

The Shift to an Older Alaska

Baby boomers changed the makeup of state's population

With a median age of 33.8 years, Alaska is the third-youngest state in the nation after Utah and Texas. Alaska is young in part because it has a higher-than-average birth rate and it tends to attract young workers — but more importantly, it's home to relatively few people age 65 and older. In 2010, that age group was just 7.7 percent of Alaska's population, the smallest share of any state.

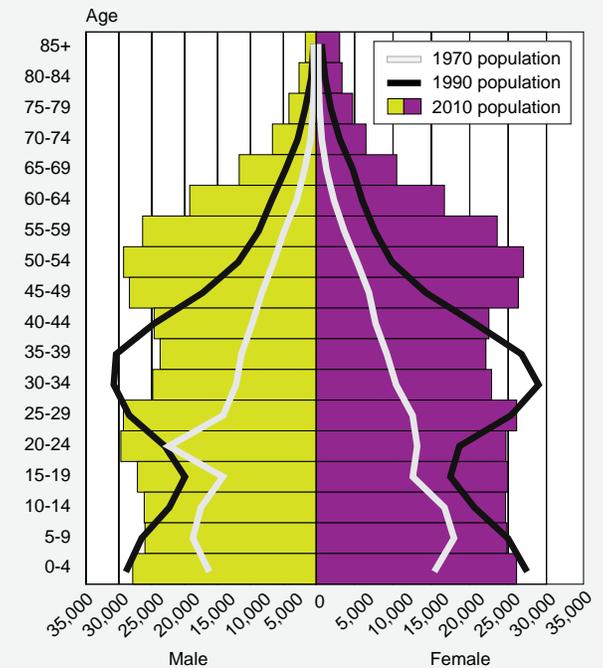
Alaska's senior population is rapidly changing though. While it's currently the smallest in the nation, Alaska's 65-plus population grew at a faster rate than that of any other state between 2000 and 2010. That rate is still on the rise, largely due to aging of the "baby boomers" born during the high birth rate years between 1946 and 1964. The first boomers turned 65 in 2011.

Seniors are not only a growing demographic in Alaska, but one that is rapidly changing. Older Alaskans as a group are becoming more urban-centered and more active in the labor market.

Large influx in the '70s and '80s

The construction of the Trans-Alaska Oil Pipeline was nearly four decades ago, but it drives

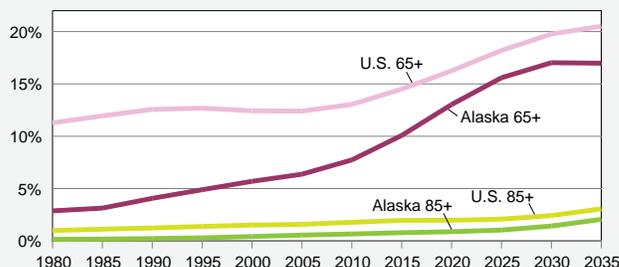
1 Population by Age and Sex Alaska, 1970, 1990, and 2010



Source: U.S. Census Bureau

much of the current population change, particularly for the older age groups.

2 Percent Over Ages 65 and 85 Alaska and U.S., 1980 to 2035



Note: Values for 2015 to 2035 are population projections.
Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

Tens of thousands of baby boomers moved to Alaska during the pipeline construction boom of the 1970s, permanently altering the state's makeup. Though a significant number left after the pipeline's completion, many also stayed, so the change in the age structure remained and was reinforced when oil revenue and the economy expanded in the 1980s.

Bigger change for Alaska

Though migration of young workers brought dramatic population shifts between 1970 and 1990, the biggest changes between 1990 and 2010 were

due to aging. Even with high rates of annual migration, the relative size of each cohort — or those born within a certain time period — has been stable since 1990, with a very small share born before 1946.

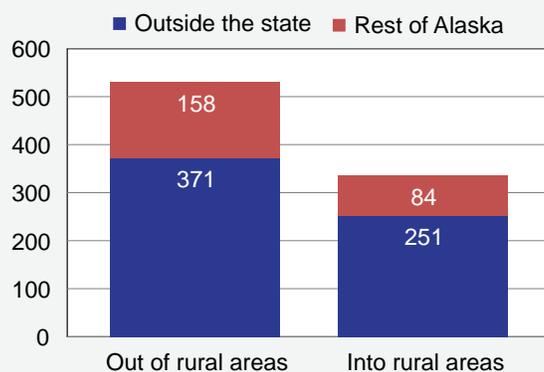
A large group of Alaskans is moving into their senior years, and this shift to an older population is expected to continue through 2030. In 1980, Alaska had just under 12,000 seniors, and by 2010 it had nearly 55,000. As boomers continue to age, Alaska is projected to have almost 150,000 senior citizens by 2030 — that’s an increase from about 3 percent of the total population in 1980 to 17 percent by 2030. (See Exhibit 2.)

This shift won’t be nearly as dramatic in the United States as a whole. Those age 65 and over were already a larger share of the U.S. population in 1980 at just over 11 percent, and they were 13 percent in 2010. By 2030, seniors are projected to be a little less than 20 percent of the nation’s population — that’s a higher projected percentage than in Alaska, but a much smaller change.

Growth for oldest Alaskans

Residents age 85 and older have historically been a small part of Alaska’s population, and in 1980, there were just 619. By 2010 that number had grown to 4,711 people, or around half a percent of the state total.

3 Yearly Migration of Seniors Rural Alaska, 2000 to 2010



Note: Based on Permanent Fund Dividend data. “Rural” in this chart includes all boroughs and census areas except Anchorage, Mat-Su, Kenai Peninsula, Fairbanks North Star, and Juneau. Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

A few facts about seniors’ households

- Over 95 percent of Alaska and U.S. seniors live in households rather than group housing. Group housing, or “group quarters,” includes nursing homes, but assisted living facilities are usually counted as households.
- Just under 90 percent of seniors living in households are either the householder or the spouse of the householder, and roughly 5 percent live with grown children.
- Just over 80 percent own their homes, and 19 percent rent.
- The average senior household size in Alaska is 1.9 people, roughly the same as among U.S. seniors. In comparison, the overall average household size in Alaska is 2.7 people.
- Nearly 8 percent of Alaska seniors live with grandchildren, in contrast to 4.8 percent for the U.S. as a whole. Approximately 3 percent are responsible for their grandchildren.

The state projects nearly 12,500 Alaska residents over age 85 in 2030 — that’s a significantly larger number, but would still be just 1.4 percent of the state’s total population.

The baby boomers will reach age 85 beginning in 2031, so larger increases for this group will likely follow through 2050.

Although Alaska’s oldest population is not very large, people over 85 have high rates of disability and need for care, so they are an important group to understand and plan for.

Fewer moves at higher ages

People tend to move less as they get older, and although a larger senior population will mean higher numbers of moves, the rate will remain much lower than among younger groups.

Permanent Fund Dividend data show overall migration rates at 7 percent into and 7 percent out of the state per year, but for those 65 and older, the rates fall to 3 percent in and 4 percent out each year.

The effect on the total population count, or “net migration,” is determined by subtracting the number who move out each year from the number who move in. For seniors, that translates into an average net loss of 471 per year from 2000 to 2010.

4 Senior Population by Alaska Area 2010 Census

Area	Total population	Age 65+	Age 85+
State of Alaska	710,231	54,938	4,711
Aleutians East Borough	3,141	155	7
Aleutians West Borough	5,561	193	5
Anchorage, Municipality	291,826	21,139	1,962
Bethel Census Area	17,013	1,041	69
Bristol Bay Borough	997	83	4
Denali Borough	1,826	137	3
Dillingham Census Area	4,847	367	28
Fairbanks North Star Borough	97,581	6,375	521
Haines Borough	2,508	345	30
Hoonah-Angoon Census Area	2,150	288	19
Juneau, City and Borough	31,275	2,635	247
Kenai Peninsula Borough	55,400	6,276	533
Ketchikan Gateway Borough	13,477	1,367	163
Kodiak Island Borough	13,592	915	72
Lake and Peninsula Borough	1,631	127	10
Matanuska-Susitna Borough	88,995	7,069	526
Nome Census Area	9,492	603	36
North Slope Borough	9,430	402	21
Northwest Arctic Borough	7,523	455	36
Petersburg Census Area	3,815	438	39
Prince of Wales-Hyder Census Area	5,559	559	25
Sitka, City and Borough	8,881	1,008	137
Skagway, Municipality	968	88	6
Southeast Fairbanks Census Area	7,029	664	38
Valdez-Cordova Census Area	9,636	798	61
Wade Hampton Census Area	7,459	404	41
Wrangell, City and Borough	2,369	374	33
Yakutat, City and Borough	662	64	5
Yukon-Koyukuk Census Area	5,588	569	34

Source: U.S. Census Bureau

Perhaps just as important for determining the size of the 65-plus population is Alaska's fairly large annual net migration loss of people aged 40 to 70, which decreases the future size of the state's senior population. Based on PFD data for 2000 and 2010, the annual net loss of 40-to-70-year-olds was just over 2,000 people per year. Still, aging of the population is by far the largest factor in determining the size of Alaska's senior population through 2030.

More seniors move to cities

Slightly more seniors move from rural to urban Alaska each year than those who move from urban to more rural areas. Anchorage/Mat-Su, Fairbanks North Star Borough, Juneau, and the Kenai Peninsula Borough gained an average of 158 seniors per year from the rest of the state from 2000 to 2010 and lost 84 per year, netting an average of 74 seniors annually from the rest of the state.

A larger portion who left Alaska's rural areas moved outside the state, and rural areas lost a net total of 120 seniors per year over the last decade. (See Exhibit 3.)

Large percentages in Southeast

In 2010, 80 percent of Alaska seniors lived in Anchorage/Mat-Su, Fairbanks North Star Borough, Juneau, or the Kenai Peninsula Borough. By 2030, that rate is projected to increase to 82 percent.

With more than 21,139 seniors in 2010, Anchorage was home to the most residents age 65 or older by far, followed by Mat-Su (7,069), Fairbanks North Star Borough (6,375), Kenai Peninsula Borough (6,276), and Juneau (2,635). Anchorage also had the most Alaskans over 85, with nearly 2,000. (See Exhibit 4.)

Southeast has had a large proportion of older residents for decades, a trend that is expected to continue. Wrangell had the highest percentage at 15.8 percent, followed by Haines (13.8 percent) and Hoonah-Angoon (13.4 percent).

Those with the highest percentage of residents age 85 or older were Sitka (1.5 percent), Wrangell (1.4 percent), and Ketchikan and Haines, both at 1.2 percent. (See Exhibit 5.)

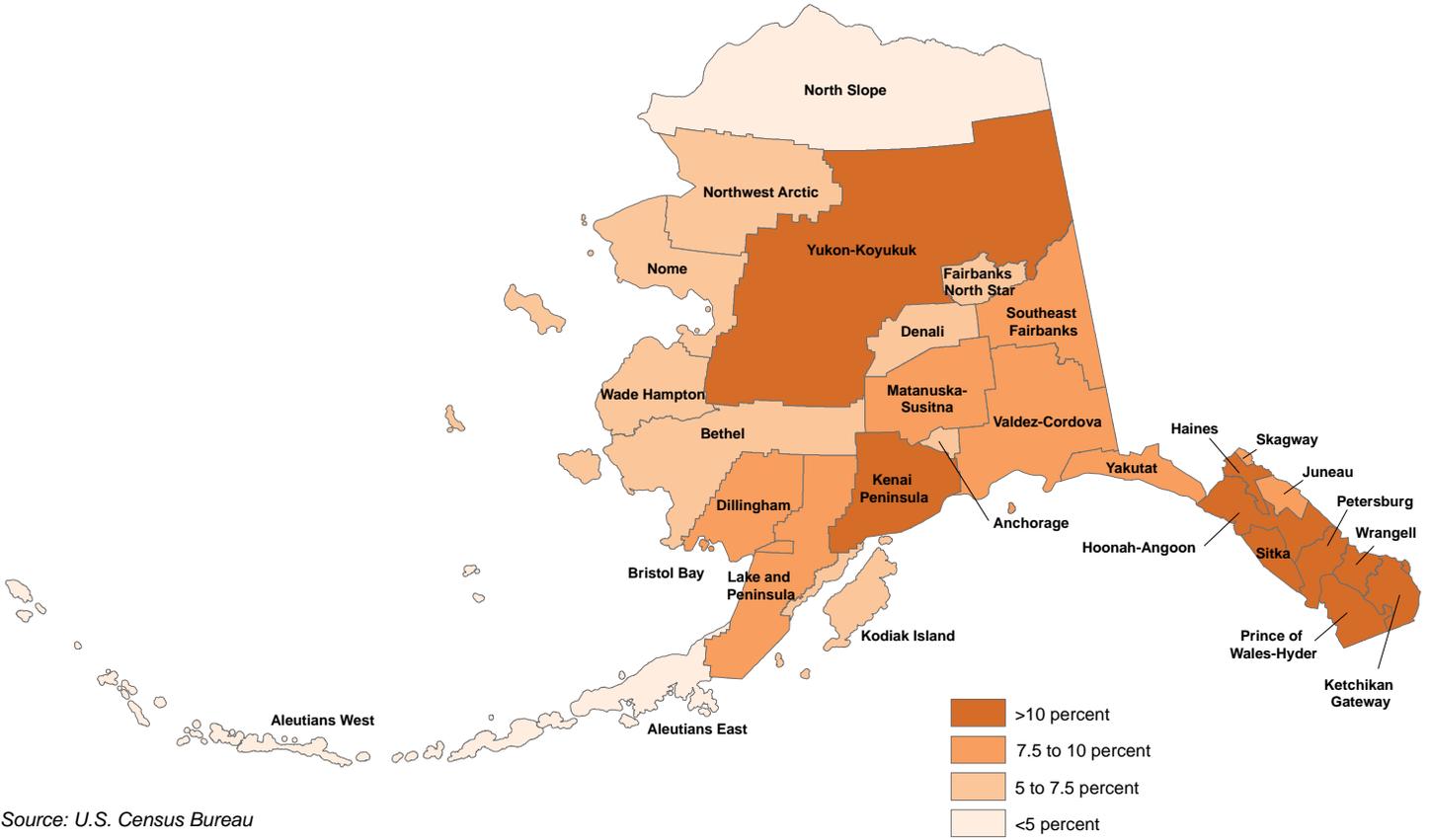
The Alaska Department of Labor projects that due to population aging, the senior share of population will continue to grow in each region through 2030.

The regions projected to gain the highest numbers of seniors between 2010 and 2030 are Anchorage/Mat-Su (+53,354), Interior (+13,960), Gulf Coast (+12,922), and Southeast (+9,848). The Southwest (+2,954) and Northern (+1,832) regions, with relatively smaller baby boomer populations, are also expected to gain a significant number over 65, but will likely be less than in Southeast and along the Railbelt.

Fewer men in higher age groups

Women generally have a longer life expectancy, so there are more women than men in the oldest age groups. As of 2010, Alaska had 1.05 women for every man over 65 — a ratio that is consid-

5 Population Ages 65 and Over by Borough and Census Area Alaska, 2010 Census



Source: U.S. Census Bureau

ered low. Among all U.S. seniors, there were more than 1.3 women to every man.

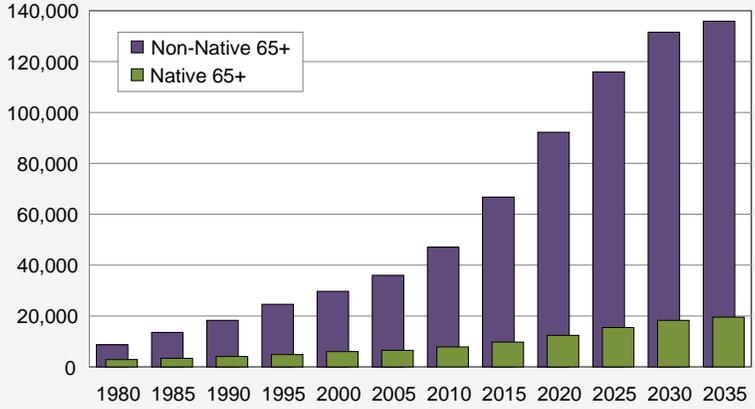
The relative parity in Alaska is because the state has gained a larger number of men through migration, particularly in the past — but by age 85, male mortality rates increase the ratio of women to men substantially: 1.84 women to every man. For U.S. seniors over 85, it’s 2.07 women to each man.

Decreasing Alaska Native share

The population of Alaska Native elders is growing, but not as fast as the non-Native population. (See Exhibit 6.) The department projects that the Alaska Native senior population will more than double between 2010 and 2030 — from 7,870 to 18,293 people — but the Alaska Native share of the total will be less, as the massive influx of people during the ‘70s and ‘80s was largely non-Native.

The proportion of seniors who are Alaska Na-

6 Native and Non-Native Seniors Alaska, 1980 to 2035



Note: Values for 2015 to 2035 are population projections.
Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Census Bureau

Where to find data on Alaska seniors

For annual estimates of the senior population, go to labor.alaska.gov/research. Click on “Population and Census,” then select “Population Estimates.” For projections of Alaska’s future senior population, select “Population Projections,” and for income and other characteristics from the U.S. Census Bureau’s American Community Survey, select “American Community Survey (ACS).”

tive has decreased steadily for decades. In 1980, about 25 percent of Alaska’s seniors were Native, which fell to 16.9 percent in 2000 and to 14.3 percent by 2010. The department projects that by 2030, Alaska Natives will be just 12.2 percent of the state’s senior population.

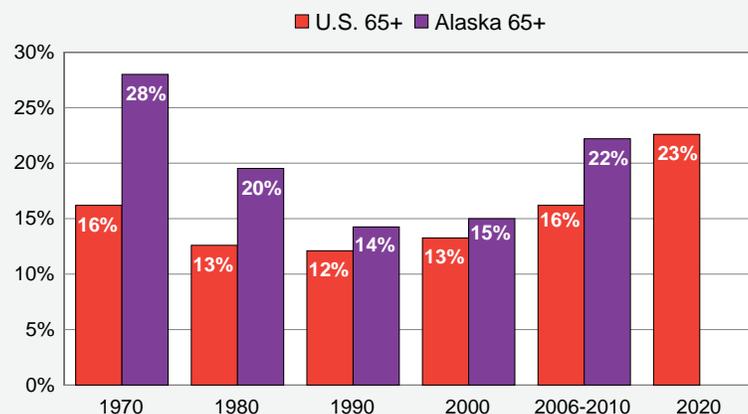
More seniors in the workforce

Labor force participation — those working or available to work — traditionally drops between ages 55 and 64 as people retire. (See Exhibit 7.) However, seniors are more likely to remain in the workforce in Alaska than in the nation as a whole, and the rate of seniors in the workforce is on the rise.

In 1970, a high percentage of Alaska seniors were part of the workforce — 28 percent — but the rate dropped significantly through 1990. (See Exhibit 8.) The major causes may have been a large cohort of baby boomers competing for jobs, or that financially it was a good time to retire. The trend has shifted since then, though, and the

8 Percent of Seniors in the Workforce

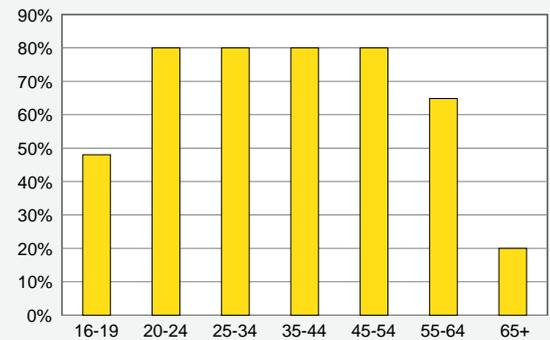
Alaska and U.S., 1970 to 2010



Sources: U.S. Census Bureau; and Bureau of Labor Statistics projection for 2020

7 Labor Force Participation

By age, Alaska, 2006 to 2010



Source: U.S. Census Bureau, American Community Survey

senior labor force participation rate grew to 22 percent in Alaska between 2006 and 2010.

The Bureau of Labor Statistics projects that senior participation in the national workforce will be markedly higher in 2020, and if that trend holds for Alaska as well, the state would be at or above its 1970 levels.

It’s important to note that labor force participation doesn’t cover all of the work seniors do. Many older Alaskans are involved in volunteer work, subsistence, and the care of family members.

Poverty rates decrease

Though seniors work less, their incomes are an important part of the economy. The median income of Alaska households headed by people age 65 or older was \$45,414 during the period from 2006 to 2010 — much lower than the \$66,521 earned by the average Alaska household but considerably more than the average senior-headed household in the U.S. (\$33,906). This doesn’t mean seniors are living on less money, though, because these figures don’t include their retirement savings.

Over 90 percent of Alaska senior households received income from Social Security during that period, and it was about the same nationwide. (See Exhibit 9.) Social Security income averaged nearly \$16,000 per year in Alaska, and the 55 percent who received retirement income averaged about \$28,000.

The poverty rate has steadily decreased among

9 Senior Households and Income

Alaska and the U.S., 2006 to 2010

	United States				Alaska			
	Total		Householders age 65+		Total		Householders age 65+	
	Estimate	Margin of error	Estimate	Margin of error	Estimate	Margin of error	Estimate	Margin of error
Income in the past 12 months								
Households	114,235,996	+/-248,114	24,039,344	+/-107,132	248,248	+/-1,590	30,768	+/-526
Households with earnings	79.7%	+/-0.1%	34.0%	+/-0.1%	88.4%	+/-0.3%	47.5%	+/-1.8%
Mean earnings	\$71,902	+/- \$139	\$44,228	+/- \$150	\$76,891	+/- \$956	\$48,034	+/- \$4,934
Households with Social Security income	27.5%	+/-0.1%	92.2%	+/-0.1%	17.7%	+/-0.3%	90.6%	+/-0.9%
Mean Social Security income	\$15,495	+/- \$18	\$16,736	+/- \$28	\$14,409	+/- \$257	\$15,896	+/- \$358
Households w/ supplemental security Income	4.0%	+/-0.1%	5.6%	+/-0.1%	3.2%	+/-0.2%	6.7%	+/-0.9%
Mean supplemental security Income	\$8,221	+/- \$17	\$7,769	+/- \$27	\$7,740	+/- \$328	\$6,176	+/- \$569
Households w/ cash public assistance income	2.5%	+/-0.1%	1.6%	+/-0.1%	6.4%	+/-0.3%	11.8%	+/-1.0%
Mean cash public assistance income	\$3,553	+/- \$19	\$3,558	+/- \$41	\$4,041	+/- \$193	\$3,670	+/- \$320
Households with retirement income	17.5%	+/-0.1%	49.2%	+/-0.1%	17.1%	+/-0.4%	54.2%	+/-1.6%
Mean retirement income	\$21,489	+/- \$39	\$21,016	+/- \$51	\$27,187	+/- \$951	\$27,511	+/- \$1,074
Households w/ food stamp/SNAP* benefits	9.3%	+/-0.1%	6.3%	+/-0.1%	8.8%	+/-0.3%	6.3%	+/-0.8%
Median household income	\$51,914	+/- \$89	\$33,906	+/- \$80	\$66,521	+/- \$642	\$45,414	+/- \$1,589

*SNAP stands for Supplemental Nutrition Assistance Program.
 Note: All earnings and income are in 2010 inflation-adjusted dollars.
 Source: U.S. Census Bureau

Alaska seniors over the decades. In 1980, 14 percent were below the poverty line, which fell to 7.6 percent by 1990 and 6.8 percent by 2000. Between 2006 and 2010 the rate fell further, to 4.5 percent.

Anticipating the changes

Alaska is always changing — it has been a different place in at least some ways for every generation since statehood — and usually the changes aren't predictable. However, because population typically evolves so gradually for older age groups, it lends some certainty to the future increase of Alaska's senior population, which will have important effects on cities, remote communities, the workforce, and Alaska households.

David Howell, a demographer with the Alaska Department of Labor and Workforce Development, contributed to this article.