

A \$15 Minimum Wage in Alaska Would Lift the Wages of Nearly 31,000 Workers

This November, voters in Alaska will have a chance to approve a ballot initiative that would gradually increase the state's minimum wage from \$11.73 today to \$15 in July 2027. Thereafter, the minimum wage would be adjusted to inflation each January.¹

The ballot measure would also allow workers to earn one hour of paid leave for every 30 hours worked, up to 56 hours of paid leave for employees of businesses with 15 or more staff, and up to 40 hours of paid leave for employees of smaller businesses.²

*This fact sheet summarizes the main findings of an analysis by the **Economic Policy Institute** (EPI),³ which estimates the impact of a \$15 minimum wage in Alaska. Neither this fact sheet nor the EPI report estimate the impact of the paid leave policy.*

The General Impacts of a \$15 Minimum Wage in Alaska

- EPI finds that a \$15 minimum wage would raise wages for **30,800 workers** in Alaska, or nearly 10 percent of the state's wage-earning workforce.
- On average, impacted workers (working full-time year-round) would earn an additional **\$1,659** per year.
- In the aggregate, the per worker additional income would amount to more than **\$51 million**—money that would percolate throughout the state's economy.
- The overwhelming majority (78 percent) of impacted workers are **adults** 20 years or older.
- A significant share (19 percent) are **parents** to dependent children.
- A \$15 minimum wage would impact 23,600 **children** (13 percent of the state's children) whose parents' wages would be boosted.
- The top three most affected **industries** are: restaurants (36 percent); retail (23 percent); and healthcare and social assistance (10 percent).

The Equity Impacts of a Higher Minimum Wage

- EPI finds that a majority (55 percent) of workers impacted by a \$15 minimum wage are **women**.
- **Workers of color** are overrepresented in the underpaid workforce in Alaska. Workers of color comprise just 37 percent of the state's workforce, yet they make up the majority (54 percent) of affected workers.

Table 1. Workers Impact of a \$15 Minimum Wage in Alaska (Selected)				
	Workforce (Count)	Workforce (Share)	Affected (Count)	Affected (Share)
All workers	319,000	100.0%	30,800	100.0%
Gender				
Men	171,700	53.8%	13,800	44.9%
Women	147,400	46.2%	17,000	55.1%
Race or Ethnicity				
White	201,300	63.1%	14,100	45.6%
Black	11,400	3.6%	1,700	5.6%
Latinx	23,800	7.4%	1,800	13.3%
AAPI	29,200	9.2%	3,900	12.8%
AIAN & multiracial	53,400	16.7%	7,000	22.7%
Source: Economic Policy Institute.				

Alaska's Current Wage Floor Is Not Enough to Make Ends Meet

- Alaska's current minimum wage of \$11.73 is not enough for even a single adult to afford rent, food, and other necessities. EPI estimates that among the states' most populous boroughs, **Anchorage** is the least expensive. Yet even here, single adults need at least \$18.58 to make ends meet.
- Much higher living wages are needed for workers raising children.

Endnotes

1. "Alaska Minimum Wage Increase and Paid Sick Leave Initiative (2024)," Ballotpedia, accessed May 17, 2024, [https://ballotpedia.org/Alaska_Minimum_Wage_Increase_and_Paid_Sick_Leave_Initiative_\(2024\)](https://ballotpedia.org/Alaska_Minimum_Wage_Increase_and_Paid_Sick_Leave_Initiative_(2024))
2. Ibid.
3. Sebastian Martinez Hickey, "Understanding the Impact of Alaska's Proposed \$15 Minimum Wage," Economic Policy Institute, May 14, 2024, <https://www.epi.org/publication/alaskas-minimum-wage/>.

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