

AEDC EMPLOYMENT REPORT

August 2026



ANCHORAGE ECONOMIC
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Anchorage Economic Development Corporation

Anchorage Employment Report

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President & CEO's Review



August usually brings a jump in Anchorage employment, and this year was no different. Total nonfarm employment rose by 2,700 jobs from July to 155,600. Almost all of that gain came from teachers and school staff returning as the school year began. Local education alone added back 2,700 jobs, fully reversing July's seasonal drop. Outside government, private-sector employment slipped by about 200 jobs as summer hiring leveled off. That's typical for this time of year and not a cause for concern.

Unemployment fell to 3.0%, down from 3.2% in both July and August 2025. That's the lowest rate this year and the lowest since September 2022. Part of the improvement comes from a smaller labor force, which shrank by about 1,900 people from July. A low rate is usually considered good news, but having fewer people in the workforce remains an ongoing challenge for employers already struggling to hire.

Anchorage had 1,100 fewer jobs than in August 2025, a decline of 0.7%. The entire decline is in the government sector, which is down 1,200 jobs. The private sector is up about 100 jobs from a year ago.

Federal employment is the primary driver. It has held at 7,400 for three straight months, down 1,000 jobs (nearly 12%) from last August. That's the lowest August federal employment in records dating back 25 years to 2001, when it stood at 9,800. Anchorage accounts for about 1,000 of the 1,300 federal jobs Alaska lost statewide over the past year. Federal jobs are generally well-paid, stable, and provide strong benefits, so this loss affects the local economy more than the headline numbers alone suggest.

There are encouraging trends to note here as well. Total August employment is now essentially back to its 2019 pre-pandemic level (155,600 in 2026 vs. 155,700 in 2019). Private employment is about 1,200 jobs above 2019, while government is about 1,300 below it. Anchorage's private economy has fully recovered; public-sector jobs are what remains missing.

Specific industry employment trends are also worth watching in the coming year. Transportation, warehousing, and utilities reached 15,600 jobs, up 600 from last year and up roughly 3,900 (33%) since 2015. It is the highest August level on record and has grown every year since 2020. Anchorage's role as an air cargo hub remains one of the city's strongest economic assets.

Health care held at 23,100, unchanged from last year, but has added about 3,800 jobs (20%) since 2015. It remains one of Anchorage's largest employment sectors. Whether this flat year represents a temporary pause or a plateau will be important to monitor.

Food services and drinking places employed 11,500 in August, down 500 (4%) from last year and the lowest level since 2021. Hotels and lodging, by contrast, added 200 jobs. Visitors arrived, but restaurants either could not fully staff up or experienced softer local spending.

At 9,700 jobs, construction matched 2024 and 2025 and sits at its highest August level in more than a decade.

All of these factors point to a private sector trying to expand after the disruptions of COVID-19 and the preceding recession. The main limiting factors are a declining working-age population driven by outmigration and a persistent skills mismatch between available workers and open jobs.

Report Inclusion Details



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

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

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

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

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



This report is sponsored by First National Bank Alaska.

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Key Takeaways



- August job gain is almost entirely driven by school staff returning to local government payrolls.



- Private-sector employment held steady, down just 200 jobs as summer hiring leveled off.



- Federal employment held at 7,400 for a third month, down 1,000 jobs from August 2025.

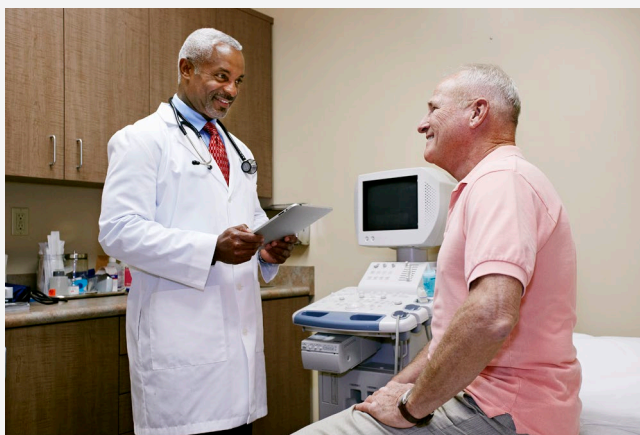


- Healthcare held steady at 23,100, unchanged from July and a year ago.

3.0%
Unemployment

2,700
Jobs Gained*

Typical
Seasonal
Employment
Trend





August Employment Trends



Sector		July 2026	August 2026	Change - / +	Change %
Total Nonfarm (Net)		152,900	155,600	+2,700	1.77%
Government (Combined)		23,700	26,600	+2,900	12.24%
Federal Government		7,400	7,400	0	0.00%
State Government		9,800	10,000	+200	2.04%
Local Government		6,500	9,200	+2,700	41.54%
Local Education		3,800	6,500	+2,700	71.05%
Construction		9,700	9,700	0	0.00%
Professional & Business Services		19,100	19,000	-100	-0.52%
Manufacturing		2,100	2,100	0	0.00%
Leisure & Hospitality		17,400	17,400	0	0.00%
Health care		23,100	23,100	0	0.00%
Trade / Transportation / Utilities		35,500	35,500	0	0.00%

The August rebound in nonfarm employment is almost entirely attributable to government employment, as local education payrolls returned to normal levels with the start of the Anchorage school year. Local education added back 2,700 jobs, fully reversing July's seasonal drop. **Excluding government, private-sector employment was essentially flat, slipping by 200 jobs as summer hiring leveled off.**

Net
Nonfarm

+2,700

Gains*



+2,900

Government
- Schools Return

Loss



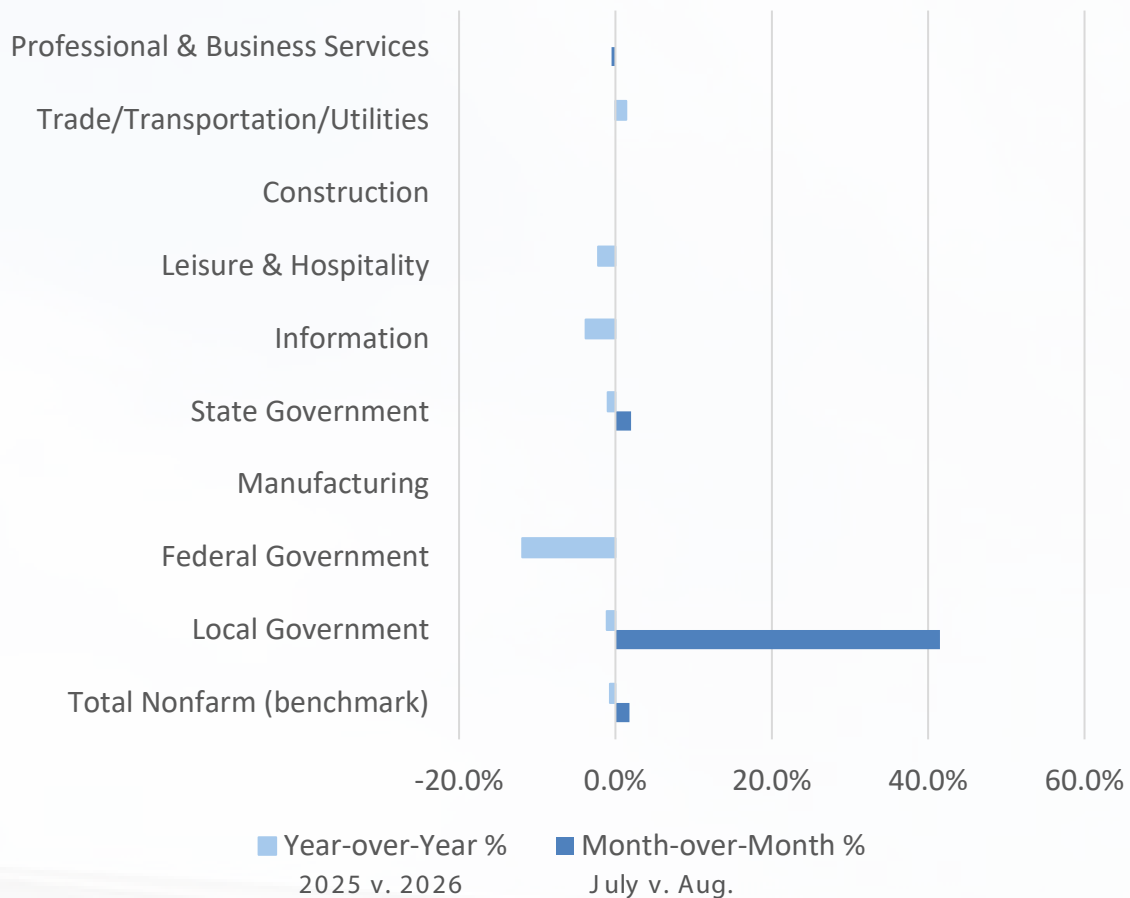
-200

Private Employment
- Professional
- Financial
- Other Services, etc.

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

August Employment Overview

Year over Year and Month over Month Changes



This chart shows year-over-year and month-over-month job changes across most major industries in Anchorage. Anchorage employment rose 1.8% from July to August, driven almost entirely by the seasonal return of local education employment. Year-over-year employment is down 0.7%, with all of the decline concentrated in government, while private-sector employment is essentially flat, construction is holding steady, and transportation continues to post year-over-year gains.



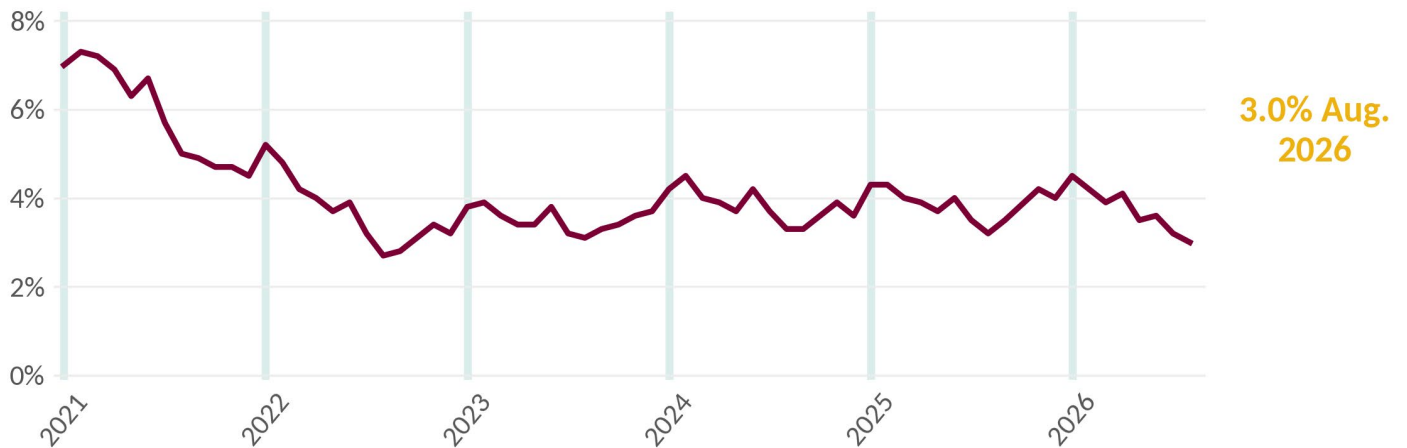
Year-over-year losses are concentrated in government.



Construction holds steady; transportation continues to post year-over-year gains.

August Employment Trends

Unemployment Rate Trend (2021 - 2026)



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

Anchorage's unemployment rate fell to **3.0% in August 2026**, down from **3.2% in July** and **3.2% in August 2025**. The 0.2 percentage-point declines, both month-over-month and year-over-year, came as the labor force shrank by about 1,900 people from July, suggesting part of the improvement reflects fewer people looking for work. Still, the August rate is the lowest recorded in 2026 and the lowest since September 2022.



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Thank you

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