

# ALASKA'S ECONOMY

## It's everyone's business.

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Dear reader,

North Slope oil production has started off slowly in 2026. Meanwhile, there has been speculation that the removal of Venezuelan President Maduro from office could lead to an increase in oil supplies, with the possibility of pushing prices down. Spot and futures markets have shown a largely muted reaction. On Jan. 9, ConocoPhillips and Hilcorp, the largest oil producers in Alaska, committed to investing in Venezuela during a meeting at the White House. But it's still unclear if these plans will affect their operations in Alaska.

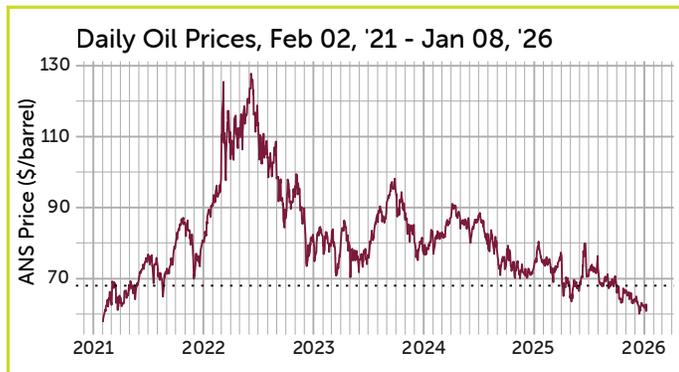
Alaska's job market is showing signs of softening, although employment overall is still growing. Health care and construction industries continue to drive job growth. In Southeast Alaska and the Interior, tourism-related jobs have seasonally decreased, and federal employment in Anchorage has also dropped. This trend differs somewhat from the national labor market, where moderate declines in manufacturing and other goods-producing industries appear to stem from tariff costs and broader economic uncertainty.



### Oil prices holding close to forecast despite U.S. moves in Venezuela

The horizontal dotted line at \$68 per barrel represents the spring price forecast for Alaska's fiscal year 2026 budget. Alaska's benchmark oil price, ANS West Coast, was \$62.87 per barrel on Jan. 8. In December 2025, daily prices averaged \$62.71 per barrel, compared to \$71.66 in December 2024 and \$78.55 in December 2023.

Since the beginning of Alaska's fiscal year, oil prices have averaged \$67.22 per barrel. Recently, these prices have dropped due to a weaker demand outlook and ongoing high production levels from the Organization of the Petroleum Exporting Countries. ▼

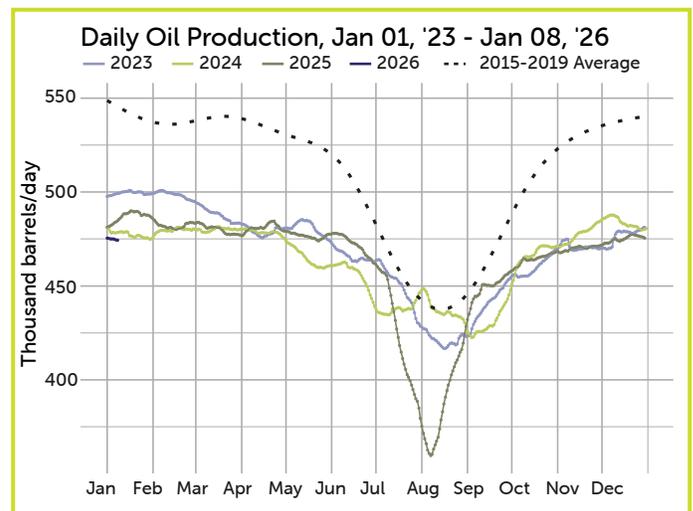


Data from the Alaska Department of Revenue



### Alaska oil production down slightly from 2025

Daily production in Alaska was 470,000 barrels on Jan. 8. In December 2025, daily production averaged 475,641 barrels, compared to 481,000 in December 2024 and 481,000 in December 2023. Year-to-date, Alaska oil production has totaled 3.33 million barrels, which is 0.16 million fewer than at this time in 2025. ▼



Data from the Alaska Department of Revenue

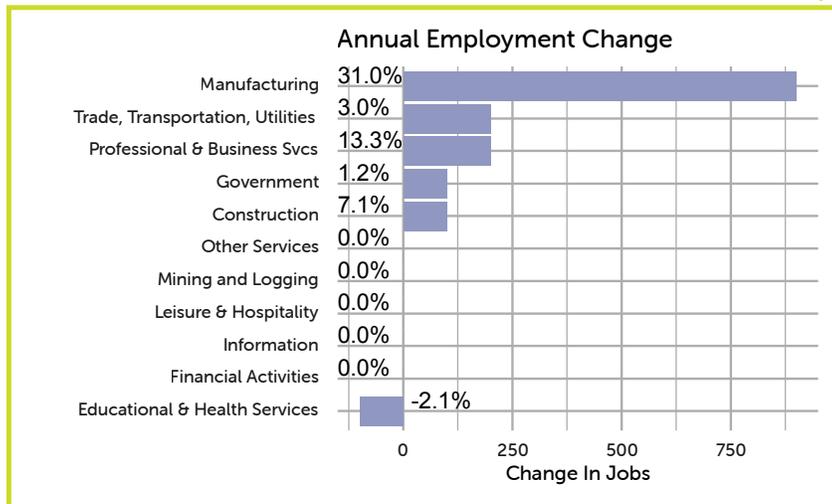
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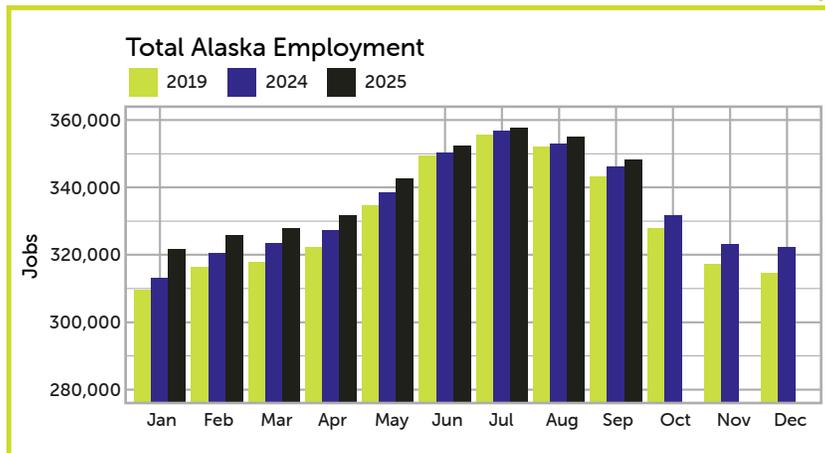
## Gulf Coast economy boosted by construction and manufacturing

The Gulf Coast region saw modest job growth, with gains across several industries. Manufacturing led the way, adding 900 jobs, making it the main driver of regional growth. There were also smaller positive changes in other areas: construction added 100 jobs, professional and business services grew by 200 jobs, and trade, transportation, and utilities also increased by 200 jobs. Government rose by 100 jobs.

Most other industries, such as mining and logging, information, financial activities, leisure and hospitality, and other services, remained steady. Educational and health services experienced a slight decline with a loss of 100 jobs. Overall, the region showed moderate growth. ▼



Data from the Alaska Department of Labor and Workforce Development



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## September 2025 employment up year-over-year

According to the latest employment data, Alaska lost 7,000 jobs from August to September 2025 as the state shifted into the off-season. Despite this decline, total employment was still 2,000 jobs higher than in September 2024. The job losses were evenly divided between goods-producing and service-providing industries.

The largest decreases occurred in manufacturing, which lost 2,700 jobs, and in leisure and hospitality, which lost 3,700 jobs. Compared with 2025, leisure and hospitality employment fell by 400 jobs, while manufacturing employment remained stable.

On a positive note, the strongest year-over-year job gains were seen in construction (+600 jobs), transportation and warehousing (+700 jobs), and health care (+1,300 jobs). Government employment decreased by 800 jobs from 2024, with most of the losses stemming from federal reductions (-500 jobs).

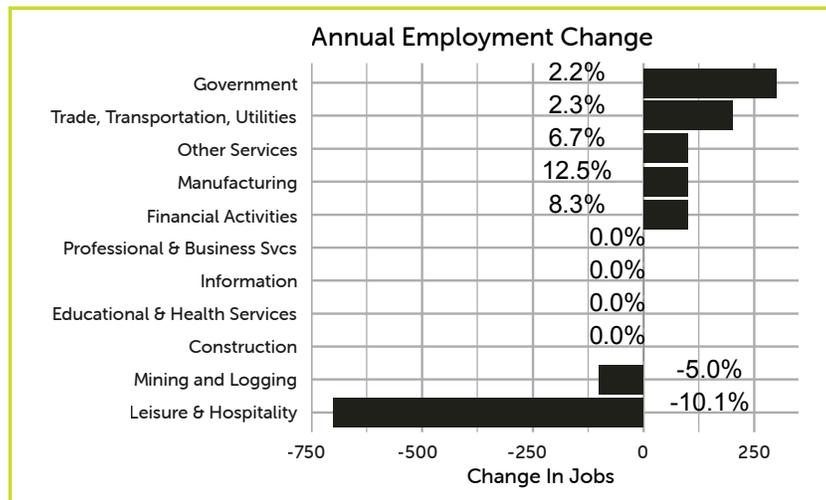
Anchorage's labor market remained steady overall, with some mixed, though relatively minor, changes across industries. Notable employment growth was seen in construction (+700 jobs); manufacturing (+100 jobs); trade, transportation, and utilities (+600 jobs); educational and health services (+100 jobs); and other services (+100 jobs).

On the flip side, there were declines in professional and business services (-500 jobs), information (-200 jobs), mining and logging (-100 jobs), and government (-200 jobs). The Anchorage labor market reflects a shift away from service-oriented industries, particularly toward goods-producing jobs. ◀

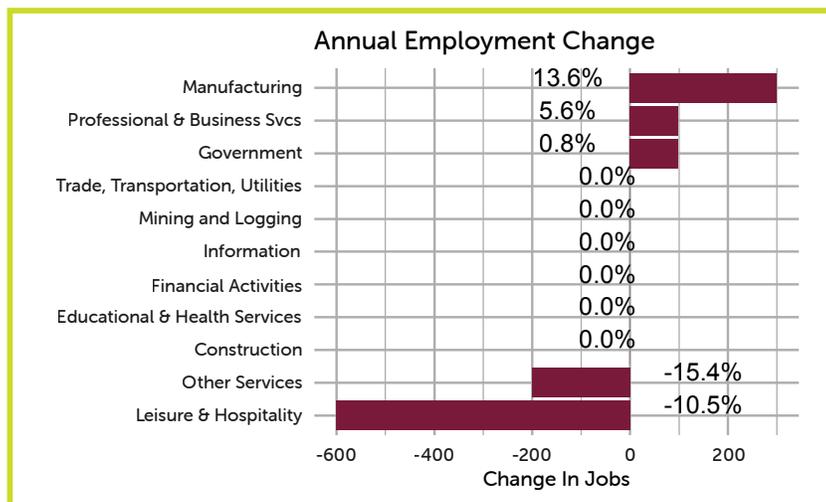


### Interior region sees tourism-job declines

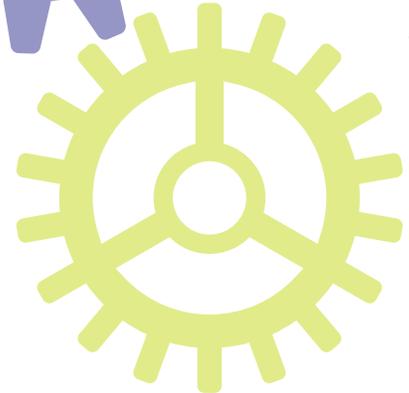
Employment in the Interior region was stable from September 2024 to September 2025, with little change across different industries during this period. There were some gains, including new jobs in manufacturing (+100), financial activities (+100), and in trade, transportation, and utilities (+200). Other services added 100 jobs, and the government industry gained 300 jobs. These moderate increases in both private and public employment were completely offset by losses in leisure and hospitality (-700 jobs), and mining and logging (-100 jobs). The construction, professional and business services, educational and health services, and information industries all remained unchanged. ▼



Data from the Alaska Department of Labor and Workforce Development



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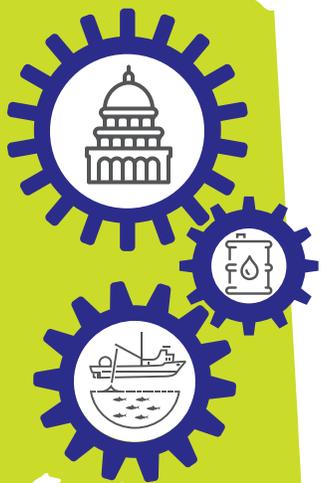
### Southeast manufacturing gains only partly offset tourism-job declines

Employment in Southeast Alaska saw a slight decline during 2025, with only a few industries showing significant changes. Most industries that produce goods and provide services — like mining, logging, construction, trade, transportation, utilities, information, financial services, and education and health services — remained stable during this time.

There were moderate job gains in manufacturing (+300 jobs) and in professional and business services (+100 jobs). This suggests some growth in value-added and professional industries. These gains were offset by job losses in leisure and hospitality (-600 jobs) and other services (-200 jobs). This points to a downturn in tourism and personal service jobs. Government employment saw a slight increase of 100 jobs, which contributed to overall stability but not significant growth. ◀

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**Did you know...**  
the construction,  
transportation, warehousing,  
and health care industries  
in Alaska added  
2,600 jobs compared to  
January 2025?



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