



ISER RESEARCH SUMMARY

Institute of Social and Economic Research, University of Alaska, Anchorage

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Poverty Among Alaska Natives

Poverty among Alaska Natives is still widespread in 1986, as indicated by their reliance on public assistance programs: Alaska Natives make up about 40 percent of the enrollment in the state's core public assistance programs, although they represent only about 14 percent of the total state population.

These are among the findings of a report the Institute of Social and Economic Research recently prepared for the Alaska Federation of Natives. That report examines currently available information on the size and distribution of benefits under various public assistance programs in Alaska, which is just one measure of poverty. Public assistance enrollments understate the incidence of poverty since many poor people cannot meet nonfinancial eligibility criteria, and others are eligible but do not apply for benefits.

Types of Programs

The report defines public assistance programs as those that: (1) make cash payments or provide important non-cash benefits directly to individuals, households, or families; and (2) have explicit income limits that identify them as being just for low-income Alaskans.

About twenty programs in Alaska fit those criteria. Of these, seven core programs are intended only for the neediest Alaskans and have strict income and asset limits. The limits vary among programs, but broadly speaking, Alaskans who qualify cannot have assets worth more than \$2,500 and in some cases are limited to assets of less than \$500. Table 1 shows enrollments in and funding for Alaska's seven core public assistance programs in fiscal 1985.

Native and Non-Native Recipients

Rural areas of Alaska—where only a small share of the total state population lives—have a disproportionately large share of public assistance recipients. Since most rural residents are Natives, heavy rural reliance on public assistance is a sign of heavy Native reliance on public assistance. And even in the largest urban areas of the state, where Alaska Natives make

Table 1

Alaska Enrollments and Funds Disbursed in Selected Public Assistance Programs, Fiscal Year 1985

Program	Case Units	Average Monthly Enroll.	Total Funds (\$ thousands)	Average Annual Benefits per Case (\$)
Aid to Families w/ Dependent Children	Families	5,888	44,348	7,532
Medicaid	Individuals	25,000 ^a	61,540 ^c	2,462
Adult Public Assistance ^b	Individuals	5,446	13,308 ^c	1,578
Supplemental Security Income ^d	Individuals	2,652	546	206
Food Stamps	Households	8,353	22,042	2,639
General Relief	Households	610 ^a	537	880
General Relief-Medical	Households	3,990 ^a	10,260	2,571

^aEstimated annual enrollment.
^bFigures for February 1986. Includes Old Age Assistance, Aid to the Disabled, and Aid to the Blind.
^cAppropriated funds; expenditures typically exceed appropriations.
^dData for just December 1982, the most recent available figures.

Sources: State of Alaska, Division of Public Assistance, U.S. Social Security Administration.

up only about 5 percent of the total population in the 1980s, they account for between 20 and 30 percent of enrollment in the core public assistance programs.

Table 2 shows recent Native and non-Native enrollment in the Aid to Families with Dependent Children (AFDC), Medicaid, Adult Public Assistance, and Food Stamp programs in Alaska. Native families and individuals account for 40 percent of AFDC recipients, 41 percent of Medicaid beneficiaries, 55 percent of Adult Public Assistance recipients, and 36

Table 2

Native and Non-Native Enrollments in Selected Alaska Public Assistance Programs, 1985-1986
(in Percentages)

Program	Native Enrollment	Non-Native Enrollment
Aid to Families With Dependent Children	40%	60%
Medicaid	41%	59%
Adult Public Assistance*	55%	45%
Food Stamps	36%	64%

*See note b, Table 1.

Source: State of Alaska, Division of Public Assistance.

percent of food stamp users.

Comparing those recent enrollments in certain programs with 1980 census figures on families and individuals receiving public assistance provides a very rough measure of trends in public assistance enrollments. In 1980, Native families represented 46 percent of all Alaska families receiving public assistance, and individual Natives made up 38 percent of all individuals not living in families and receiving public assistance.

So the proportion of Native beneficiaries among all beneficiaries seems as great or greater in 1986 than it was in 1980. This large Native share of public assistance enrollments has persisted, even though the overall number of Alaska households receiving public assistance appears to have increased substantially in the 1980s and despite Natives making up a smaller share of the total state population in 1986 than they did in 1980.

Implications of Public Assistance Levels

Enrollments in public assistance programs are just one measure of poverty among Alaskans. Evidence indicates that a substantial share of those who could qualify for public assistance do not in fact apply. Alaska's economy has completed its latest surge of growth, and state government spending throughout Alaska is expected to drop off sharply. That projected decline in public spending is certain to mean fewer jobs and other income-earning opportunities for rural Alaskans in particular—which in turn will increase poverty and increase the need for public assistance.

Poverty among Native Alaskans remains widespread despite the fact that Alaska Natives since 1971 have received nearly \$1 billion and 44 million acres in settlement of their aboriginal land claims. Those lands, which are managed by Native corporations, are the main lasting benefit of the act for all Alaska Natives, including those who are poor and dependent on public assistance for their basic needs. Natives share in land ownership through ownership of corporation stock.

It is possible that many low-income Natives may be forced to sell their corporation stock or lose their public assistance benefits after 1991, when the stock becomes transferable and gains market value. Holding valuable stock could make low-income Natives ineligible for core public assistance programs, which set strict limits on the value of assets recipients can hold. These distress sales of stock could dissipate the value of the settlement not only for low-income Natives but for all Natives.

This Research Summary is based on Poverty and Public Assistance Among Alaska Natives by Matthew Berman and Karen Pyle Foster. Copies are available for 10 cents per page from ISEER, 707 A Street, Suite 206, Anchorage, Alaska 99501, telephone (907) 278-4621.

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