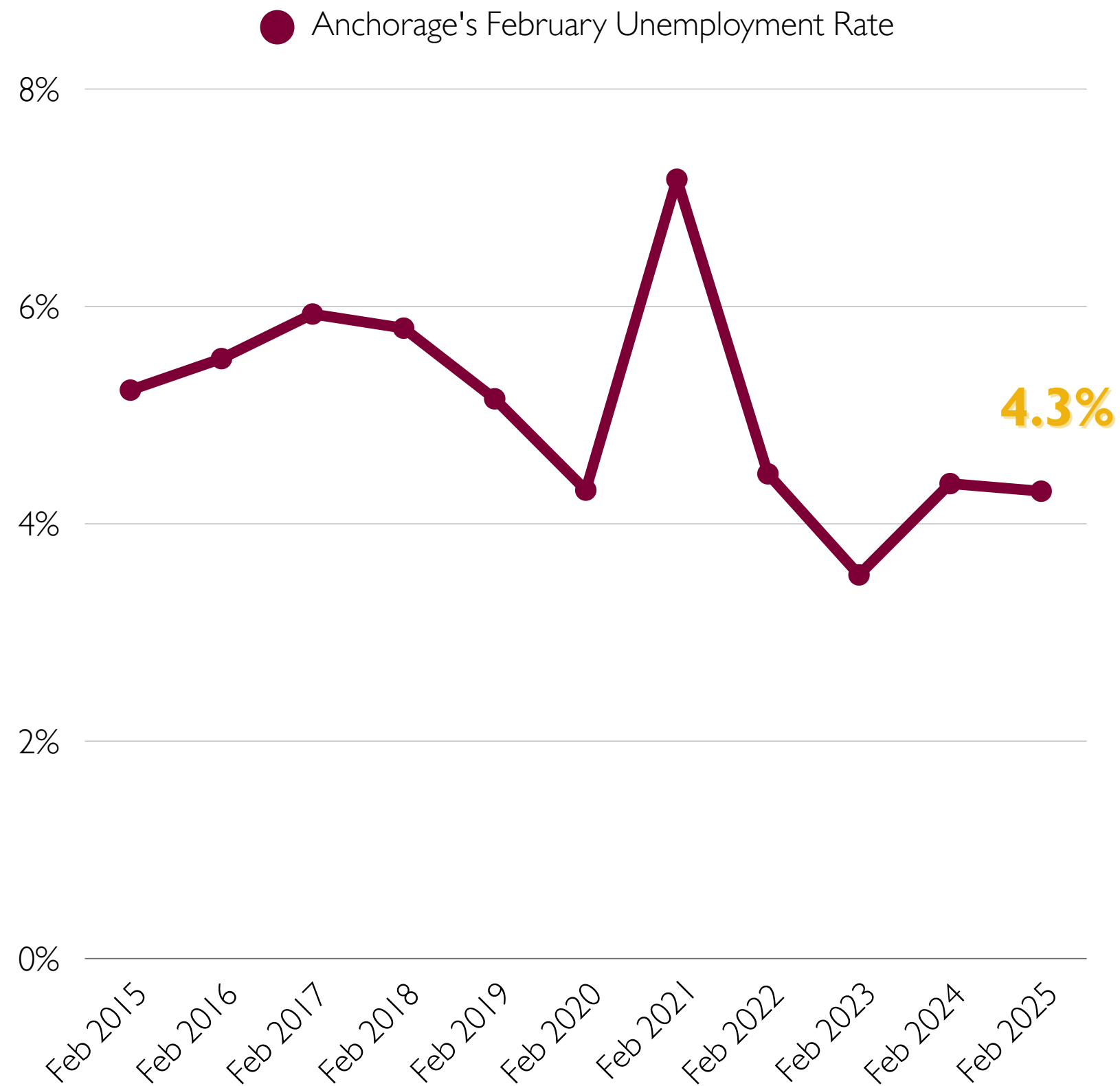
UNEMPLOYMENT

MONTHLY CHANGES



February's 4.3% unemployment rate places the unemployment rate in line with the ten-year average. Excluding Covid skewed 2021, the average unemployment rate in February has been 4.9%. February's job numbers indicates that Anchorage's job market is still strong, overall jobs numbers are growing, the unemployment rate is below historical averages, and the job market has survived declining consumer sentiment levels.

JANUARY TO FEBRUARY CHANGES

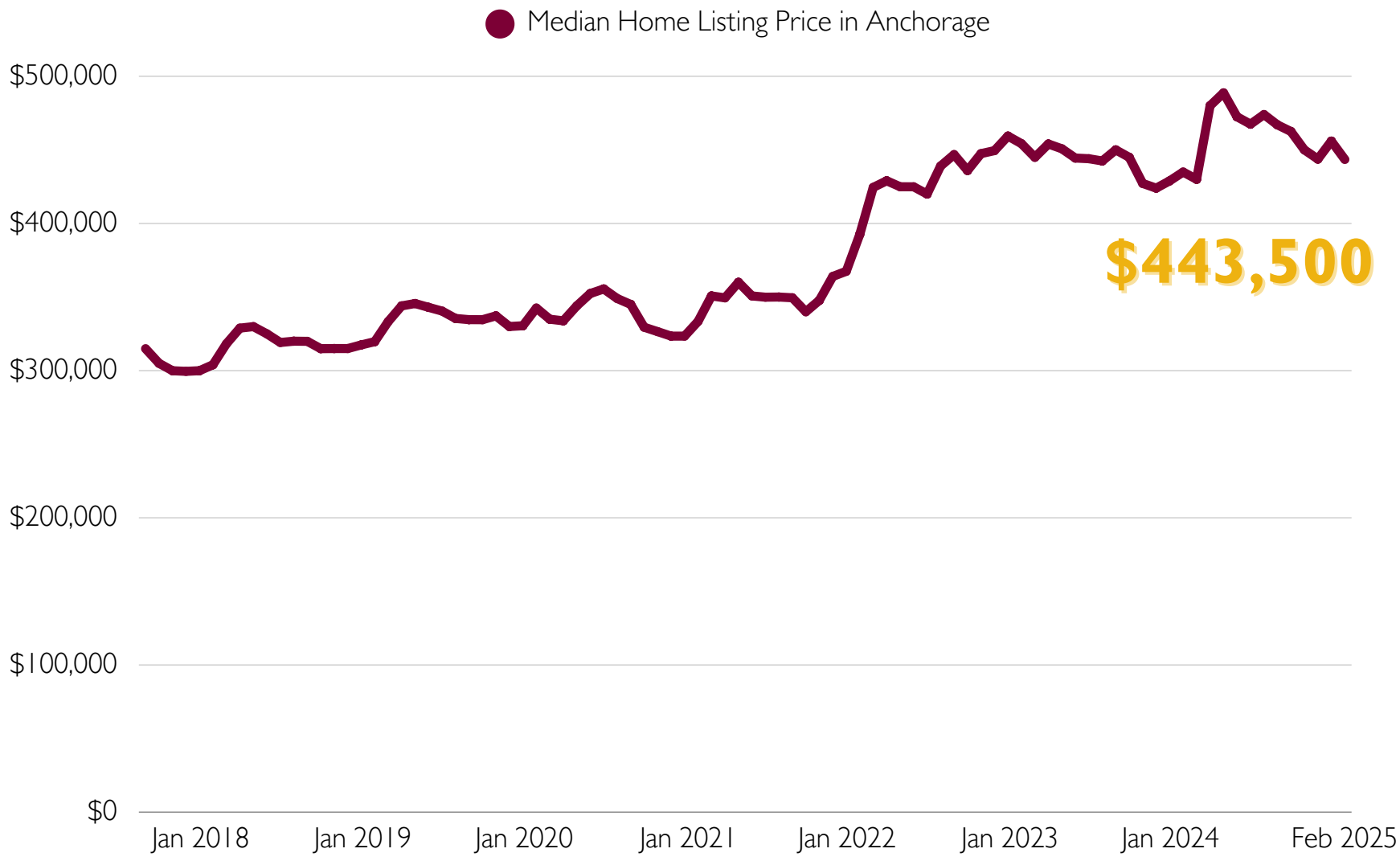
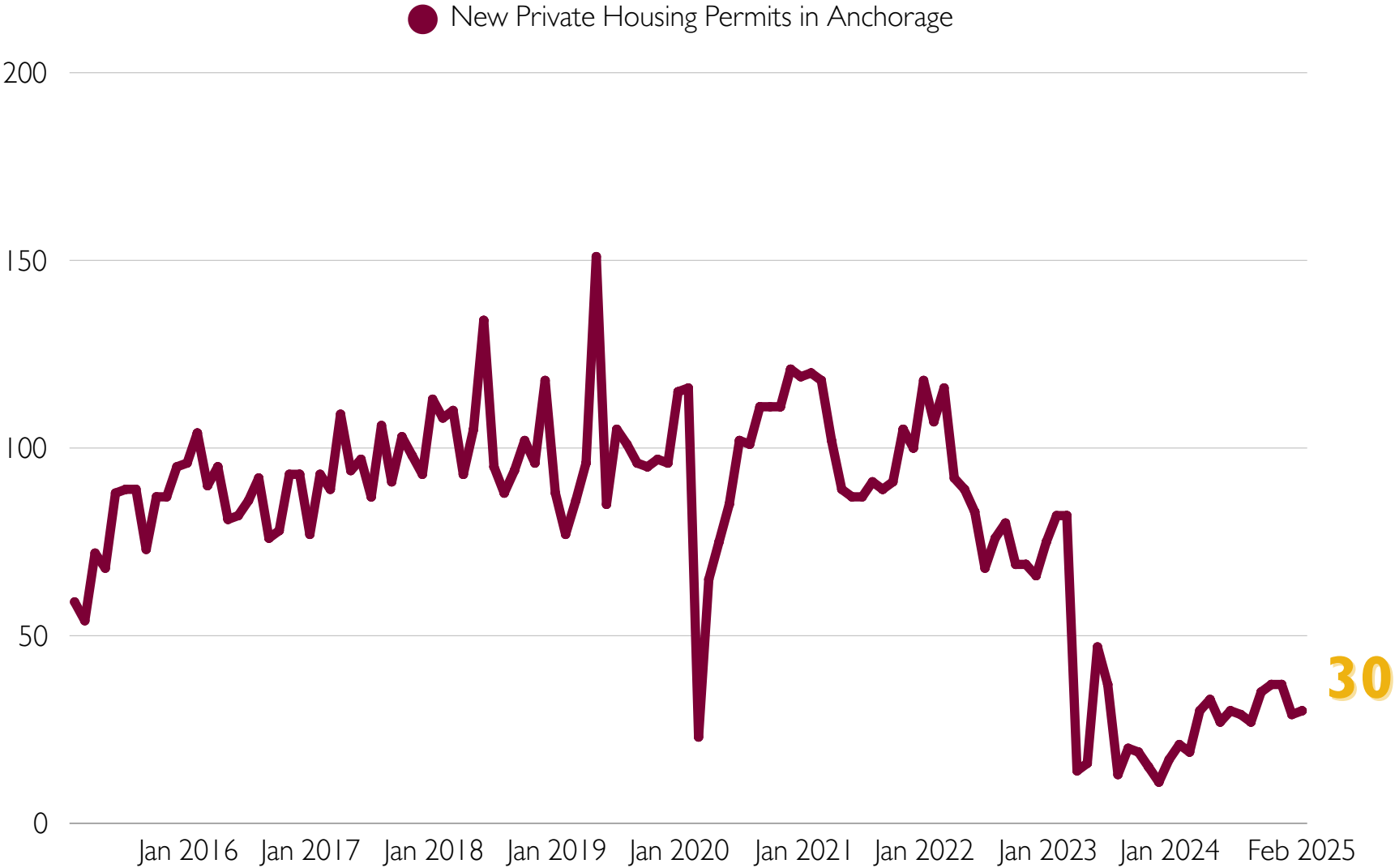


At 4.3%, Anchorage's unemployment rate remained unchanged from the January level.



HOUSING MARKET UPDATE

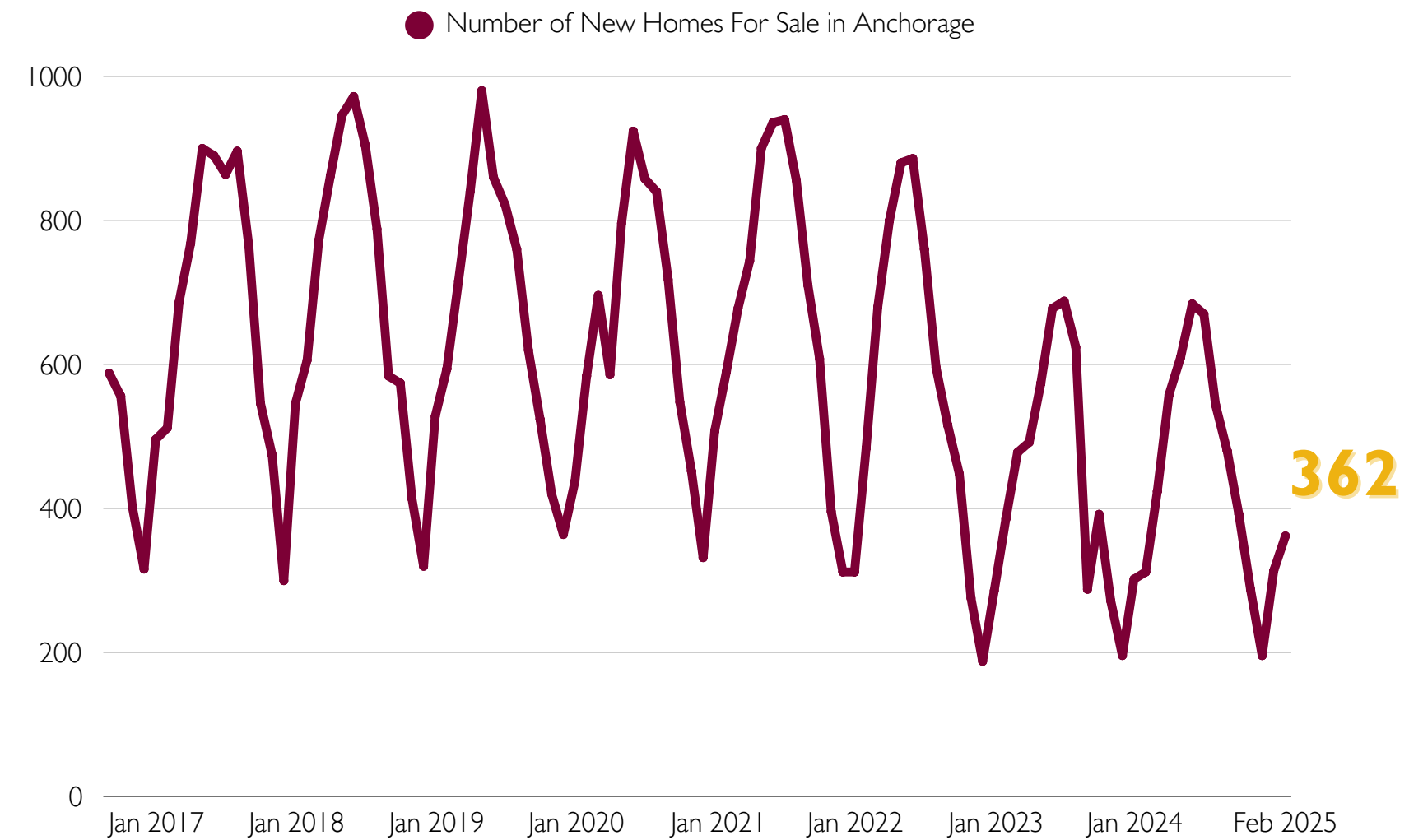
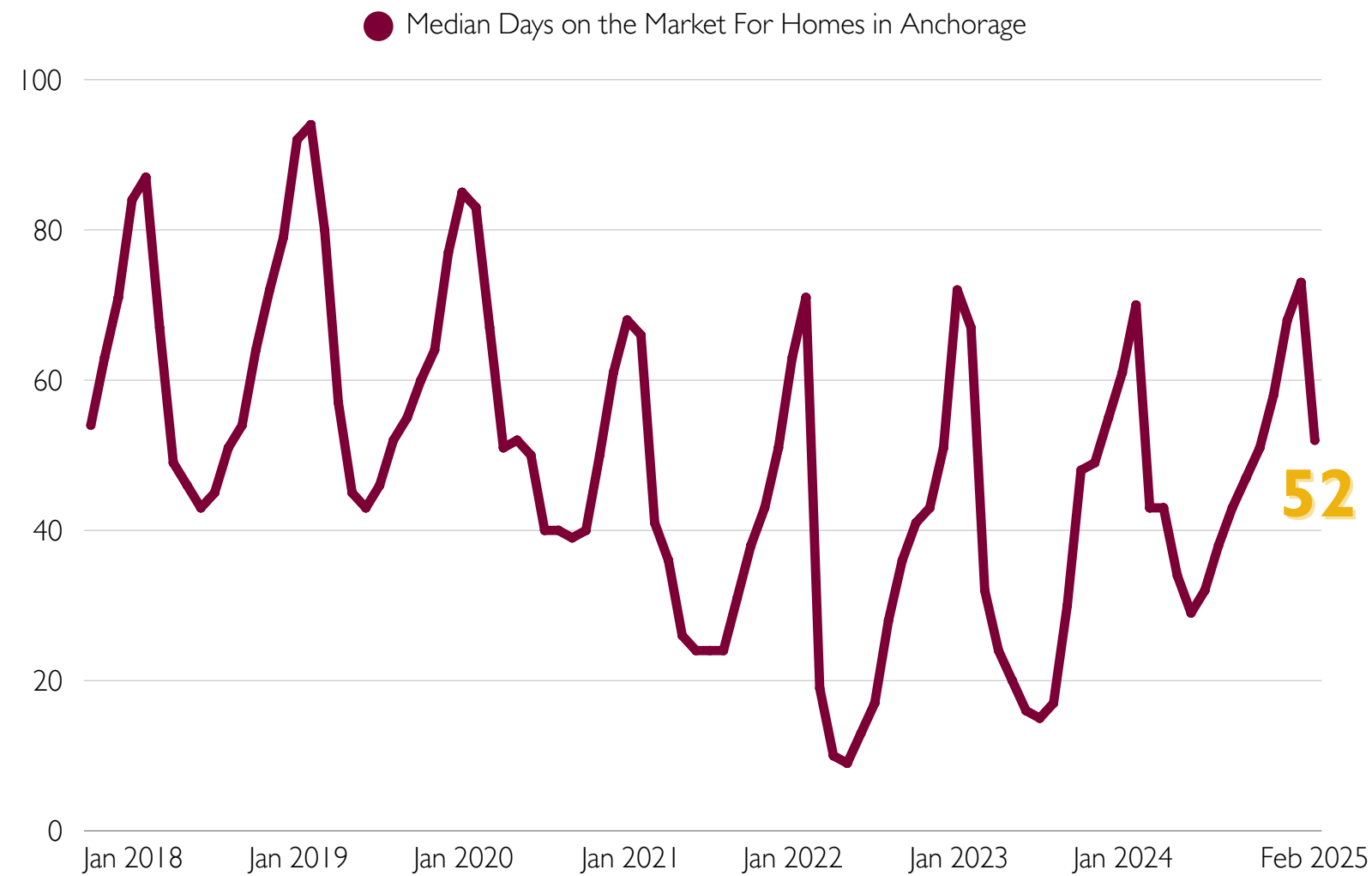
FEBRUARY HOUSING UPDATES



Anchorage’s housing shortage is well documented, and February’s permitting numbers fall far short of what’s needed to reverse the decline in affordable homes and rentals. The city needs about 1,000 new housing units annually to keep up with demand, but recent permitting activity lags well behind. In February, only 30 housing permits were issued, just a third of the monthly average required to maintain the status quo.

This slowdown in new construction has directly contributed to rising home prices. In February, the median home was listed at \$443,500, up \$8,550 from last year and \$110,063 from February 2021.

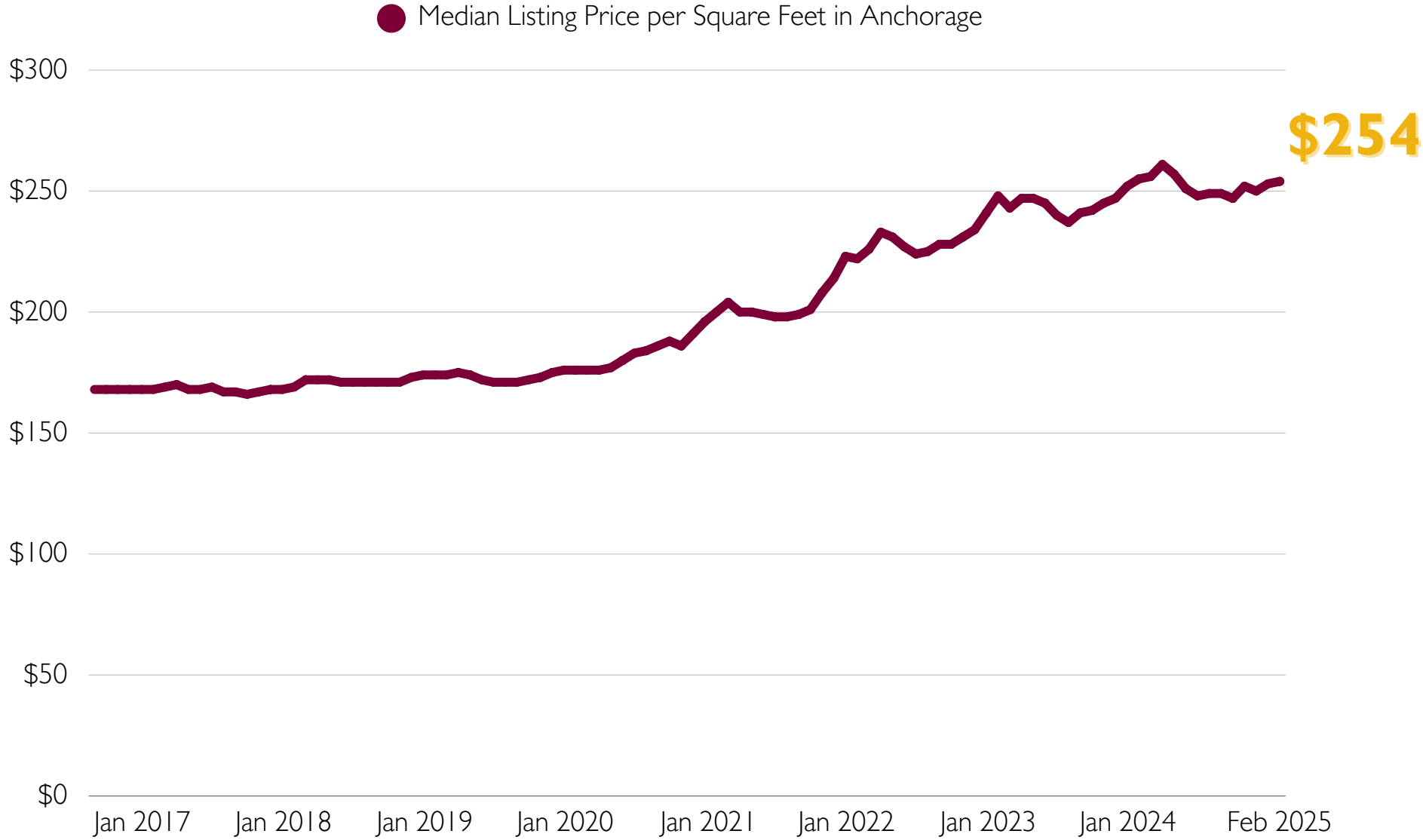
FEBRUARY HOUSING UPDATES



Listing prices are one thing, but selling prices are what truly matter. In Anchorage, homes are not only being listed at higher prices, they're also being sold at higher prices. In February, the median home spent 52 days on the market from initial listing to closing. That's slightly longer than during COVID but shorter than pre-COVID levels.

One key reason homes are selling faster is limited inventory. According to Realtor.com, only 362 homes were listed for sale in February, the second-lowest on record for a February in Anchorage. With fewer new homes being built and many homeowners reluctant to sell due to low-interest-rate mortgages, housing supply remains tight. A lack of housing supply coupled with strong demand from prospective home buyers has pushed up prices.

FEBRUARY HOUSING UPDATES



Finally, the type of homes being sold matters. If the median list price had risen due to larger, higher-end homes hitting the market, that would be a key factor to consider. Unfortunately for buyers, that's not the case—homes aren't getting bigger, just more expensive. This is evident in the rising price per square foot, which has increased by 27% since February 2021.

For perspective, in early 2021, \$200 would have bought one square foot of home. Today, that same \$200 gets just 0.79 square feet. For home buyers, that means their mortgage buys them less and less home. Homes that used to require a \$300,000 mortgage, now require a \$350,000 or \$400,000 mortgage.

Thank You to Our Diamond Investors



For more information, please visit www.aedcweb.com
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