



January 2026

# The Economic Benefits of Alaska's Construction Industry

## CONSTRUCTION INDUSTRY BY THE NUMBERS

The construction industry is a critical component of Alaska's economy. It is integral to all industrial, commercial, residential, and infrastructure development in Alaska. Its economic reach spans the entire state, from the smallest village to the largest city.

## Employment and Wages



**26,700**  
CONSTRUCTION WORKERS  
INCLUDING WAGE AND SALARY AND  
SELF-EMPLOYED WORKERS

**\$2.9 B**  
TOTAL LABOR INCOME OF  
CONSTRUCTION WORKERS

**\$101,700**  
AVERAGE ANNUAL CONSTRUCTION WORKER WAGE

**+30%**  
ABOVE AVERAGE WAGE FOR ALL ALASKA WORKERS

## Total Impacts

**44,400**  
TOTAL STATEWIDE CONSTRUCTION-  
RELATED JOBS (INCLUDING MULTIPLIER EFFECTS)

**9%**  
OF ALL ALASKA JOBS

**\$4.2 BILLION**  
TOTAL STATEWIDE LABOR INCOME IMPACT  
(INCLUDING MULTIPLIER EFFECTS)

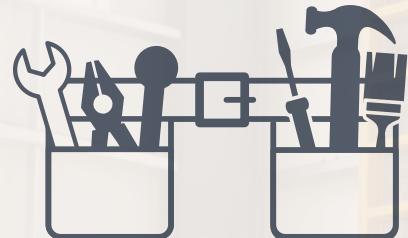
**10%**  
OF ALL ALASKA INCOME

## Construction Activity



**\$6 BILLION+**

OVER \$6 BILLION IN ANNUAL  
CONSTRUCTION SPENDING

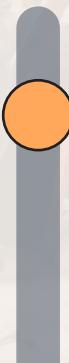


**2,634**

CONSTRUCTION COMPANIES IN ALASKA



**79%**  
ALASKA RESIDENT HIRE



**85%**  
OF CONSTRUCTION WAGES  
PAID TO ALASKA RESIDENTS



## Alaska's Construction Industry Jobs

Alaska's construction industry is an important source of jobs and wages. The industry employed 26,700 workers, including 18,531 wage and salary employees.

## Jobs Throughout Alaska

Every census area and borough in Alaska has construction industry employers. Over half of Alaska's construction companies and nearly two-thirds of construction jobs are based in Anchorage and the Mat-Su; however, these southcentral-based workers often provide construction services throughout the state.

Of the **\$1.9 billion in wages paid** by Alaska's 2,634 construction industry employers, almost half are paid in Anchorage (\$873 million). Matanuska-Susitna Borough was second (\$339 million), followed by the Fairbanks North Star Borough (\$324 million). These wages do not include self-employment income.

### Alaska Construction Industry Employers, Jobs, and Wages (By Top 10 Boroughs)

Borough/Census Area	Total number of Employers	Total Jobs (monthly avg)	Total Wages (\$million)
Anchorage Municipality	919	8,374	\$873
Matanuska-Susitna Borough	539	3,509	\$339
Fairbanks North Star Borough	322	2,884	\$324
Kenai Peninsula Borough	281	1,017	\$69
Juneau City and Borough	138	658	\$57
North Slope Borough	22	490	\$76
Ketchikan Gateway Borough	67	291	\$25
Sitka City and Borough	40	194	\$20
Kodiak Island Borough	44	185	\$16
Haines Borough	21	148	\$12
All Other Boroughs and Census Areas	241	781	\$72
<b>TOTALS</b>	<b>2,634</b>	<b>18,531</b>	<b>\$1,885</b>

Source: Alaska Department of Labor and Workforce Development.

## Above Average Wages

Only a few Alaska industry sectors have higher average annual wages than construction (e.g., oil and gas, and mining). The average wage for a construction worker was \$101,700, **30% higher** than the overall statewide average wage (\$71,200).

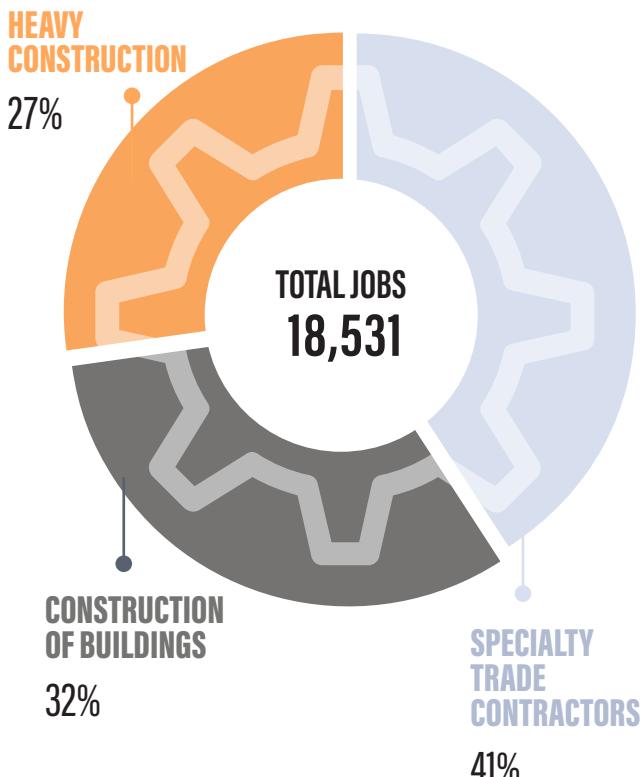
## Seasonality

Construction employment in Alaska has historically been highest in summer months. This seasonality can vary based on the mix of projects statewide. Summer months are busiest for large civil projects, while snow roads facilitate winter work on the North Slope. Average winter and summer employment have increased in the past several years, spurred by large oil projects and an influx of federal infrastructure funding. In 2024, summer employment was about 20% higher than winter employment.

## A Diverse Construction Industry

Specialty-trade contractors make up 41% of total construction jobs and 34% of total wages, followed by building construction jobs (32%) and wages (29%), and heavy construction jobs (27%) and wages (37%).

### Construction Employment in Alaska, by Major Category



Source: Alaska Department of Labor and Workforce Development.

## Economic Impact of the Construction Industry

Statewide construction industry-related jobs represent 9% of all Alaska jobs (44,400 of 474,000).

Construction industry-related activity accounted for \$4.2 billion in labor income, 10% of Alaska's total earnings from work (\$39.8 billion).

### CONSTRUCTION INDUSTRY-RELATED JOBS AND LABOR INCOME IMPACTS IN ALASKA

	Jobs	Labor Income
Direct	26,700	\$2.9 BILLION
Indirect & Induced	17,700	\$1.3 BILLION
<b>TOTAL</b>	<b>44,400</b>	<b>\$4.2 BILLION</b>

Source: Direct impacts, U.S. Bureau of Economic Analysis. Indirect and induced impacts, McKinley Research Group estimates.

### HOW CONSTRUCTION INDUSTRY MONEY FLOWS THROUGH ALASKA'S ECONOMY



#### Construction Companies

##### Direct Impacts

Construction company spending with Alaska businesses

##### Direct Impacts

Construction company wages paid to employees

##### Indirect Impacts

Vendor spending impacts on jobs and payroll

##### Induced Impacts

Employee spending impacts on jobs and payroll

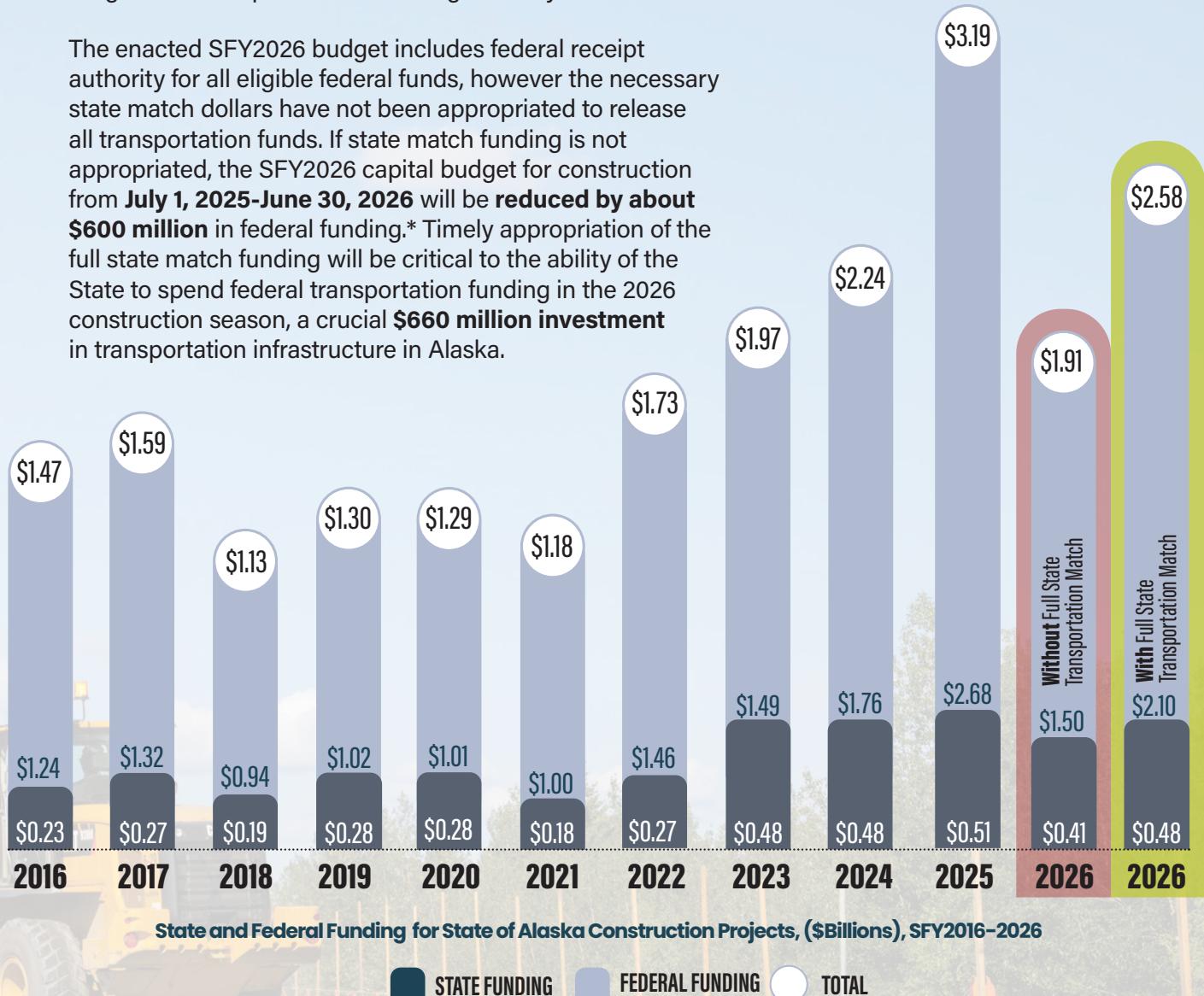


# State Government Construction Appropriations

MEET THE MATCH.  
MOVE ALASKA FORWARD.

State capital budget appropriations for construction (including federal funds) are a vital component of annual construction spending in Alaska. Federal transportation infrastructure funding, unlocked by state matching funds, are a significant component of this budget each year.

The enacted SFY2026 budget includes federal receipt authority for all eligible federal funds, however the necessary state match dollars have not been appropriated to release all transportation funds. If state match funding is not appropriated, the SFY2026 capital budget for construction from **July 1, 2025-June 30, 2026** will be **reduced by about \$600 million** in federal funding.\* Timely appropriation of the full state match funding will be critical to the ability of the State to spend federal transportation funding in the 2026 construction season, a crucial **\$660 million investment** in transportation infrastructure in Alaska.



\* Funding estimates based on best available data as of December 2025.



CONSTRUCTION INDUSTRY PROGRESS FUND  
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ASSOCIATED GENERAL CONTRACTORS OF ALASKA  
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