# AEDC EMPLOYMENT REPORT

## May 2026

ANCHORAGE ECONOMIC DEVELOPMENT CORPORATION

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Anchorage Economic Development Corporation

# Anchorage Employment Report

A Monthly Publication

May 2026

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## President & CEO’s Review

AEDC
Anchorage Economic
Development Corporation

Jon Bittner, CEO & President

Anchorages' May employment numbers reflect a labor market that is fundamentally healthy, but longer-term trends show a labor force increasingly defined more by a shifting industry base than seasonal industry swings. At a lean 3.5%, Anchorage's unemployment sits well below both the state's seasonally adjusted unemployment rate of 4.6% and the national rate of 4.3% and is even lower than the 3.7% unemployment rate in May of last year. The addition of 3,400 new jobs between this April and May tracks the seasonal trends in employment that happen each summer with the arrival of the tourists and construction season. It's important to note however that year-over-year Anchorage's total employment is down 400 jobs from May 2025, while statewide employment was basically flat over the same period. That difference is important because it points to the fact that Anchorage's economy is not growing in lockstep with the rest of the state.

A decade ago, Anchorage accounted for 46.2% of all jobs in the state. Today, that number has slipped to 44.8%. Total employment in the Municipality is down 3.5% since May 2015, compared to a much smaller 0.4% drop statewide. To put it another way, Alaska's statewide employment base has basically returned to its 2015 levels, but Anchorage employment has not. Additionally, the gap between the two has been increasing gradually over a long period of time, not jumping suddenly in response to any recent factors.

COVID remains the single largest disruption in the last decade's data and makes identifying long term trends difficult, and the economic recovery from the pandemic is still ongoing. Anchorage has added roughly 20,700 jobs since the lowest employment point of the pandemic in 2020, a 15.6% gain, with Leisure & Hospitality and Trade/Transportation/Utilities leading the rebound as tourism, dining, and freight activity returned. But the pandemic recovery can muddle the underlying changes to Anchorage's economic base that predate the pandemic and have persisted throughout the recovery.

## Report Inclusion Details


Each month, AEDC publishes the ***Anchorage Monthly Jobs Report,*** offering a comprehensive snapshot of the city's labor market and overall economic health.

The report tracks key indicators including unemployment trends, labor force participation, industry performance, and broader workforce dynamics.

It also highlights notable shifts across sectors, emerging trends, and year-over-year comparisons to provide important context.

Together, these insights create a clear and timely picture of Anchorage's employment landscape—supporting informed decision-making for businesses, policymakers, educators, and job seekers alike. The report serves as a valuable tool for understanding workforce challenges, identifying opportunities for growth, and guiding strategic planning across the community.

***Please note*** that data for the most recent months are preliminary estimates and may be subject to revision as additional information becomes available.

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## Key Takeaways

- The unemployment rate is at a healthy 3.5% which is slightly lower rate than that of 3.7% at this time last year.
- An estimated 3,400 total jobs were gained from April to May, rising with the onset of tourism season.
- Although year-over-year employment is down by approximately 400 jobs, 2025 represented an unusually strong employment year. Employment levels in 2026 remain consistent with the broader growth trend observed over recent years and are only slightly below the elevated levels reached in 2025.

**3.5%** Unemployment

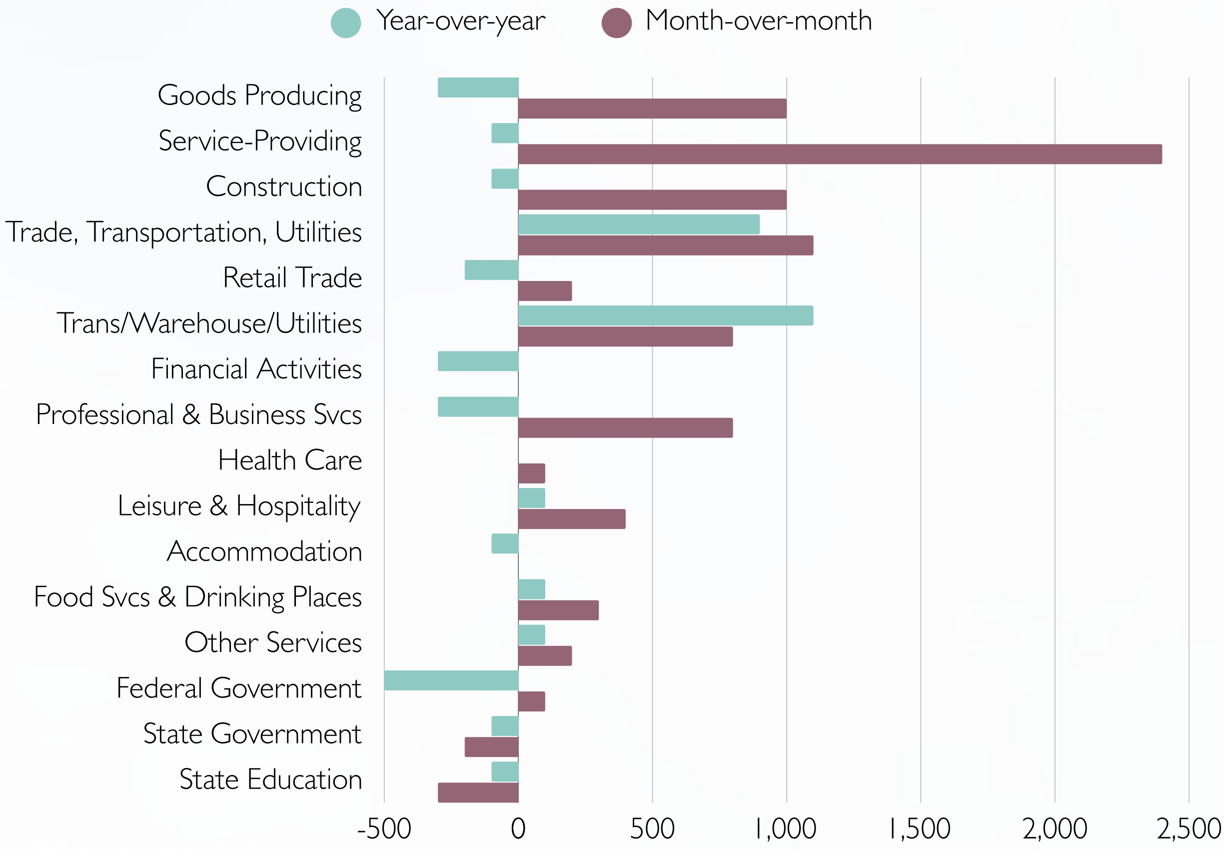
**3400** Jobs Gained

**Typical Seasonal Employment Trend**

Photo Credit Wayde Carroll Anchorage Distillery, Courtesy: Visit Anchorage

## Employment Overview

**Year over Year** and **Month over Month** Changes




**Source:** Alaska Department of Labor and Workforce Development (CES Labor Force Data)

Month-over-month employment gains were observed in the trade, transportation, and utilities sector, particularly within transportation, warehousing, and utilities. However, the most notable changes occurred year-over-year, highlighting sustained growth rather than seasonal fluctuations. Compared to the same period last year, trade, transportation, and utilities added 900 jobs, while transportation, warehousing, and utilities increased by 1,100 jobs, making it one of Anchorage's strongest-performing industries.

This growth reflects Anchorage's role as Alaska's primary transportation and logistics hub. Continued strength at Ted Stevens Anchorage International Airport, one of the world's busiest air cargo hubs, has supported employment across cargo handling, warehousing, aircraft support services, and logistics. Increased freight activity, the continued expansion of online shopping with added summer routes for peak tourism season, and Southwest Airlines starting operations in Anchorage in May. Ongoing investments in cargo and transportation infrastructure have further strengthened demand for workers.



Photo Credit: Alaska Airlines Cargo

At the same time, steady consumer spending and continued construction activity across Southcentral Alaska have increased demand for trucking, distribution, and wholesale trade, all of which are centered in Anchorage. As supply chains have continued to normalize, businesses have also expanded warehousing and distribution operations to improve inventory management and delivery efficiency.

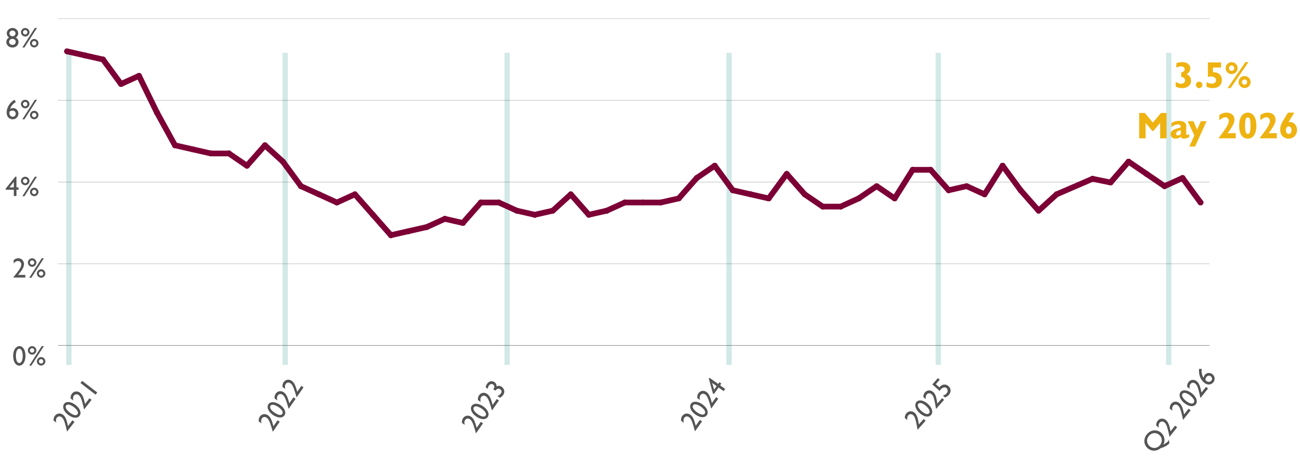
While seasonal hiring contributed to modest month-over-month gains, the significantly larger year-over-year increases indicate that the transportation and logistics industry is expanding beyond its typical seasonal patterns. This sustained growth reinforces Anchorage's competitive advantage as Alaska's freight, logistics, and distribution center and continues to support employment across several interconnected industries, including retail trade, construction, manufacturing, as well as the Don Young Port of Alaska and the Ted Stevens International Airport.



Photo Credit: Alaska Airlines Cargo

## May Employment Trends

Unemployment Rate Trend (2021 - 2026)




**Source**: Alaska Department of Labor and Workforce Development (CES Labor Force Data)

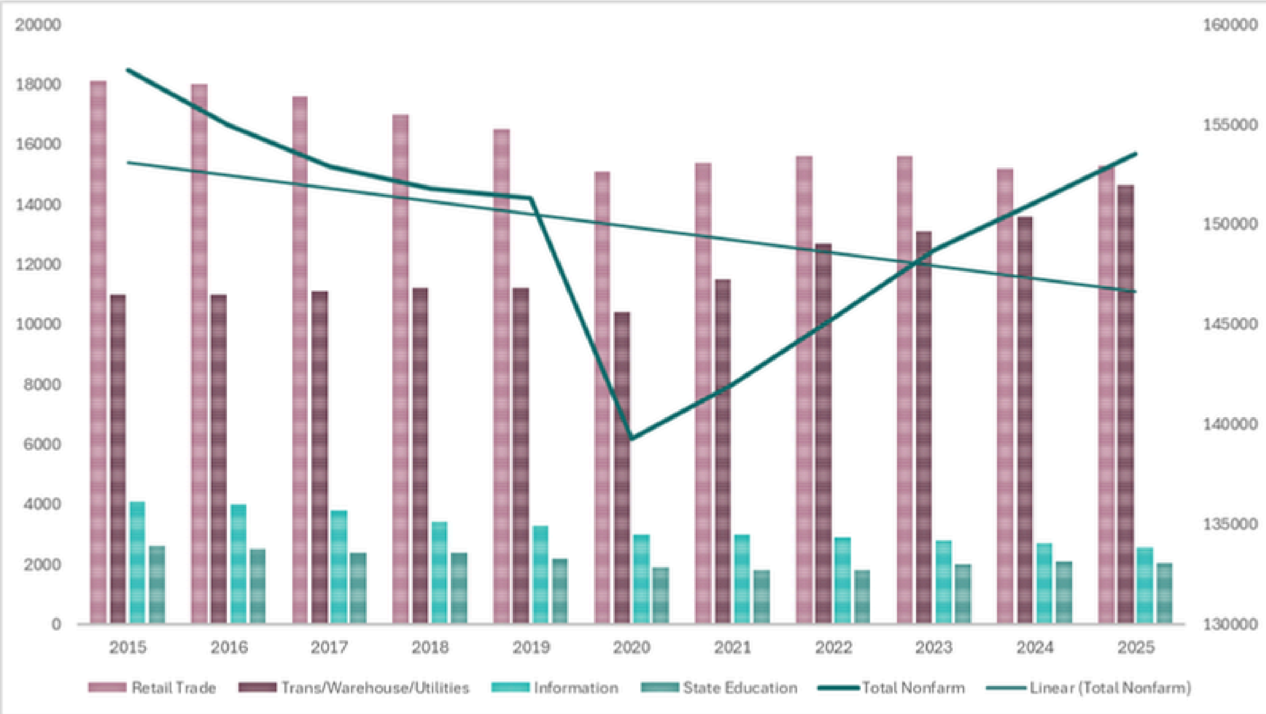
May unemployment rate decreased to 3.5% (April 2026, 4.1%). This shows normal summer seasonal fluctuations over the past several years but is the lowest since September 2025.

While the unemployment rate suggests that Anchorage is generally maintaining trends seen in past years, broader demographic and workforce factors indicate that the overall labor pool may be shrinking due to:

- Outmigration
- Retirements
- High childcare costs
- Lower labor force participation among working-age residents

This constriction of the available labor force, whether driven by outmigration or an aging population, is likely to impact the supply of labor available to the private sector. Anchorage's unemployment rate remains below the state unemployment rate of 4.1%. These underlying workforce challenges should still be considered when identifying opportunities to strengthen and improve Anchorage's economy moving forward.

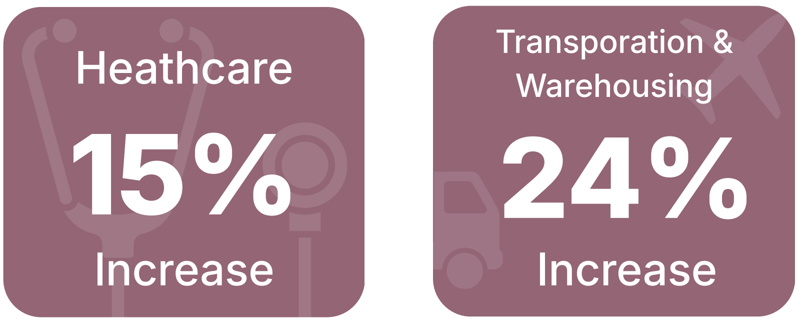
## 10-Year Largest Industry Trend Shifts




**Source**: Alaska Department of Labor and Workforce Development (CES Labor Force Data)

Over the past decade, Anchorage has experienced significant shifts in its industry composition. Employment losses in retail trade (16%), information (34%), state education (19%), and financial activities (14%) further point to broad-based contraction across both goods-producing and several service-oriented industries.

These declines have been partially offset by growth in healthcare (15%) as well as transportation and warehousing (24%) [combined], indicating a transition toward more population-serving and logistics-driven sectors.



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