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ANCHORAGE ECONOMIC TRENDS

A Decade in Review, Current Conditions, and a Three-Year Outlook

Prepared by Anchorage Economic Development Corporation with forecasting by Alyssa Rodrigues PhD
at Economic Development Consultants.

August 2026

Sources: Alaska Department of Labor and Workforce Development (CES employment data); C2ER Cost of Living Index, 2026 Q1; AEDC Business Confidence tracking, 2010–2026; AEDC 2026 Anchorage Business Survey, July 2026; Alaska Department of Labor migration estimates.

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Executive Summary

Anchorage's economy over the past decade is best understood as three distinct eras layered on top of a few persistent, structural trends. The three eras, a pre-COVID oil-price driven recession (2015–2019), the COVID shock (2020–2021), and a post-COVID recovery (2022–2026), each with their own distinct causes and outcomes. The data shows that underneath all three a smaller set of structural forces has been running continuously since at least 2013: a shrinking and aging working-age population, chronic net outmigration, a shift away from employment in Anchorage's highest-paying industry (oil and gas) toward logistics and health care, and a slow, steady decline in Anchorage's share of Alaska's total workforce.

Current conditions (mid-2026) show an economy that is not in crisis but is clearly under strain: employment is lagging behind 2025 growth, federal civilian employment fell sharply, consumer confidence is near a 15-year low, and business sentiment, while somewhat confident in their own financial situation, still identifies the state and local economy, labor availability, and population outmigration as the top barriers to growth. Looking forward, a \$2 billion JBER military investment and 2,600–2,800 additional servicemembers arriving in the near future represent the single largest identifiable upside catalyst on the horizon, concentrated heavily in construction, with smaller ripple effects across retail, health care, and education. Absent that investment, several of Anchorage's current negative trends, especially federal civilian employment, would likely continue or worsen through 2029.

Key findings

- According to Alaska Department of Labor Employment data, Anchorage's share of Alaska's total employment has declined in 10 of the last 11 years (46.5% in 2015 to 45.1% in 2025), interrupted only by a one-year uptick in 2020, still the single cleanest structural trend in the data.
- Population and the working-age labor force peaked around 2013, two years before this report's employment data begins, meaning Anchorage entered its current employment dataset already inside a demographic contraction.
- Anchorage's cost of living sits about 28% above the national average (composite index 127.9, 2026 Q1), with housing costs the fastest-rising component, up roughly 3.7% year-over-year alone.
- Consumer confidence in Anchorage, at 40.5 as of July 2026, is essentially tied with the all-time low recorded during the initial COVID shock (40.1, March 2020), and sentiment about the local economy specifically is markedly worse than sentiment about personal finances.
- Business sentiment has improved somewhat: AEDC's July 2026 Anchorage Business survey shows a far more balanced outlook for 2027 (26% expect the Anchorage economy to fare better vs. 29% worse) than the June 2025 Anchorage Business Confidence Index survey found for 2025 (23% better vs. 66% worse), though both surveys agree the state/local economy and labor availability are the top barriers to growth.

Section 1: Three Economic Eras, 2015–2026

Rather than treating the last decade as one continuous trend, the data supports splitting it into three distinct eras, each with a different cause and character.

2015–2019	2020–2021	2022–2026
The Oil-Price Recession 157,700 → 151,300 jobs (–6,400) - Oil price dropped ~70% - Confidence: low-60s → high-40s - Population peaked at 301,801 (2013)	COVID — Sharp, Short Shock 151,300 → 139,300 jobs - Steepest single-year drop (–12,000) - Confidence bottomed at 40.1 (Mar 2020) - Net migration briefly positive (+281)	Partial Recovery, New Headwinds 139,300 → 152,200 jobs (2025) - Back near 2019, still below 2015 - Confidence near all-time low (40.5) - Federal job losses slowing growth

1.1 Pre-COVID (2015–2019): The oil-price recession

Anchorage's employment data begins 2015 already in decline. Average annual employment fell from 157,700 in 2015 to 151,300 in 2019, a loss of about 6,400 jobs (–4.1%), before COVID ever entered the picture. This period lines up with Alaska's well-documented 2015–2019 state recession, triggered by the 2014 collapse in oil prices and the resulting state fiscal crisis and budget cuts. It is also the period in which Anchorage's population passed its all-time peak. Municipal population peaked in 2013 at 302,127 and had already fallen to roughly 294,971 by 2019, a decline that began before, and independent of, COVID.

Consumer confidence data confirms the timing: the Consumer Confidence Index fell from the low-60s in 2013–2014 to the high-40s/low-50s by 2018–2019, a multi-year erosion that predates the pandemic by several years.

1.2 COVID (2020–2021): A sharp, short shock

COVID hit an economy that was already softened by five years of recession. Anchorage employment fell from an annual average of 151,300 (2019) to 139,300 (2020), the steepest single year drop in the dataset. Consumer confidence cratered to 40.1 in March 2020, the lowest reading in the entire 2010–2026 series. Net outmigration increased from 2019–2020, with COVID exacerbating the preexisting trend of net population loss

1.3 Post-COVID (2022–2026): Partial recovery, new headwinds

Employment recovered steadily from 2020. In the following years, Anchorage's annual average climbed from 139,300 (2020) to 152,200 (2025), slightly above the 2019 pre-COVID level though still well below 2015. However, this recovery has been uneven and is now showing signs of stalling. The first half of 2026 shows employment running slightly behind the same period in 2025, driven overwhelmingly by an accelerating decline in federal civilian employment (–8.4% year-to-date through June 2026 versus the same months of 2025) that has no clear connection to COVID and instead reflects a broader federal workforce policy. Migration also changed its trend during this period. Net migration data shows an overall reduction in the scale of net population loss. From 2021–2025, net migration went from a loss of 2,199 to 1,309 annually.

10-Year Non-Farm Employment Trend (includes forecast)

Metric	2015	2019	2020 (COVID trough)	2025 (latest full year)
Anchorage employment (annual avg)	157,700	151,300	139,300	152,200
Alaska employment (annual avg)	339,100	330,000	302,400	337,300
Anchorage share of Alaska employment	46.5%	45.8%	46.1%	45.1%
Anchorage Consumer Confidence Index	56.3 (avg)	54.0 (avg)	45.5 (avg) 40.1 (Mar, all-time low)	42.6 (avg)

Source: Alaska Department of Labor, AEDC Consumer Confidence Tracking provided by Alaska Survey Research.

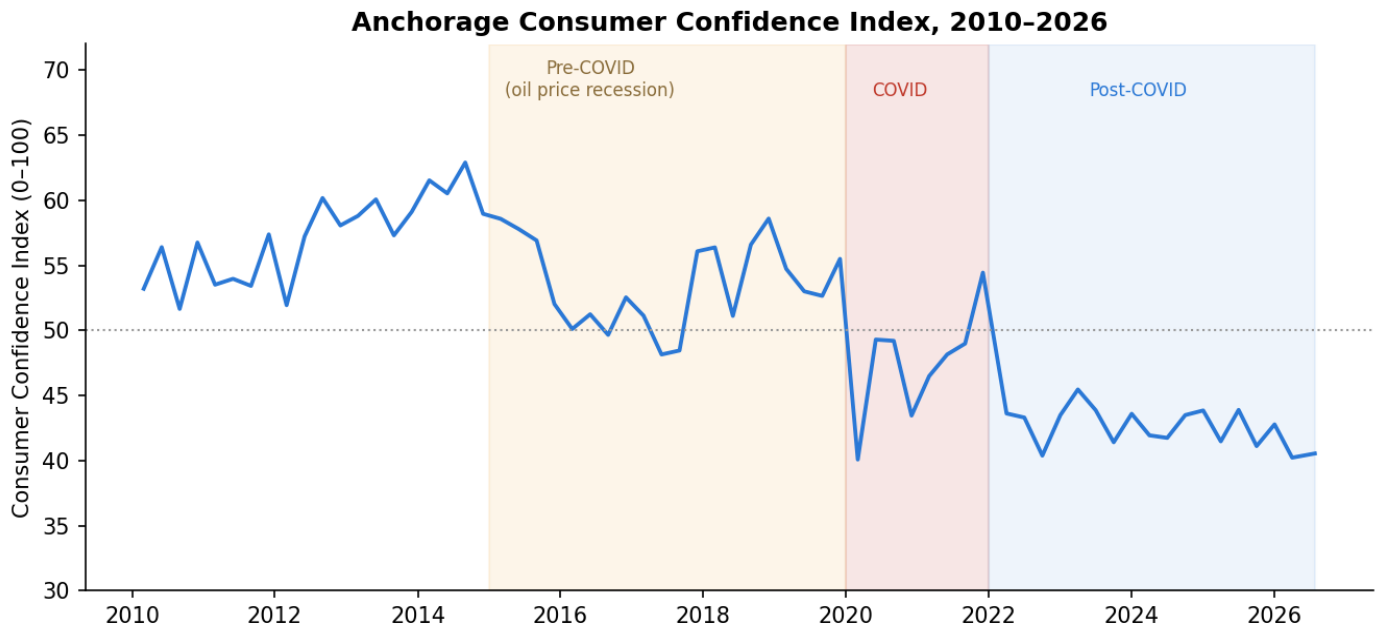


Figure 1. Anchorage Consumer Confidence Index, quarterly, 2010–2026, with the three eras shaded. Source: AEDC Consumer Confidence Tracking provided by Alaska Survey Research.

Section 2: Persistent Trends vs. Event-Driven Shocks

Separating what has changed due to discreet events from what has been a pattern throughout the entire decade is essential for interpreting Anchorage's trajectory correctly. Below, the decade's major developments are stored into these two categories.

2.1 Persistent Trends

- **Anchorage's declining share of Alaska's employment:** This has fallen in 10 of the last 11 years, through recession and recovery alike, from 46.5% (2015) to 45.1% (2025), interrupted only by a one-year uptick in 2020. Almost nothing else in the three-era breakdown is this consistent.
- **A shrinking, aging working-age population:** Alaska's statewide working-age (15–64) population fell by roughly 6.2% or 31,576 people between 2015 and 2025. Anchorage's working-age population fell 8.9% (18,680 people) during the same time, a steeper percentage decline than the state as a whole. Along with these changes, the share of the statewide, working-aged population located in Anchorage declined from 41.2% to 40.0%. This trend coincides with Anchorage losing overall market share in Alaska's economy.
- **Declining natural population increase:** Births in Anchorage fell from 4,772 (2010–11) to 3,400 (2024–25), a 29% decline, while deaths rose from 1,455 to 2,220 (+53%). Natural population increase (births minus deaths) has nearly halved, from 3,317 to 1,180, meaning Anchorage's population would be struggling to grow even with zero net migration.
- **Chronic net outmigration:** Anchorage lost more people to migration than it gained in 15 of the past 16 years.
- **A shift away from oil and gas toward logistics and health care:** Oil & gas employment in Anchorage is down 52.6% since 2015 (from 3,800 to 1,800 jobs in 2025), the single largest sectoral decline in the dataset, while Transportation and Warehousing is up 29.1% (from 10,400 to 13,300 jobs in 2025) and Health Care is up 18.8% (24,700 to 28,100 jobs in 2025). This reallocation has been continuous across all three eras, not driven by any single event.
- **Retail and information declines:** Retail and information are down 16.8% and 38.3% respectively since 2015, consistent with the national e-commerce and media-consolidation trends rather than anything Anchorage-specific. Anchorage has lost retail jobs at a rate 2.5 times faster than the state, dropping from 18,100 jobs in 2015 down to 15,100 jobs in 2025, a loss of 16.6% compared to the state's 5.9%.

2.2 Event-driven shocks

- **The 2015–2019 oil-price recession:** Triggered by the 2014 collapse in oil prices and the state's resulting fiscal crisis, the impacts of this economic strain are visible in the data as employment decline well before COVID.
- **The 2020 COVID employment cliff:** The steepest single-year employment drop in the dataset, plus the lowest-ever consumer confidence reading (40.1, March 2020), and, distinctively, the one-year Anchorage's share of Alaska's employment actually ticked up rather than down, likely reflecting a temporarily sharper statewide contraction than Anchorage's growth.
- **The 2025–26 federal civilian employment acceleration:** Federal government employment fell by 5% over the full 2015–2025 decade, but the most recent year-over-year data shows a sharp acceleration downward (-7.5% through May 2026 to -8.4% through June, comparing the first half of 2026 to the first half of 2025, with June alone down 12.9% year-over-year), a recent shift tied to federal workforce policy, not a continuation of a decade-long slope.

These distinctions matter for forecasting: persistent trends should be assumed to continue absent a specific intervention, while event-driven shocks are, by nature, harder to extrapolate and more likely to mean-revert or be offset by a comparably sized event in the other direction (as the JBER investment may partially do for the federal employment shock).

Section 3: Industry, Employment, and Wages

Anchorage's industry mix has shifted over the past decade. The sectors that grew are not, on average, as high paying as the sector that shrank most, although the total number of jobs in the growth sectors are higher than the total jobs in the highest paying sector that is shrinking.

3.1 Ten-year sector change, Anchorage (2015 vs. 2025, annual average employment)

Sector	10-yr change	Direction
Oil & Gas	-52.6%	Sharp decline
Information	-38.3%	Decline
Retail Trade	-16.8%	Decline
Professional & Business Services	-10.8%	Decline
Government (total)	-5%	Decline
Leisure & Hospitality	-2.1%	Decline
Construction	3.9%	Growth
Transportation and Warehousing	+28.1%	Strong growth
Health Care	+13.5%	Strong growth

2015 and 2025 are both official annual (12-month) averages from the Alaska Department of Labor's Quarterly Census of Employment and Wages (QCEW) data.

3.2 The wage-tier problem

The industry's changing composition matters because the sectors adding jobs are not fully replacing the wage profile of the sectors losing them. Oil and gas, one of Alaska's highest-paying industries, has experienced one of Anchorage's steepest long-term employment declines. Today the industry represents a relatively small share of the total Anchorage workforce at roughly 1,700 jobs compared to roughly 3,000 jobs in 2015. By comparison, transportation and warehousing makes up approximately 13,600 jobs, and healthcare comprises 28,400 jobs and is among Anchorage's largest employment sectors. As employment shifts toward these much larger industries, the overall labor market becomes increasingly dependent on sectors that offer a broader mix of wages. Health care includes many high-paying professional occupations, while transportation and logistics averages roughly \$34 per hour. Together, these sectors are driving employment growth, but they do not provide a one-for-one replacement of the earnings once generated by the smaller, but high-paying, oil and gas industry.

3.3 Anchorage vs. Alaska

Anchorage has underperformed the state on total employment across the decade, though not in an unbroken line. The municipality's share of statewide employment fell in 10 of the last 11 years, from 46.5% in 2015 to 45.1% in 2025, interrupted only by a one-year uptick in 2020. Compared to Anchorage's 3.5% employment decline over the decade, Alaska employment is down just 0.5%. While this data shows Anchorage falling behind the state, breaking down the comparison by sector helps disprove that. Anchorage leads the state in its strongest growth sector, logistics, and is also experiencing growth in its construction industry. While Anchorage and Alaska are growing at different rates, these industries demonstrate that Anchorage's economy continues to move in a positive direction.

3.3.1 Sector-by-sector comparison

10-year Employment by Sector

The table below compares each sector's 10-year change (annual 2015 vs. annual 2025) and most recent momentum (January–June 2025 vs. January–June 2026) for Anchorage against the same figures for Alaska statewide.

Sector	ANC 10-yr	AK 10-yr	ANC recent	AK recent
Total nonfarm	-3.6%	-0.5%	-0.5%	-0.1%
Oil and Gas	-52.6%	-23.9%	-0.9%	+5.7%
Construction	+3.9%	+8.8%	-4.4%	-2.7%
Manufacturing	-7.2%	-11.7%	+0.9%	+2.5%
Retail Trade	-16.8%	-6.7%	-1.5%	-0.4%
Information	-38.3%	-32.7%	-3.8%	-3.5%
Financial Activities	-13.3%	-10.8%	-3.0%	+1.6%
Professional & Business Services	-10.8%	-4.2%	-1.7%	-0.8%
Transportation and Warehousing and Utilities	+29.1%	+18.8%	8.1%	4.4%
Healthcare	+18.8%	+24.9%	+0.4%	+1.0%
Leisure & Hospitality	-2.1%	+3.1%	0.0%	+0.3%
Government (total)	-5.5%	-3.5%	-2.2%	-2.9%
Federal Government	-5.3%	-0.4%	-8.4%	-11.7%
State Government	-3.3%	-6.6%	+0.5%	-1.8%
Local Government	-10.7%	-2.7%	+0.5%	0.0%

10-year columns use official annual averages (2015 and 2025) from the Alaska Department of Labor. "Recent" columns compare January–June 2025 to January–June 2026, the only basis for comparison until 2026's annual figure is published.

3.3.2 Where Anchorage leads

Trans/Warehouse/Utilities is the clearest case of Anchorage outperforming the state on its own terms: +29.1% over ten years in Anchorage versus +18.8% statewide, and +8.1% year over year versus +4.4% statewide. This is consistent with Anchorage's specific role as Alaska's air cargo, port, and distribution hub (Ted Stevens International Airport and the Port of Alaska), infrastructure that doesn't exist at a comparable scale elsewhere in the state.

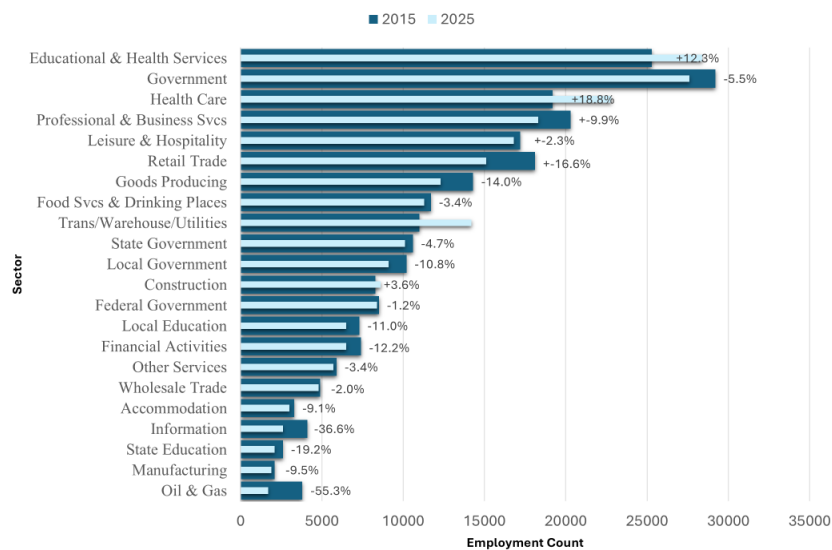
3.3.3 Where Anchorage lags

Several results are less intuitive. Health Care, one of Anchorage's two headline growth sectors, has surprisingly grown faster statewide than in Anchorage specifically, meaning Anchorage is participating in, rather than leading, Alaska's health care expansion. The same is true of Leisure & Hospitality, where the state has grown over the decade while Anchorage has not fully recovered to its 2015 level. This difference likely reflects stronger cruise- and rural-tourism growth elsewhere in the state relative to Anchorage's more COVID-exposed, convention- and business-travel-driven visitor economy.

Construction turns out to be a case of degree, not direction. Anchorage's construction employment grew modestly over the decade, but Alaska's at nearly double that pace. Statewide growth was likely tied to North Slope, rural, and regional

infrastructure projects. This is a real and meaningful gap, but a materially smaller one than a flat-versus-growing comparison would suggest, worth noting given how much weight this report's forecast (Section 6) puts on a JBER-driven construction rebound. Retail Trade has contracted more than twice as fast in Anchorage as statewide (-16.8% vs. -6.7%), and Local Government employment has fallen far more sharply in Anchorage (-10.7%) than statewide (-2.7%), reflecting the sale of MLP to Chugach Electric and further suggesting municipal government contraction has been disproportionately concentrated in Anchorage specifically rather than reflecting a statewide pattern.

10-year Employment by Sector



Alaska Department of Labor and Workforce Development. (2026, June). *Municipality of Anchorage Monthly employment statistics*. Department of Labor and Workforce Development Research and Analysis. <https://live.laborstats.alaska.gov/labforce/000020/04/ces.html#y2026>

Source: Alaska Department of Labor and Workforce Development. (2026, June). *Municipality of Anchorage Monthly employment statistics*. Department of Labor and Workforce Development Research and Analysis. <https://live.laborstats.alaska.gov/labforce/000020/04/ces.html#y2026>

3.3.4 Federal government employment

Over the past decade (2015–2025), federal civilian employment fell in Anchorage (-5.3%) and the state (-0.4%). The reduction in the most recent year is significantly higher. Anchorage federal employment is down 8.4% year over year, comparing the first half of 2026 to the first half of 2025, and statewide the decline is even sharper at 11.7%. This is a genuinely new development, not the continuation of a longstanding trend, and it means the federal civilian employment headwind emphasized throughout this report (Sections 2.2 and 5.1) is a recent, sharp downturn rather than a decade-long slope, which also means it is less certain how long it will persist in either direction.

3.3.5 Oil and gas employment

In the last six months, Oil and Gas shows Anchorage and the state moving in opposite directions on a recent basis: up 5.7% statewide year-over-year, likely reflecting renewed North Slope production. Anchorage being concentrated in corporate, administrative, and headquarters functions rather than field operations, which do not necessarily track upstream production trends. Over the full decade, however, both areas declined sharply, with Anchorage's drop (-52.6%) considerably steeper than the state's (-23.9%).

3.3.6 Section Summary

Taken together, the sector comparison complicates a simple "Anchorage is falling behind Alaska" narrative. Anchorage's underperformance on total employment is real, but it isn't happening because Anchorage is uniquely weak across the board, it's happening because Anchorage is roughly matching or slightly lagging the state in most sectors, growing more

slowly than the state in construction rather than not growing at all, and badly lagging in a couple of specific ones (retail, local government) while only modestly losing slower than the state in manufacturing and state government. A municipality this concentrated in government, services, and trade is more exposed than the rest of Alaska to the recent federal downsizing, e-commerce displacement of retail, and municipal budget pressures, while being less able to participate in the resource-extraction and rural-infrastructure growth that has helped cushion the statewide numbers.

Section 4: Demographics and Migration

Migration data is the clearest evidence that Anchorage's labor supply problem predates and is broader than any single event in the last decade. For population data throughout this section, we use working age population as

Anchorage In and Out Migration Trends Year-Over-Year (2011-2025)

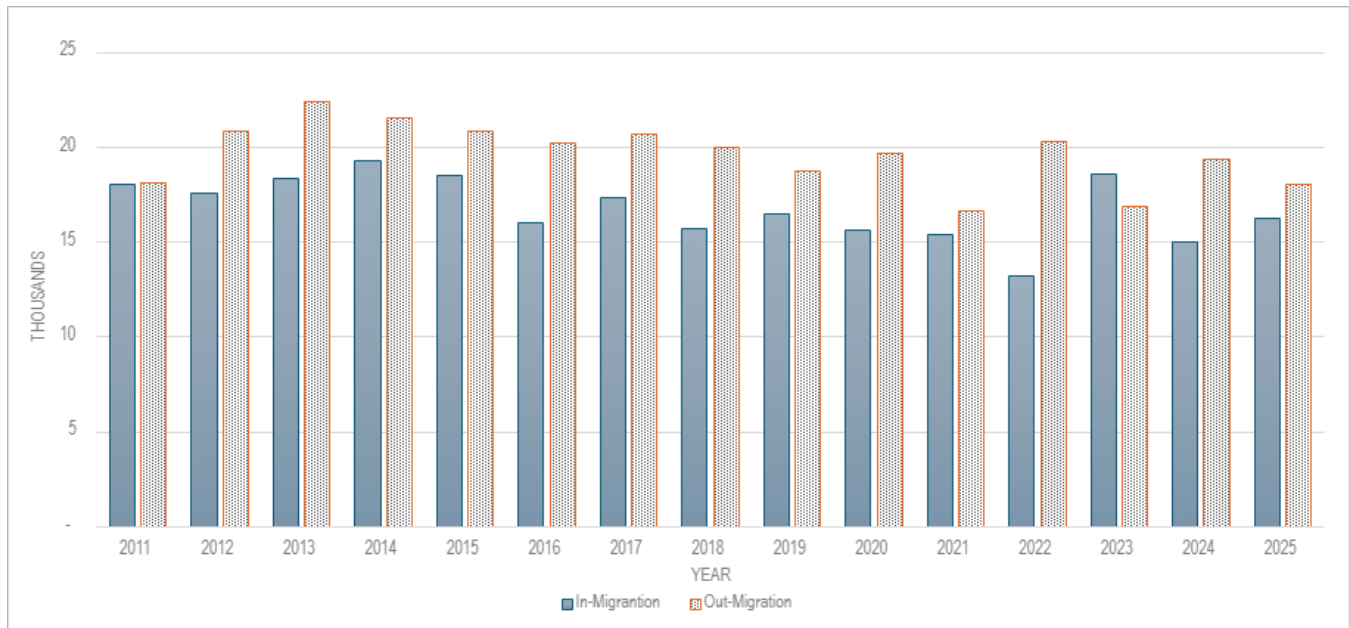


Figure 2. Anchorage adjusted net migration by year, 2010–11 through 2024–25 (negative bars indicate net outmigration). Source: Alaska Department of Labor migration estimates.

4.1 Anchorage Migration trends

Net migration was negative in 15 of the last 16 years. The sole exception, 2012–13, was a negligible +40.

Natural increase (births minus deaths) has fallen by nearly two-thirds over the 15-year window, from over 3,300 to just 1,180, meaning migration is no longer offsetting a shrinking birth surplus the way it once did.

Contrary to state trends, Anchorage gained population in the early working age groups between 2020 and 2025. Gaining these young workers presents a positive opportunity to the local economy if we can keep them as they advance in their careers and potentially transition into young families.

4.2 Business perception

This is not just a demographic abstraction because Anchorage businesses recognize it too. In AEDC's 2026 business survey, 36.8% of businesses cited population outmigration as a significant barrier to their organization's growth, and 35.7% separately cited cost of living's effect on workers' willingness to stay in or move to Anchorage as a workforce gap. These independently corroborate the migration data from the demand side of the labor market.

Businesses in Anchorage shine a light on this demographic trend. In AEDC's 2026 business survey, 36.8% of businesses cited population outmigration as a significant barrier to their organization's growth. Further, 35.7% of businesses cited that the municipality's cost of living expenses has a large impact on workers' willingness to stay in or move to Anchorage, suggesting it is a major cause for the workforce gap.

4.3 Anchorage vs. Alaska

As with employment, comparing Anchorage's demographic trajectory to the state's complicates a simple story. Anchorage isn't just experiencing a smaller version of a statewide pattern. In key moments, like the pandemic years, Anchorage's young worker migration pattern has moved in the opposite direction from the rest of Alaska, while in others it has led the state in decline. This demonstrates that the municipality, while tied to the state's economy, is robust enough to differentiate itself.

4.3.1 Anchorage's employment decline vs. state's

Anchorage's population peaked in 2013 at 301,801, but Alaska's statewide population didn't peak until 2016, at 742,575, three years later. This indicates that Anchorage was already losing population while the rest of the state was still growing, which is consistent with the sector data in Section 3 as Anchorage's oil-and-gas-linked headquarters employment began contracting earlier and harder than the state's broader resource sector.

4.3.2 Working-age population

Alaska's statewide working-age (15–64) population fell by roughly 10,300 people between 2015 and 2025, a decline of about 2.1%. Anchorage's working-age population fell 3.4% during the same time, a steeper percentage decline than the state as a whole. More strikingly, Anchorage alone accounts for roughly 66% of the entire statewide working-age population loss over that period (nearly 6,800 of the 10,300-person decline), despite representing only about 40% of Alaska's total population. Rather than sharing in a statewide demographic headwind, Anchorage has been an outsized contributor to it.

4.3.3 Migration

The year-by-year comparison between Anchorage's raw net migration and the state's overall net migration reveals a pattern that a simple aggregate comparison would miss entirely.

Year	Anchorage net migration	Alaska net migration	Anchorage's Share of State Migration
2015–16	-2,176	-3,604	60%
2016–17	-3,430	-7,691	45%
2017–18	-5,400	-9,157	59%
2018–19	-4,315	-7,540	57%
2019–20	-6,020	-7,079	85%
2020–21	-2,199	-1,712	128%
2021–22	-2,101	-3,596	58%
2022–23	-1,395	-2,280	61%
2023–24	-1,452	-3,147	46%
2024–25	-1,309	-1,740	75%

In and Out Migration Trends Year-over-year % Change (2011-2025)

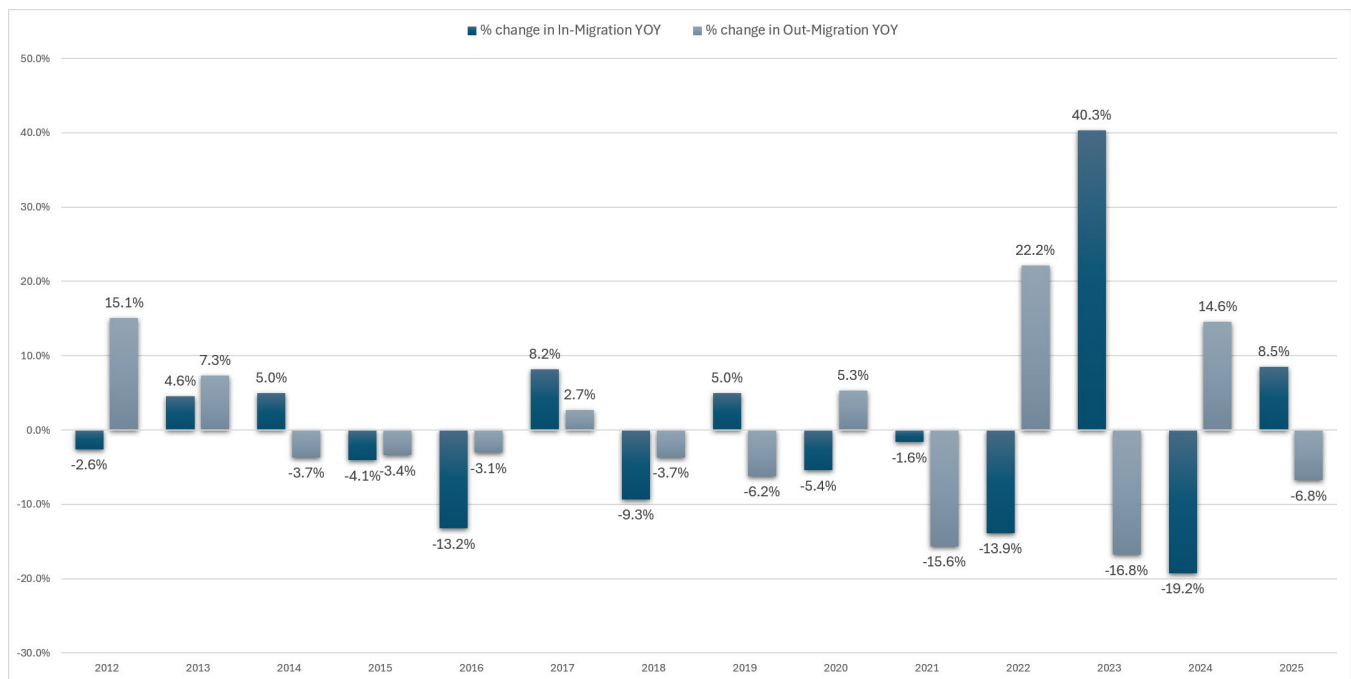


Figure 3. Anchorage vs. Alaska statewide net migration by year, 2015–16 to 2024–25. Note the two years (2020–21, 2022–23) where Anchorage and the state moved in opposite directions, and 2021–22, where Anchorage's loss alone exceeded the state's total net loss. Sources: Alaska Department of Labor migration estimates; AEDC Migration Data workbook.

Through the pre-COVID oil-price recession (2015–2019), Anchorage on average accounted for 55% state's net migration losses. The pandemic years increased Anchorage's share of statewide migration. Most strikingly, between 2020 and 2021, Anchorage's net migration loss of nearly 2,200 was larger state's net migration loss of -1,712. This means Anchorage lost population to other states, as well as other regions within the state. The post-pandemic years have been characterized by Anchorage's migration losses, making up a larger percentage of the state's migration losses, averaging 76% of all statewide net migration losses.

4.3.4 Outmigration

Despite these year-to-year changes both the city and the state share the same chronic underlying condition. Alaska has recorded statewide net outmigration for at least 13 consecutive years (per the Alaska Department of Labor's own count through 2024–25), and Anchorage has recorded net outmigration for 11 straight years. Neither Anchorage or Alaska has escaped the broader structural pattern; they have simply experienced its timing and severity differently.

4.3.5 Section Summary

The demographic comparison mirrors the employment comparison in Section 3.3. Anchorage is not a smaller-scale mirror of Alaska's statewide demographic trend because it led the state into population decline by years, accounting for a disproportionate percentage of the state's working-age population loss. This suggests Anchorage-specific push factors like cost of living, remote-work flexibility enabling relocation, and urban-specific quality-of-life concerns are layered on top of, and at times independent from, the statewide forces affecting rural Alaska.

Section 5: Current Economic Conditions (Mid-2026)

5.1 Employment momentum

Anchorage total average employment for the first half of the year is 0.5% below the first half of 2025 (Alaska is down about 0.4%), a gap that widened slightly from May to June. The single largest driver is federal civilian employment, down 8.4% year-to-date and accelerating (June alone was down 12.9% year-over-year). Construction, by contrast, has stabilized. Its year-over-year decline narrowed from -7.7% at the beginning of the year to being even with 2025 in June, and its 10-year change is now essentially flat. Trans/Warehouse/Utilities remains the standout, up over 8% across the first half of the year.

5.2 Cost of living

Anchorage's C2ER Cost of Living Index composite score was 127.9 in 2026 Q1 (national average = 100), up from 126.0 a year earlier, meaning Anchorage runs about 28% above the average cost of living out of 250 participating metropolitan areas. Housing is both the largest single driver of Anchorage's elevated cost of living and the fastest-rising component. The housing sub-index rose from 135.5 to 140.4 year-over-year (+3.7%), well outpacing the composite, while transportation costs also rose (119.8 to 125.9, +5%). Of the three Alaska metro areas tracked, Juneau was the most expensive (135.7), Anchorage second (127.9), and Fairbanks the least expensive (123.3).

5.3 Consumer and business confidence

Anchorage's Consumer Confidence Index stood at 40.5 as of Q2 2026 slightly up from 40.2 in Q1 2026, essentially tied with the lowest readings in the entire 2010–2026 series, the initial COVID shock 40.1 in Q1 2020, and among the lowest handful of readings in that series overall. Sentiment about the local economy seems disconnected with sentiment about personal finances. Anchorage residents are considerably more pessimistic about the broader economy (Local economy confidence 42.4) than about their own household situation (Personal Finance Confidence 56.0).

AEDC's 2026 Anchorage Business Survey shows a somewhat more balanced picture looking ahead to 2027. The survey data indicates 26.1% of businesses expect the Anchorage economy to fare better in 2027 while 29.0% expecting it to fare worse, a much narrower gap than the previous year (23% better vs. 66% worse). Expectations for respondents' own gross sales and net profits skew mildly positive (30.9% better vs. 15.6% worse for gross sales). Some caution is warranted comparing the two surveys directly, since they differ in fielding period, sponsor, and respondent pool, but the directional improvement in sentiment about the broader economy is notably consistent across both.

Top barriers to business growth, AEDC July 2026 Anchorage Business Survey

Barrier	% citing	Rank
State economy	55.7%	1
Local economy	54.4%	2
Availability of labor	51.5%	3
Outmigration	39.5%	4
Population outmigration	37.2%	5
National Economy	35.3%	6
Political uncertainty	35.3%	7
Housing Affordability and Availability	31.4%	8
Inability to Offer Employee Health Insurance	29.5%	9
Cost of Labor	29.1%	10

Workforce access remains a persistent constraint, with over half of businesses surveyed saying that the availability of labor is a barrier for their business. The most commonly cited workforce skill gaps are soft skills (49.1%), cost of living's effect on workers' willingness to stay in or relocate to Anchorage (35.7%), and housing availability/affordability for the workforce (31.4%), directly linking the cost-of-living findings in Section 5.2 to the labor-supply findings in Section 4.

5.4 Business Survey Results

Beyond the closed-ended questions summarized above, AEDC's 2026 survey included several open-ended questions on the best thing about operating in Anchorage and their ideas on immediate changes needed. Nearly all 307 respondents answered both. The analysis below aggregates recurring themes across these responses. Consistent with survey confidentiality practice, no individual respondent, business name, or verbatim quotations identifying a specific organization are disclosed via this report.

5.4.1 Positive sentiment

Asked what's best about doing business in Anchorage, two themes dominate all others by a wide margin. Roughly a quarter of all respondents volunteered some version of "community", describing Anchorage as a tight-knit, relationship-driven business environment where introductions, referrals, and mutual support between competitors and peers happen more readily than in a larger city. A comparably large share (about 20%) pointed to Anchorage's role as Alaska's logistics and population hub; citing proximity to Ted Stevens International Airport, the Port of Alaska, and being the natural staging point for business serving the rest of the state as the core structural advantage of operating here. A further meaningful share (about 12%) specifically credited access to people and talent, or the ability to build long-term relationships with employees and customers alike in a smaller market.

Two things are notable about what did not come up often. Despite this report's extensive discussion of oil & gas as a historically defining industry, direct references to oil, gas, or resource extraction as a business advantage were rare (under 2% of responses). Rarer still were positive references to military or defense-related activity. This suggests that the general business community sees Anchorage's appeal mainly in its relational and logistical advantages, as opposed to the importance of the resource development or defense industries have on the city's economy.

5.4.2 Barriers

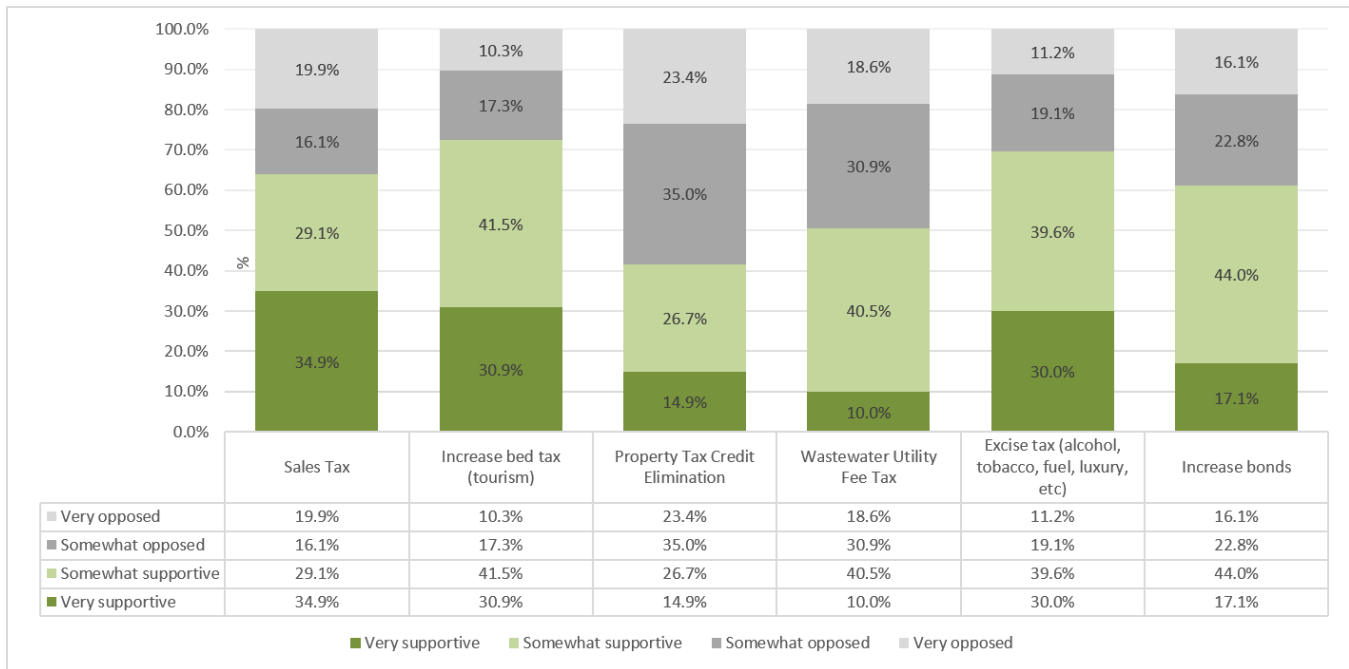
Asked for one change that would immediately make Anchorage a better place to do business, homelessness was mentioned by roughly a quarter of all respondents (24%), more than any other single topic and well ahead of the next-largest cluster. A closely related set of concerns: the condition of downtown, vagrancy, and visible drug or alcohol use in public spaces, were raised by a further 20% of respondents, frequently in the same sentence as homelessness itself. Combined, some version of "the visible state of downtown and the unsheltered population" was the single largest theme in the entire open-ended dataset, well ahead of taxes, workforce, or housing. This is consistent with the finding that reducing homelessness (60.8%) and public safety (79.2%) rank among the very highest business priorities in the survey.

Several other barrier themes appeared with meaningful frequency: taxes and municipal/state fiscal policy (9%), housing affordability (about 8%), K-12 education and school funding (7%), and workforce availability (5%) reinforcing the workforce findings already discussed. Regulatory and permitting friction was mentioned less often in the open-ended responses (3%) than its closed-ended importance rating might suggest, indicating it is a real but comparatively lower-urgency concern relative to homelessness and downtown conditions.

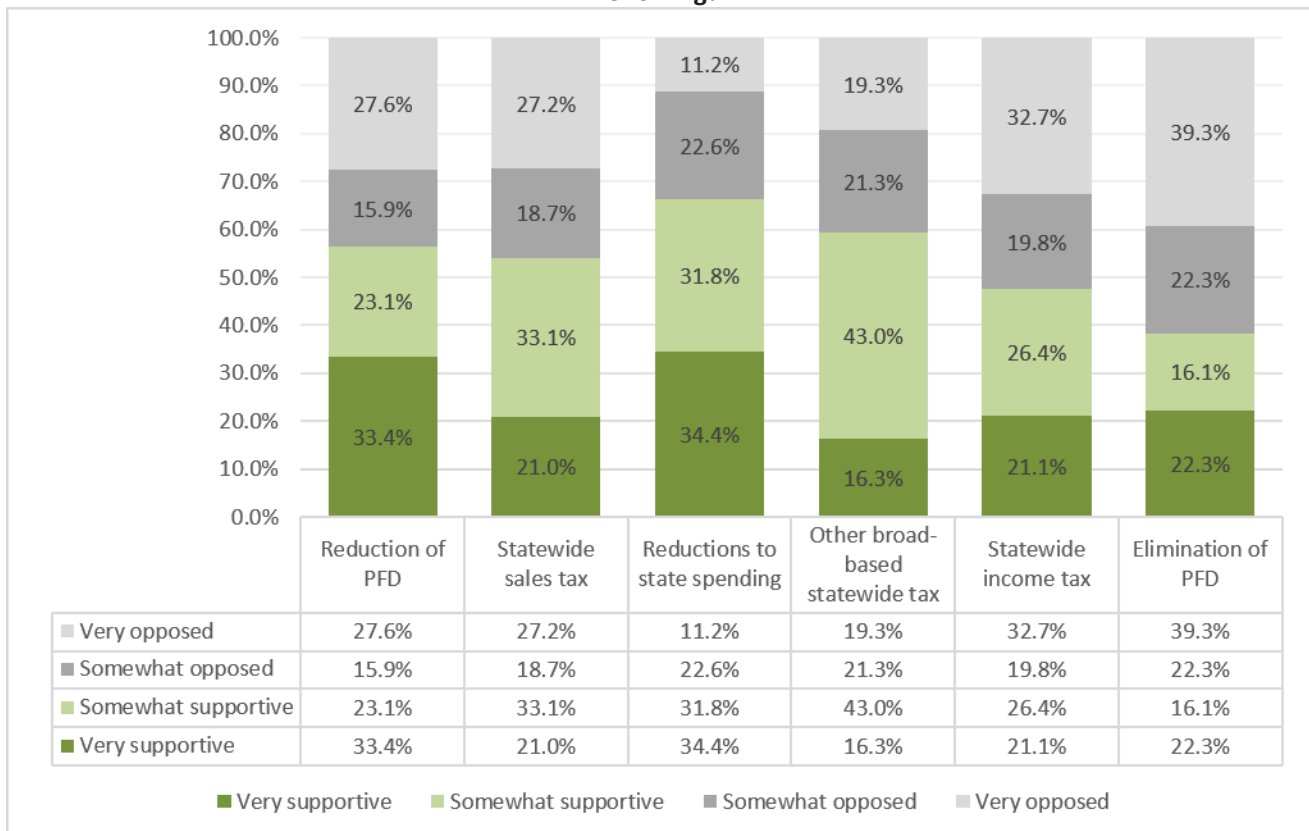
5.4.3 Taxes

Roughly 120 respondents left additional open-ended comments specifically about municipal revenue diversification or the State's budget gap, offering a great deal of insight. A few clear patterns emerge.

Survey Responses: If the Municipality of Anchorage wanted to diversify its revenue sources, how supportive are you of each of the following options?



Survey Responses: In response to the State of Alaska's budget gap, how supportive are you of each of the following?



A recurring, specific proposal, raised independently by multiple respondents, is a seasonal sales tax, typically framed as applying only during the May-to-September tourism season, so that visitor spending is captured without permanently taxing year-round residents. This appeared often enough to be one of the more concrete, converging ideas in the entire open-ended dataset.

A substantial and vocal minority framed the issue as a spending problem rather than a revenue problem, arguing that the Municipality and/or State should demonstrate spending efficiency and accountability before any new tax is considered. This sentiment appears across the political spectrum of responses, including from some who separately expressed support for specific new taxes, suggesting "prove efficiency first" functions as a precondition for support rather than a rejection of taxation outright.

Several respondents proposed taxing non-resident earners specifically, commuters, seasonal or rotational workers, and out-of-state corporations that generate revenue in Alaska but whose owners or employees live elsewhere, as preferable to taxes that fall on year-round residents and local businesses. Several of these proposals are likely illegal and cannot be implemented.

State income tax drew explicit, repeated support from a meaningful subset of respondents, several of whom framed it as fairer than a sales tax or as a more effective way to capture revenue from non-resident workers than existing mechanisms. This is in line with other survey question results, where income tax support (45% supportive) trailed reduction of the PFD and state spending cuts.

Property tax fairness was a distinct sub-theme, with several respondents raising concerns about assessment methodology. Specifically, a perception that higher-value homes are comparatively under-assessed relative to lower- and middle-tier properties, shifting a disproportionate share of the property tax burden onto less expensive homes.

The Permanent Fund Dividend drew split views. Some respondents favor reducing or eliminating it and redirecting the funds to public services, describing it as fiscally unsustainable, while others explicitly defended it, and a few proposed a middle path of means-testing or income-basing the payment rather than eliminating it outright.

A conditional, trade-off framing recurs throughout, where several respondents indicated they would support a new tax (most often sales tax) only if paired with an offsetting cut elsewhere, most commonly a reduction or elimination of property taxes. This suggests that resistance to any new tax is due to their perception as being additive rather than preferring one taxation method over another.

Read together, the open-ended tax comments suggest Anchorage's business community is less uniformly anti-tax than the barrier rankings in Section 5.3 (55.7% cite the state economy, 39.5% cite operating costs) might imply in isolation. There is a real, specific appetite for new revenue tools, particularly a seasonal tax on tourism spending and taxation of non-resident income, but it is consistently conditioned on demonstrated spending discipline and, in many cases, an explicit trade-off against an existing tax.

5.4.4 Growth

The open-ended responses reinforce, rather than complicate, the closed-ended growth findings already discussed in Section 5.3. Nearly half of respondents (49.8%) are planning to grow in the next 12 months, most commonly through launching new products or services (32.4%) and hiring (29.1%). Where the open-ended comments add value is in what growth-minded respondents say is holding them back from doing more. Workforce training and retention, partnerships between employers, schools, and training programs were raised repeatedly as a specific, actionable growth lever. This is distinct from the more general "availability of labor" barrier captured in the closed-ended data. A number of respondents also connected growth directly to downtown revitalization and visible public order, describing a more inviting, cleaner downtown as a precondition for attracting new customers, talent, and follow-on investment. This ties the dominant barrier theme directly to businesses' stated growth ambitions rather than treating them as separate issues.

5.5 Comparing 2025 and 2026

The 2025 Anchorage Business Confidence Index Survey (fielded April–May 2025) and AEDC's 2026 survey (fielded through July 2026) each included open-ended questions about barriers to growth and other important issues, giving a

rare year-over-year insight into Anchorage business owners' minds. The comparison below draws on the AEDC 2025 Anchorage Business Confidence Index Survey's open-ended appendix (barriers to growth, and other important issues) against the same analysis applied to the 2026 open-ended responses in Section 5.4. The percentages below are precise for 2026 and approximate for 2025; the comparison should be read for direction and magnitude of shift, not exact point estimates.

Theme	2025	2026	Shift
Federal policy anxiety	Dominant open-ended theme; 63–69% predicted harm across tariffs/grants/staffing	5% of open-ended barrier comments	Large decrease in discussion, despite worsening federal job losses
Homelessness / downtown conditions	Top closed-ended issue (79%), but one of many open-ended topics	24% of all open-ended comments, the single largest theme	Intensified / consolidated
"Local economy" as a distinct barrier	Not offered as a separate option (folded into "state economy," 58%)	New option; 54.4%, essentially tied for the #1 barrier	Newly named, high salience
Population outmigration	Not offered as an option; occasional volunteered comment	New option; 37.2%, the #5 barrier	Newly named, high salience
Taxes	Light, general mentions; only 22% called taxes a significant barrier	Detailed, specific proposals (seasonal tax, non-resident taxation, trade-offs)	More specific and solutions-oriented
Availability / cost of labor	#2 barrier (55% availability, 39% cost)	#3 barrier (51.5% availability, 29.1% cost)	Roughly stable to slightly eased
Outlook for the Anchorage economy	23% better vs. 66% worse (-43 net)	26.1% better vs. 29.0% worse (-3 net)	Sharply improved

5.5.1 Federal policy

The single most striking difference between the two surveys is how much less prominent federal policy anxiety is in the 2026 open-ended text. In 2025, federal grant reductions, tariffs, and federal staffing reductions dominated both a dedicated survey question (69%, 64%, and 63% of respondents respectively predicted these would harm their business) and the free-text "other barriers" answers, which were saturated with references to tariffs, DEI policy changes, grant freezes, hiring freezes, and general "wait and see" uncertainty about the federal government. In the 2026 open-ended barrier responses, direct references to federal policy, tariffs, or federal uncertainty appear in only about 5% of comments, a small fraction of the volume seen a year earlier.

This is worth analyzing because it also runs counter to Section 5.1's employment data. Federal civilian employment in Anchorage was already declining in 2025, but its year-over-year decline has since accelerated sharply, from roughly flat in early 2025 to -8.4% for the first half of 2026 and -12.9% in June 2026. In other words, the actual employment reductions from federal downsizing has gotten measurably worse over the same period that businesses stopped mentioning it as often. The most plausible explanation is the normalization effect. Federal policy uncertainty was a fresh, acute shock in spring 2025, generating a burst of anxious commentary, but though the federal cuts are still happening and still hurting the labor market by mid-2026, they have become an established condition rather than a new development. This leads top-of-mind concerns to shift toward problems that feel more locally addressable. The shift has a real strategic implication. The survey data alone would understate how much of Anchorage's current employment weakness (Section 5.1) traces back to federal policy, because the businesses experiencing that weakness are no longer naming it as the cause.

5.5.2 Homelessness and downtown conditions

Homelessness was already Anchorage's top-ranked "very important" issue in the AEDC 2025 survey's closed-ended results (79%, up from 75% in 2024), so this is not a new concern. What changed is its dominance in open-ended responses. In the 2025 open-ended answers, homelessness and related vagrancy/crime themes appeared as one recurring topic among many, mentioned explicitly around eight times in the "other important issues" responses alongside a wide spread of other topics (education, infrastructure, taxes, downtown revitalization). In the 2026 survey, homelessness alone was the first thing roughly a quarter of all 307 respondents wrote when asked for one change to make immediately, representing a far larger and more concentrated share of a comparable open-ended question. Read alongside the closed-ended data (public safety now rates as "very important" to 79.3% of 2026 respondents, the single highest-rated item in the entire survey), suggesting homelessness and downtown conditions have consolidated into the dominant issue, crowding out other topics in a way they did not a year earlier.

5.5.3 Local economy

The AEDC 2025 barriers-to-growth list included "state economy" (58%) and "national economy" (38%) as separate options, but had no distinct "local economy" category, Anchorage-specific conditions were implicitly folded into the state economy option. AEDC's 2026 survey added "Local Economy" as its own explicit choice, and it was cited by 54.4% of respondents, essentially tied with "State economy" (55.7%) for the top barrier position. That a locally focused option was added at all, immediately rivaling the state economy as a top concern once offered, suggests the business community's own understanding has caught up with what Sections 3.3 and 4.3 of this report find independently in the employment and demographic data: Anchorage's economic problems have a distinct character that businesses now have the option to name directly.

5.5.4 Taxes

The 2025 open-ended responses touched on taxes only lightly and mostly in passing (a handful of mentions of "a modest sales tax" or municipal sales tax proposals among many other topics), consistent with the AEDC survey's finding that only 22% of businesses considered taxes a significant barrier to growth at all. The 2026 open-ended tax comments are considerably more developed, with specific, repeated proposals for a seasonal tourism-season sales tax, detailed arguments about non-resident and rotational-worker taxation, and explicit conditional trade-offs (support for a sales tax contingent on property tax elimination, for example). This shift toward specificity lines up with the AEDC survey's year-over-year trends. The data shows support a dedicated municipal sales tax to fund community infrastructure rising sharply from 47% in 2024 to 60% in 2025, making the 2026 open-ended comments read like the natural next stage of that trend. The business community appears to have moved from general openness to a sales tax in principle toward debating the specific mechanics of how one should work.

5.5.5 Section Summary

Putting these shifts together tells a more specific story than "business sentiment improved". The improvement in sentiment appears to be correlated to the reduction in acute federal-policy anxiety, which was likely disproportionately responsible for 2025's unusually low reading. Underneath that improvement, however, Anchorage's homegrown structural concerns like homelessness and downtown conditions, the local economy, population outmigration, and tax policy, have all become more prominent over the same period. The federal employment shock (Section 2.2, Section 5.1) is a real and worsening problem that businesses have stopped naming as often, while the persistent structural trends this report identifies throughout Anchorage's distinct underperformance relative to the state (Section 3.3), its demographic and migration challenges (Section 4), and its elevated cost of living (Section 5.2), are increasingly the things Anchorage's own business community identifies, unprompted, as what most needs to change.

Section 6: Three-Year Outlook, 2027–2029 by Sector

Anchorage's economic outlook over the next three years remains cautiously optimistic, with growth expected to be concentrated in industries supported by major capital investments, healthcare demand, and military expansion. Logistics, construction, and healthcare are forecast to lead employment growth, driven by significant infrastructure projects at the Port of Alaska and Ted Stevens Anchorage International Airport, continued expansion of medical services driven by an aging population, and billions of dollars in new military investment associated with Joint Base Elmendorf-Richardson. While overall job growth is expected to continue, the pace will remain modest and uneven across sectors, reflecting broader demographic and economic shift in the municipality.

Several long-term structural issues continue to shape Anchorage's economic trajectory. Housing affordability and availability remain among the greatest constraints on workforce attraction and business expansion, while workforce shortages persist across multiple industries. At the same time, uncertainty surrounding Southcentral Alaska's long-term natural gas supply, rising operating costs, and the potential reductions in federal spending present meaningful risks to future growth. Despite these challenges, Anchorage is well positioned to capitalize on strategic investments in transportation infrastructure, healthcare, defense, and housing, provided the community can address its workforce and housing constraints while maintaining the quality of life needed to attract and retain residents.

Industry	'26-'27	'27-'28	'28-'29	3-Yr Total '26-'29	Avg. Annual % Chg.
Total Industries	+950	+900	+900	+2,750	+0.6%
Federal Government	0	0	0	0	0.0%
State Government	+50	+50	0	+100	+0.3%
Local Government	+50	+100	0	+150	+0.6%
Oil & Gas	0	0	0	0	0.0%
Construction	+100	+200	+200	+500	+1.9%
Manufacturing	0	0	0	0	0.0%
Wholesale Trade	0	-50	-50	-100	-0.7%
Retail Trade	-200	-150	-100	-450	-1.0%
Transportation and Warehousing	+300	+300	+400	+1,000	+2.5%
Utilities	0	0	0	0	0.0%
Information	-100	-100	-100	-300	-4.2%
Financial Activities	-50	-50	0	-100	-0.5%
Professional and Business Services	+100	+100	+50	+250	+0.5%
Education and Health Services	+700	+500	+500	+1,700	+2.0%
Leisure and Hospitality	0	+50	+50	+100	+0.2%
Other Services	0	-50	-50	-100	-0.6%

Source: Economic Development Consultants. To download raw data click --> [Three Year Forecast](#)

6.1 Housing

6.1.1 Key Highlights

Housing remains one of Anchorage's most significant long-term economic challenges and one of its greatest opportunities. While construction employment is expected to experience modest growth over the next several years, the community's ability to support future population growth, and military expansion of 2,600 to 2,800 new military personnel and families, in addition to Anchorage regular community needs, will depend on increasing the supply of housing that is both affordable and aligned with resident preferences. The constrained workforce is one of several factors affecting the ability to increase housing.

6.1.2 Current Conditions

Anchorage continues to face a constrained housing market characterized by rising home prices, limited inventory, a tight construction labor pool and a shortage of housing types most desired by residents. Although the Municipality of

Anchorage has adopted initiatives intended to increase housing production and reduce derelict properties, turning the trend around will take time.

Home prices in Anchorage have increased approximately 10% over the past three years and 42% over the past decade. During the first half of 2026, the average home price in Anchorage was \$481,400, according to the Federal Reserve Bank of St. Louis. By comparison, the neighboring Matanuska-Susitna Borough averaged approximately \$474,200 despite generally offering newer homes on larger lots, a pronounced factor in the outmigration from Anchorage to the nearby borough.

Housing shortfalls are expected to increase with upcoming expansion of military personnel at Joint Base Elmendorf-Richardson. JBER currently maintains approximately 3,626 family housing units with occupancy rates approaching 98 percent, indicating limited available housing capacity to accommodate future military population growth. The military's housing needs assessment estimates a shortage of more than 2,500 homes under current troop levels, increasing to approximately 3,500 homes by 2030 given the expected troop increases.

6.1.3 Survey Results

Housing continues to be identified as a critical economic issue by both businesses and residents. Sixty-eight percent of respondents to AEDC's 2026 Anchorage Business Survey reported that housing availability is very important to the health and growth of their business. Previous housing research has also found that neighborhood safety is a major consideration in residential location decisions, reinforcing the connection between housing, quality of life, and workforce retention.

6.1.4 Employment Trends

Residential construction employment has recovered steadily from its 2019 low of approximately 500 jobs, increasing to nearly 700 jobs in 2024 before leveling off. This recovery reflects improved construction activity despite continued challenges related to costs, labor availability, and financing.

6.1.5 Forecast

Absent significant policy changes or major reductions in construction costs, construction employment is expected to grow at a modest but steady pace over the next three years. Overall construction employment, including residential, commercial, and horizontal infrastructure projects, is projected to increase by approximately 100-200 jobs annually, representing an average annual growth rate of roughly 1.9%. This annual rate of growth would be higher, given the volume of anticipated construction needed in Anchorage, if the city had not been experiencing consistent net outmigration of the workforce.

Much of this growth is expected to be driven by proposed increases in military investments in new construction at Joint Base Elmendorf-Richardson and the arrival of an estimated 2,600 to 2,800 additional active-duty personnel and their families. Forecasts still indicate a private-sector housing shortage approaching 3,500 homes, highlighting the substantial unmet demand that will remain.

6.1.6 Opportunities

Expanding the supply of affordable and diverse housing represents one of Anchorage's greatest economic development opportunities. Increasing housing availability would improve workforce recruitment and retention, support business expansion, and enable growth across multiple sectors of the economy. Housing affordability is consistently identified by employers as one of the primary barriers to attracting workers to Anchorage.

Meeting projected military-related housing demand also represents a significant economic opportunity. Development of the additional housing required to accommodate future growth could generate nearly \$10 million in monthly rent

and mortgage payments, as well as increasing revenue from property taxes while also sustaining economic activity and long-term population growth.

6.1.7 Risks

The primary risks facing Anchorage's housing market include continued affordability challenges driven by elevated home prices, high interest rates, and construction costs relative to household incomes. Limited availability of housing types most desired by residents, including smaller single-level homes, mixed-use developments, and traditional single-family housing, may further constrain population growth.

Neighborhood quality, including public safety and well-maintained infrastructure, also remains an important factor influencing residential location decisions. Outmigration of younger households and working-age families could further reduce housing demand in some market segments while weakening the labor force needed to support future economic growth including growth in the construction industry that supports housing development.

6.2 Energy

6.2.1 Key Highlights

Anchorage's energy sector is entering a period of significant transition. The long-term challenge is securing a reliable replacement for declining Cook Inlet natural gas production at a cost that remains affordable for residents and businesses. As a result, the future competitiveness of Anchorage's economy will depend less on whether new energy supplies are developed and more on the cost of delivering those resources to consumers.

6.2.2 Current Conditions

The most significant issue facing the energy sector is the continued decline of Cook Inlet natural gas reserves, which currently provide the majority of Southcentral Alaska's energy needs. Although industry investment has increased, including the drilling of 21 development wells in 2025, existing production is not expected to fully offset declining supplies over the long term. Southcentral Alaska requires approximately 70 billion cubic feet of natural gas annually to meet current demand, making replacement supplies an increasingly urgent priority. According to the Anchorage Daily News, the Matanuska Electric Association recently announced as a worst-case scenario, rolling blackouts to their customers as soon as winter of 2026-2027.

Future supply options include additional Cook Inlet development, importing liquefied natural gas (LNG), construction of a North Slope natural gas pipeline, and continued diversification of renewable energy resources.

6.2.3 Survey Results

Reliable and affordable energy continues to rank among the most important issues affecting Anchorage businesses. More than 50% of respondents to AEDC's 2026 Anchorage Business Survey indicated that construction of a North Slope natural gas pipeline would be *very important* to the success of their business and another 68.3% indicated that affordable, reliable energy was *very important* to the success of their business. Additionally, 38% identified operating costs, including energy costs, as a significant barrier to business growth.

One respondent summarized this sentiment by describing cheap and reliable energy as the foundation for future economic growth in Anchorage.

6.2.4 Employment Trends

Employment trends differ across the energy sector. Oil, and gas employment, primarily consisting of corporate headquarters and professional services located in Anchorage, has experienced a steady long-term decline since before 2015, losing approximately 150 jobs annually as companies continue to increase productivity and operate with leaner workforces.

In contrast, utility employment, including electric power generation, natural gas distribution, water, wastewater, and related services, has remained relatively stable with modest long-term growth, adding approximately 100 jobs every three years. It is important to note that some of this growth comes from the sale of MLP to Chugach Electric. Jobs at MLP were formerly categorized as being in local government, and after the sale, those jobs transitioned to private utility employment.

6.2.5 Forecast

Employment in Anchorage's oil and gas sector is expected to hold steady through 2029. This stability in the sector is reflective of the headquarters and administrative operations potentially hitting a floor in terms of the minimum amount of support needed for field operations.

Employment within the utility sector is expected to remain generally stable, supported by steady demand for essential services, though a shrinking population base is a long-term risk to that stability (see Risks, below).

6.2.6 Opportunities

Anchorage has several opportunities to strengthen its long-term energy outlook. Increased exploration and production in Cook Inlet could help extend local natural gas supplies, while development of a North Slope natural gas pipeline would provide a long-term source of energy for Southcentral Alaska. Continued investment in renewable energy generation, energy efficiency, and grid diversification could further improve energy resilience while reducing exposure to future fuel price volatility.

Ensuring a stable and affordable energy supply will remain fundamental to attracting investment, supporting industrial activity, and maintaining Anchorage's competitive position within Alaska.

6.2.7 Risks

The greatest risk facing the sector is the uncertainty surrounding replacement of Cook Inlet natural gas supplies. While Anchorage is expected to maintain access to energy through one or more replacement strategies, the cost of those solutions will directly influence household utility bills, business operating expenses, and the region's overall cost of living.

Long-term population decline also presents a challenge by reducing overall energy demand and limiting economies of scale within the utility system. Together, these factors create uncertainty for future investment decisions and underscore the importance of developing a reliable, affordable, and diversified energy strategy for Southcentral Alaska.

6.3 Healthcare

6.3.1. Key Highlights

Healthcare is Anchorage's largest private employment sector and one of the community's strongest long-term economic drivers. As the statewide healthcare hub for Alaska, Anchorage continues to expand hospital, outpatient, and specialty care services to meet growing statewide demand. While employment is expected to continue growing steadily over the next several years, persistent workforce shortages and rising healthcare costs remain significant challenges for providers, employers, and residents alike.

6.3.2. Current Conditions

Anchorage serves as the primary center for advanced medical care in Alaska, with growth concentrated in hospitals, outpatient clinics, and specialty medical services. Much of this expansion has occurred on existing hospital campuses, supported by increasing statewide demand for specialized care.

Growth has been far more limited in nursing homes, assisted living facilities, and residential care despite Alaska's aging population. Many of these providers operate on extremely narrow financial margins because they rely heavily on Medicaid reimbursement, limiting their ability to expand capacity. In contrast, hospitals and outpatient providers benefit from more diversified revenue streams that better support investment and growth.

Behavioral health has emerged as another area of significant expansion. Between 2015 and 2024, the number of substance abuse treatment establishments in Anchorage increased by 57%, growing from 14 to 22 facilities as federal and state investments responded to the opioid epidemic and increasing behavioral health needs.

The industry's greatest challenge remains workforce availability. Healthcare providers continue to rely heavily on traveling nurses and other contract professionals to fill staffing shortages. In 2024, approximately 11.3% of Anchorage's healthcare workforce consisted of non-resident workers, who earn roughly 15% more than resident healthcare workers statewide. This need for temporary labor to fill workforce gaps contributes to the already high cost of healthcare in Alaska.

6.3.3. Survey Results

Healthcare affordability is a significant concern for Anchorage's business community. Sixty-five percent of respondents to AEDC's 2026 Anchorage Business Survey indicated that healthcare costs were *very important* to the success of their business. Additionally, 29.5% reported that their inability to provide health insurance to employees was a barrier to business growth.

Nearly 60% of respondents also identified access to quality medical care and hospitals as very important to themselves, their employees, and their businesses, highlighting healthcare's role as both an economic and quality-of-life issue.

6.3.4. Employment Trends

Healthcare remains Anchorage's largest industry by employment and has expanded in eight of the past ten years. Continued population aging, increasing demand for specialized care, and Anchorage's role as the state's regional medical center have supported steady employment growth despite persistent workforce shortages.

6.3.5. Forecast

Healthcare employment is expected to continue growing at an average annual rate of approximately 2% through 2029. Although some services like therapy, counseling, and routine consultations are increasingly delivered through telehealth platforms, the majority of healthcare employment remains tied to in-person patient care. Hospital services, surgical procedures, emergency care, diagnostics, and long-term care require a local workforce, limiting the extent to which healthcare jobs can shift outside Alaska.

Continued expansion of hospitals, outpatient clinics, and specialty medical services is expected to sustain employment growth throughout the forecast period.

6.3.6. Opportunities

Anchorage continues to strengthen its position as Alaska's healthcare hub by expanding specialty medical services that reduce the need for residents to travel Outside for treatment. Continued investment in in-state medical education and workforce training will gradually reduce dependence on premium-priced contract labor while strengthening the local workforce pipeline.

Beyond healthcare education, broader community investments in affordable housing, accessible childcare, and high-quality schools represent important economic development opportunities. These quality-of-life investments can improve recruitment and retention of healthcare professionals, increase the resident workforce, and reduce long-term labor costs for providers.

6.3.7. Risks

The sector's most significant financial risk remains Medicaid reimbursement, particularly for nursing homes, assisted living facilities, and residential care providers that depend heavily on public funding. Alaska's nursing homes operate at costs that are significantly higher than the national average, leaving many providers with narrow operating margins and limited capacity for expansion.

Persistent workforce shortages, continued reliance on non-resident labor, and rising healthcare costs also present long-term challenges. Without improvements in workforce availability and affordability, providers may struggle to meet growing demand while employers across Anchorage continue to face rising healthcare expenses that affect business competitiveness.

6.4 Government Including Tribal

6.4.1. Key Highlights

Government remains an important contributor to Anchorage's economy by providing essential public services, supporting education, and sustaining employment across federal, state, local, and tribal entities. While government employment has generally declined over the past decade, businesses continue to identify public safety, education, and reliable municipal services as critical to Anchorage's long-term economic success.

With Alaska particularly at risk of reductions to federal spending, the government sector in Anchorage requires close monitoring to accurately forecast future economic conditions.

6.4.2. Current Conditions

Government employment has declined across federal, state, and local sectors over the past decade, reflecting reduced government funding and budget constraints. Federal employment has fallen by 5% since 2015. State and municipal employment have also trended downward, with the largest losses occurring in the Anchorage School District. Despite these declines, the government continues to work to provide key services that support residents, businesses, and overall economic activity.

6.4.3. Survey Results

Businesses continue to place a high value on government services. Public safety was identified as the most important government function, with 79.3% of respondents rating it as very important to business success. Education was also viewed as a priority, with 55.8% of respondents identifying it as very important to their business, employees, and the community. Additionally, more than half of respondents also rated fire protection, street maintenance, and K-12 education as very important. Conversely, public services like public transportation and upgrades to water/wastewater utilities were not perceived as very important to business's success.

Diversification of state and local revenue sources received split preferences from the business community. While one-third of businesses preferred a sales tax, increased bed tax, or excise tax, another one-third of businesses were opposed to those options. The options to reduce state spending and the PFD received a similar split in responses. Businesses were most opposed to the concept of a complete elimination of the PFD and a statewide income tax.

Notably, political uncertainty was identified as a barrier to business growth by 35.3% of respondents. Anchorage's reliance on federal money is not changing but transitioning from civilian jobs to military jobs and spending.

6.4.4. Employment Trends

Government employment has generally declined since 2015. Federal employment experienced the largest recent reduction, including the loss of approximately 400 jobs in 2025, with municipal employment also declining by more than 1,000 jobs over the decade driven largely by reductions in the Anchorage School District. The state employment figures indicate slightly higher resiliency, partially recovering from its 2022 low but remaining below previous highs. Somewhat separate from the other areas of government, Tribal government employment has remained relatively stable during this period, though this does not include Native Corporations and Tribal Councils. Alaska's dependence on the federal government has not diminished, but changed from diverse civilian grants and employment to more heavily military related infrastructure spending and active-duty military personnel.

6.4.5. Forecast

Government employment is expected to remain relatively stable over the next three years. Federal employment is projected to remain flat despite increased military investment, while local government employment is expected to increase by 0.6% on an average annual basis. State employment is forecast to remain generally stable, with an additional 100 jobs anticipated during the forecast period.

6.4.6. Opportunities

Opportunities within the government sector center exist in maintaining essential public services while ensuring long-term fiscal sustainability. Business survey respondents are very supportive of reducing government spending to solve budget issues while simultaneously identifying the services as being very important to their business. This suggests continued investment in public safety, education, and efficient government services can improve Anchorage's business climate, while balanced approaches to revenue generation and spending may help support future economic growth. Anchorage is losing federal employees, however gaining 2,600 to 2,800 military personnel and their dependents. With a significant number of them living off-base, contributing to Anchorage's property tax base, the local government could see increased tax revenue.

6.4.7. Risks

The greatest risk facing the government sector is reduced federal funding. State and local governments rely heavily on federal grants and contracts to support public services, making Alaska particularly vulnerable to changes in federal spending. Alaska overall received nearly \$55.6 billion in direct payments, \$5.3 billion in grants, and \$2.8 billion in federal contracts in FY26. Reductions in these funding sources could affect government employment, service delivery, and broader economic activity.

6.5 Logistics

6.5.1. Key Highlights

Logistics remains one of Anchorage's fastest-growing industries and is well positioned for continued expansion. The industry is forecasted to maintain its growth trajectory, adding an additional 300-400 jobs annually, up to 1,000 by 2029. Ongoing investments at the Port of Alaska and Ted Stevens Anchorage International Airport are expected to strengthen the city's role as a global transportation hub while supporting employment growth and economic diversification.

6.5.2. Current Conditions

Anchorage's logistics sector continues to strengthen as major infrastructure investments build on its role as one of the world's premier freight hubs. Ted Stevens Anchorage International Airport remains the busiest cargo airport in the United States, 3rd busiest cargo airport in the world by landed cargo weight, serving as a critical crossroads for trans-Pacific air freight. Complementing this global role, the Port of Alaska handled approximately 5.5 million tons of freight and fuel in 2025.

Major investments at both facilities are expected to further enhance Anchorage's competitive advantage. The \$2.7 billion Don Young Port of Alaska modernization project, scheduled for completion in 2029, will improve the port's long-term resilience, efficiency, and capacity. At Ted Stevens Anchorage International Airport, FedEx is constructing a new \$42 million sorting facility, while Alaska Cargo and Cold Storage is developing a \$72 million, 700,000-square-foot cargo and cold storage complex. In addition, NorthLink Aviation's E-Commerce and Express Cargo Terminal will expand air cargo handling capacity, warehousing, and distribution capabilities. Together, these investments will improve freight movement, strengthen supply chain resilience, support Alaska's growing cargo industry, and reinforce Anchorage's position as a strategic logistics gateway connecting North America, Asia, and the Arctic.

6.5.3. Survey Results

Businesses continue to recognize the importance of transportation infrastructure to Anchorage's economy. More than half of respondents identified Port of Alaska modernization and economic diversification as very important,

while 41.4% identified airport and air cargo development as a priority. Nearly half of businesses also reported plans to grow over the next year, with many expecting to expand into new markets or increase e-commerce activity.

6.5.4. Employment Trends

Transportation and warehousing employment has grown steadily over the past decade, with the exception of temporary losses in 2020. The industry has added approximately 300 jobs annually, driven primarily by growth in air transportation, transportation support services, and warehousing.

6.5.5. Forecast

The logistics industry is expected to maintain its recent growth trajectory through 2029. Employment is forecast to increase by approximately 300 to 400 jobs annually, or 2.5% over the three-year forecast period, supported by continued infrastructure investment and growing demand for freight transportation and warehousing services.

6.5.6. Opportunities

Continued investment in the Port of Alaska and Anchorage's air cargo infrastructure presents significant opportunities for the logistics sector and the broader economy. These projects are expected to create jobs, strengthen supply chains, and support business expansion while enhancing Anchorage's position as a major transportation and distribution hub. Additional opportunity could come in the form of a governing organization forming such as a port authority with a goal of revenue and jobs maximization.

6.5.7. Risks

The logistics sector faces several long-term risks, including earthquake vulnerability, funding uncertainty for major infrastructure projects, and changing international trade conditions. Delays in port modernization or reductions in global cargo demand could limit the economic benefits of current investments and reduce future growth opportunities. Funding for the large projects, particularly the Port of Alaska that has not secured complete funding, places them in vulnerable positions for these delays.

6.6 Military

6.6.1. Key Highlights

The military remains one of Anchorage's largest economic drivers, supporting employment, infrastructure investment, and demand across multiple sectors of the local economy. Planned military expansion and approximately \$2 billion in confirmed spending are expected to generate substantial economic activity, particularly in construction, housing, and professional services.

6.6.2. Current Conditions

Joint Base Elmendorf-Richardson (JBER) continues to play a significant role in Anchorage's economy through its workforce, procurement, and ongoing capital investments. More than \$1.3 billion has been invested in Alaska's military infrastructure over the past three years, with an estimated \$8.2 billion in military construction projects planned statewide over the next five years. Planned investments at JBER include new training facilities, military housing, fuel infrastructure, and runway improvements, reinforcing Anchorage's strategic role in Arctic and Indo-Pacific defense operations.

JBER active-duty personnel and their dependents made up 13.5% of Anchorage's population in 2025.

6.6.3. Survey Results

While many businesses do not interact directly with the military, they continue to benefit from its economic impact. Nearly 17 percent of respondents indicated the military was not important to their business, while close to three quarters considered it somewhat or very important. Military spending supports the broader economy through employment, housing demand, construction activity, and local procurement.

6.6.4. Forecast

Military investment is expected to remain strong over the forecast period. Approximately \$2 billion in planned spending, continued military construction, and the anticipated arrival of additional active-duty personnel and their families are expected to support employment, increase demand for housing, and generate sustained economic activity across Anchorage.

6.6.5. Opportunities

Continued military investment presents significant opportunities for Anchorage's economy. Planned construction projects, increased housing demand, and growth in local procurement are expected to create jobs, support local businesses, and generate long-term economic activity. JBER estimates that unmet housing demand from incoming personnel could generate nearly \$10 million in monthly rent and mortgage payments, benefiting the housing market and related industries.

6.6.6. Risks

The economic benefits associated with military expansion depend on the successful completion of planned investments, housing development, and continued federal funding. Delays or reductions in these investments could lessen the anticipated economic impact on Anchorage. Reductions to Anchorage's working-aged population could hamper the ability of local contractors to fulfill the needs of the military infrastructure projects. Growing and retaining this demographic is necessary to enable Anchorage to take full advantage of the anticipated military funding.

Section 7: Workforce Pipeline: Educational Enrollment vs. Industry Demand

This three-year employment forecast depends on the availability of workers to fill projected positions. While a comprehensive analysis of all of the workforce development programs in Anchorage is outside the purview of this report, we wanted to highlight enrollment trends at the University of Alaska Anchorage, the state's largest University and workforce creator, as well as an analysis of statewide apprenticeship programs outlined in the Alaska Apprenticeship report published by Alaska Department of Labor to give a sense of the potential workforce pipeline trends in Anchorage. This section compares Fall 2026 University of Alaska Anchorage enrollment as well as apprenticeship data across five industry sectors that AEDC identified as key growth opportunities for the local economy against the employment trends and forecasts developed in sections 3 and 6 of this report. The sectors include Housing/Construction, Energy, Healthcare, Government, and Logistics/Transportation. It should be noted that the additional JBER funding that would come in FY27 would result in increased civilian military employment across all five of the sectors below as such isn't listed as a separate sector. Overall, the workforce trends are broadly consistent with this report's forecast. Health care's strong academic pipeline supports one of Anchorage's fastest-growing sectors, while rising apprenticeship participation strengthens the workforce needed to meet projected construction demand associated with JBER investments.

Several UAA programs are coded to more than one of the following five key industries, so the totals below are not mutually exclusive and should not be summed into a single "total workforce pipeline" figure. Most notably: Civil, Electrical, and Mechanical Engineering (512 students combined) are counted in both Housing/Construction and Energy. While this overlap has some double counting, it is analytically useful because it highlights academic programs that support multiple high-demand industries simultaneously. Consequently, Housing and Construction's headline enrollment is partially inflated by students who are also counted in the Energy sector.

Key industry	Fall2026 enrollment	Composition note
Healthcare	3,871	By far the largest of the five; dominated by nursing at every level, including 718 students in "BS Pre-Major Nursing" alone, a pre-program queue, not enrolled majors, which means that not all of these students will move on to nursing
Housing/Construction	730	690 (94%) is 4-year engineering and construction management degrees; only 40 students are enrolled in hands-on trade certificates (welding, millwright)
Government (incl. Tribal)	730	Concentrated in criminal justice, social work, legal studies, and political science/anthropology, oriented toward justice, social-services, and tribal-affairs careers rather than general public administration
Energy	707	Almost entirely the same Civil/Electrical/Mechanical Engineering degrees counted under Housing/Construction (512 of 707, 72%); oil-and-gas-specific programs (Process Technology, Industrial Instrumentation, Safety) total only about 172 students
Logistics/Transportation	637	Heavily aviation-focused (496 of 637, 78%, in piloting, aviation maintenance, and aviation technology), a strong match to Anchorage's air cargo and logistics hub role

7.2 Workforce Developments Trends

Logistics/Transportation is the clearest alignment in the UAA data. Section 3's ten-year sector analysis identified Trans/Warehouse/Utilities as Anchorage's single strongest and most consistent structural growth sector (+29% since

2015, +8.1% recently, and the only sector where Anchorage genuinely outperforms the state, Section 3.3.2), driven specifically by the activity at the Ted Stevens Anchorage International Airport and the Port of Alaska. UAA's Logistics/Transportation enrollment at UAA is 78% aviation-specific, pilots, aviation maintenance technicians, and aviation technology majors, which is precisely the skill set that sector's growth depends on.

Healthcare employment needs are partially in line with UAA's enrollment. It is UAA's largest single pipeline by a wide margin (3,871 students), and Health Care is one of Anchorage's two headline growth sectors (+19% over ten years, Section 3.1). But the composition of that enrollment is worth flagging: 718 students, nearly a fifth of the entire Healthcare total, are in "BS Pre-Major Nursing," meaning they have not yet been admitted to the nursing program itself. Due to limited availability in the Nursing Program and natural attrition in the pre-major program, the raw enrollment number is likely higher than the actual number of new nurses that will ultimately enter Anchorage's workforce in the next few years relative to how many students attempt to. Limited capacity in UAA's nursing program does not necessarily mean the university simply needs to hire more instructors. Instead, one of the primary constraints is the limited availability of existing clinical practitioners who can supervise students during their required practicum placements. These practitioners assume responsibility and potential liability for students' clinical work, which can reduce their willingness to take on trainees. This suggests an opportunity to increase program capacity by incentivizing more practitioners to serve as clinical preceptors. Expanding the number of available practicum placements would allow UAA to enroll more nursing students, strengthening the workforce pipeline and helping address Alaska's nursing shortage.

On the Construction side, Alaska's apprenticeship programs have shown a sustained increase in new enrollments since 2018, but the completion rate of the participants has remained around 30%. While this seems like a low success rate, apprenticeships are different from regular academic programs in that participants are in the workforce basically from day one, just on a trainee basis. Additionally, because of the increased number of participants in the program and the length of time it takes to complete an apprenticeship the overall completion rate is expected to go up over the next few years as the larger groups make their way through the programs.

Even with apprenticeship programs seeing increased enrollments and UAA providing several construction-related programs, the Construction workforce pipeline remains a concern. Infrastructure funding to JBER may cause the single largest swing to the forecast numbers in section 6.6. This construction could increase from roughly 8,700 jobs in 2026 to as much as 9,200 by 2029 if the full funding is received, an increase of over 500 jobs in three years, concentrated in a sector that had otherwise grown only modestly over the past decade and more slowly than the state as a whole (Section 3.3.3). Of UAA's 730 Housing/Construction enrollees, however, 690 (94%) are in four-year engineering and construction management degrees, which typically fill design, estimating, and project-management roles. This leaves the urgently needed skilled trades of electricians, welders, and equipment operators still lacking, which is heavily dependent on other organizations outside of the UA system, as these are specific traits that do not require a bachelor's or master's degree. This means that AVTEC, apprenticeship programs, in-migrating tradespeople, and out of state vendors will likely need to supply most of the labor for a JBER-scale construction ramp-up. Apprenticeship signups in Alaska have increased from roughly 700 in FY2018 to 1,087 in FY2025. Completions have also shown a steady increase overtime, moving from around 275 in FY2018 to 410 in FY2025. Overall, 80% of all apprenticeships are in the Anchorage and Matanuska-Susitna Valley representing 2,282 apprentices, signaling a strong pipeline opportunity.

Government (including Tribal Organizations) enrollment sits in some tension with the employment forecast. Section 5.1 and Section 6 both identify federal civilian employment as the most severely declining category in the entire report. While UAA's Government-tagged enrollment (730 students) is concentrated on criminal justice, legal studies, social work, and political science, these credentials will likely feed a mix of federal, state, local, tribal, and nonprofit social-services employment, so this is not a direct one-to-one mismatch. Still, a student pipeline this size training for public-sector-adjacent careers in the face of a steadily declining government workforce in Anchorage and the rest of the state could result in some of these students looking for employment outside the state in order to find work in their fields, adding to the population migration problems.

Energy's enrollment (707 students) appears large at first glance given Anchorage's decline in oil and gas employment, but most of this enrollment is not limited to the energy industry. Approximately 72% comes from Civil, Electrical, and Mechanical Engineering programs, which are also counted under Housing and Construction because these skills support multiple industries. The more energy-specific programs, including Process Technology, Industrial Process Instrumentation, and Occupational Safety and Health, account for approximately 172 students combined. These graduates may also potentially find oil and gas employment opportunities outside of Anchorage where exploration and development are seeing a resurgence in the rest of the state. Working in other areas of the state, however, doesn't preclude them from remaining as residents of Anchorage and travelling on site to work.

7.3 Section Summary

Taken together, UAA's enrollment mix is a reasonably good match for one of Anchorage's two genuine structural growth stories (logistics, via its aviation programs) and a partial, potentially constrained, match for the other important sector for Anchorage (health care, especially nursing). While UAA does not appear to be a major source of the skilled trade workforce needed to support the JBER-driven construction surge, its construction-related programs still provide an important pipeline for higher-skilled roles. The construction-related enrollment is concentrated primarily in engineering and management credentials, which will support the planning, design, and oversight positions created by this increase in construction activity. Apprenticeship programs in Alaska, mainly located in and around Anchorage, seem to be scaling to meet the rest of the construction employment needs over the next three years, provided enrollment trends continue to grow and completion rates improve. As enrollment numbers continue to increase, completion rates will hopefully also rise putting more general trade construction workers into the labor market at a time when new construction projects are starting to come online.

Section 8 Synthesis and Strategic Implications

Three threads run through every section of this report and are worth stating plainly, since they cut across the industry, demographic, and sentiment data alike.

1. Anchorage's central economic constraint is labor supply, not labor demand.

Unemployment has stayed low throughout the entire decade even as total employment shrank and stagnated, because the working-age population and net migration have been shrinking in parallel. Every downstream challenge in this report, the wage-tier mismatch in Section 3, the outmigration data in Section 4, and the workforce-gap findings in Section 5.3, traces back to this same root constraint.

2. Cost of living, especially housing, is both a symptom and a cause.

Anchorage's 28%-above-national cost of living, and specifically its rising housing costs, is cited directly by businesses as a reason workers won't stay or relocate here (Section 5.3), which in turn deepens the outmigration and labor-supply problem described in Section 4, a self-reinforcing loop rather than two separate issues.

3. Anchorage is underperforming the rest of Alaska on a trend that predates every major event in this report.

The municipality's declining share of statewide employment (Section 1, 3.3) is the most consistent metric in this entire analysis, interrupted only once, in the COVID year of 2020, across the oil-price recession and the post-COVID recovery alike, suggesting it reflects something structural to Anchorage specifically (cost of living, housing supply, and the composition of its post-2013 population loss) rather than anything shared with the rest of the state.

4. In transition there is opportunity

The JBER investment is a genuine, quantifiable positive catalyst, worth an estimated 5,000–7,200 additional jobs by 2029 relative to a no-investment baseline, but it is concentrated in construction and, per Anchorage's own business community, is not viewed as the top priority for the city's economic health. Housing affordability, workforce availability, and public safety rank higher in stated business priorities. The data in this report suggest that pairing near-term catalysts like JBER with sustained investment in housing supply and workforce retention is more likely to bend Anchorage's decade-long structural trends than either lever alone.

Appendix, Data Sources and Methodology Notes

- Employment data: Alaska Department of Labor and Workforce Development CES (Current Employment Statistics). Figures for 2015–2025 are official annual (12-month) averages published directly by the Alaska Department of Labor (live.laborstats.alaska.gov), for both the Municipality of Anchorage and Alaska statewide. 2026 figures use January–June averages, since a full year of 2026 data is not yet available; comparisons involving 2026 are made against the same January–June months of the prior year to keep the comparison fair. AEDC's Employment Data Comparison workbook (monthly data, January–June, 2015–2026) was the source for recent-momentum comparisons.
- Wage data: Alaska Department of Labor QCEW (Quarterly Census of Employment and Wages) and BLS Occupational Employment and Wage Statistics (OEWS), supplemented by Alaska Economic Trends magazine analysis. A complete sector-by-sector wage series matched to the 2015–2026 employment timeline was not available through public sources at the time of this analysis; wage figures cited here are drawn from the most recent published snapshots (2023 and 2025).
- Population and migration: Alaska Department of Labor migration estimates (adjusted and unadjusted) for Anchorage, from AEDC's Migration Data workbook; statewide Alaska net migration and natural increase figures from Alaska Department of Labor and Workforce Development population estimates, Alaska Population Projections 2023–2050, and Alaska Economic Trends magazine (March 2026 and April 2026 issues); and U.S. Census Bureau Population Estimates Program figures for Anchorage and Alaska statewide population.
- Cost of Living Index: Council for Community and Economic Research (C2ER) Cost of Living Index, 2026 Q1 and year-over-year comparison files.
- Consumer confidence: AEDC Anchorage Consumer Confidence Tracking survey, quarterly, 2010–2026.
- Business confidence: AEDC Research Group Annual Business Confidence Index Report, prepared for AEDC, June 2025 (172 respondents, fielded April–May 2025); AEDC 2026 Anchorage Business Survey, fielded through July 2026 (307 respondents).
- JBER investment assumptions: \$2 billion in near-term military construction investment and 2,600–2,800 additional servicemembers arriving in 2027, based on publicly reported figures associated with the JBER "Fighter Town" recapitalization program.
- Workforce pipeline: University of Alaska Anchorage AY2026 enrollment data by key industry, provided by AEDC (source table: Banner student information system, DSDMGR.DSD_STUDENT_STATISTICS). Figures are distinct student counts per program; programs coded to more than one key industry are not mutually exclusive, per the note in Section 7.1.

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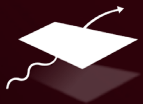
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