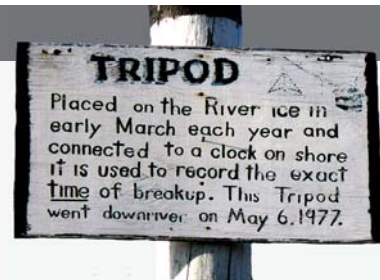


# Yukon-Koyukuk Census Area

## Communities spread far across Interior



The Yukon-Koyukuk Census Area, which stretches from just east of Alaska’s western coast to the Canadian border, is the largest and least populated of all the nation’s counties or equivalents. There are 25.7 square miles per person, and the area’s landmass is roughly the size of Germany. If the census area were a state, it would be the fourth-largest in the U.S., or about the size of Montana.

Yukon-Koyukuk’s vast and largely unpopulated land is dotted by at least 16 national parks and wildlife refuges and is home to an abundance of wild game including moose, caribou, birds, and bear. The winters along the Brooks Range in the north are some of the coldest in Alaska, with frequently sustained temperatures around -40 that sometimes fall below -60.

Unlike a borough, the census area has no unifying government. It also lacks a hub city, and with its communities spread far apart, cultures and lifestyles vary widely. Some villages began as fish camps and Catholic missions while others were settled because of trade or proximity to gold.

Despite the variation, many of the area’s characteristics make it somewhat representative of much of “village Alaska,” for which data are often sparse. For example, the area has a high cost of living — nearly 31 percent higher than Anchorage. It also is characterized by a declining population and higher-than-average unemployment due to a lack of job opportunities.

### Largest city is under 600

Yukon-Koyukuk’s current population is about 5,680, a decline of 9.7 percent over the past decade. The largest city is Fort Yukon, with a 2012 population of 586. Fort Yukon is followed by Galena at 484 residents and Nenana at 408. (See Exhibit 1.)



Above, the community of Ruby in the winter. Photo by Tony Wright

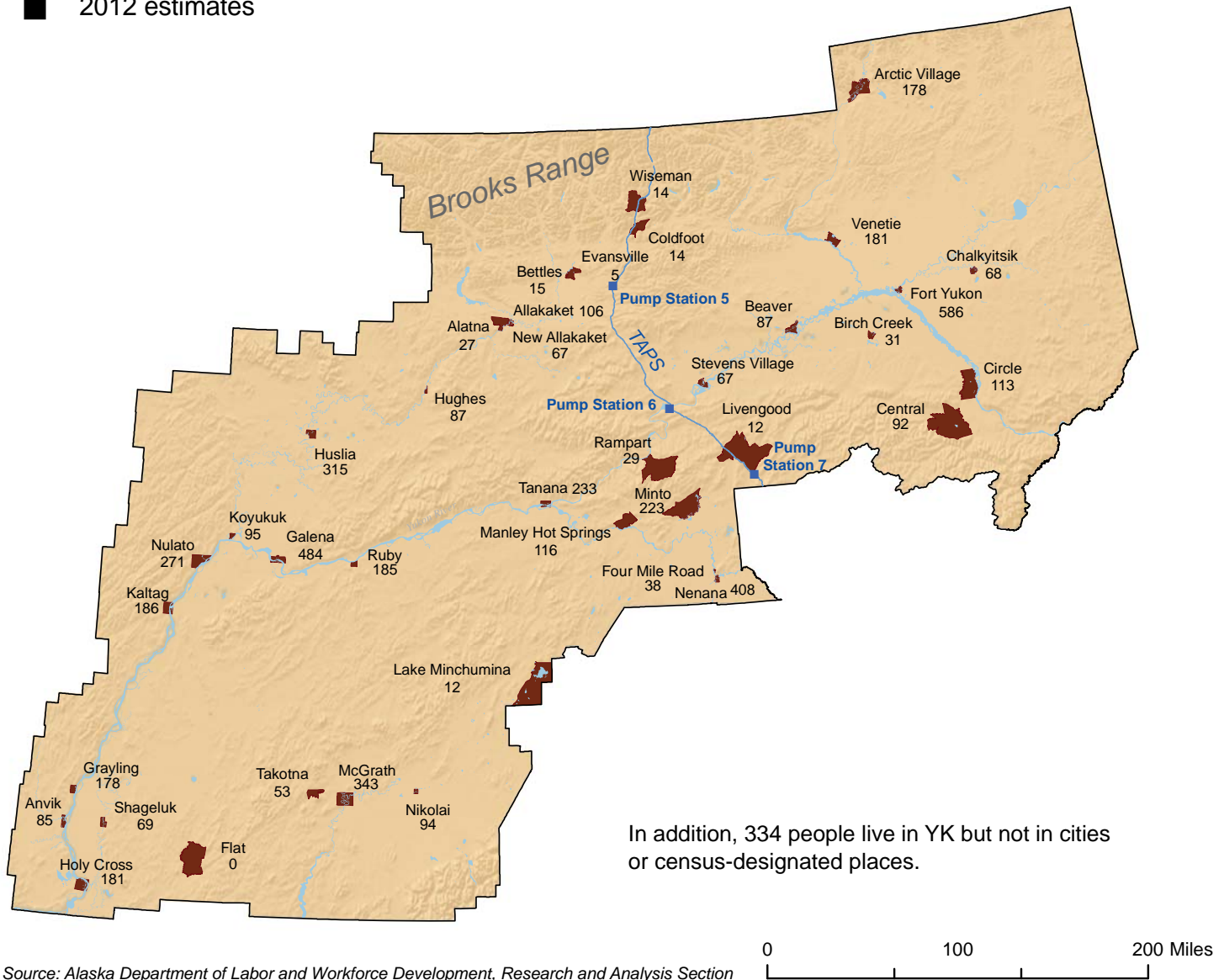
At the top of the page, this sign marks the Nenana River tripod, which is used to record the exact time of ice breakup each spring. Photo by Jimmy Emerson

Nenana is known for the Nenana Ice Classic, a yearly competition for which people across the state buy tickets to bet on the exact date and time that the frozen Nenana River will break up in the spring — a moment determined by a tripod sitting on the river ice. In 2012, the competition had a record jackpot of \$350,000.

At the southern end of the census area, a handful of villages are vantage points for the Iditarod sled dog race each year. Sled dog teams travel near Nikolai, McGrath, Takotna, Shageluk, and Grayling, and then head up the Yukon River to the village of Koyukuk before heading west.

# 1 Yukon-Koyukuk Communities and Populations

2012 estimates



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

## A mostly Native population

The vast majority of the census area's residents are Alaska Native, at 71.4 percent during the 2010 Census versus 14.8 percent statewide. Residents are mainly Athabascan, and many speak the Athabascan languages in addition to English.

The area's age structure also deviates from the state as a whole. Its residents are slightly older, with a 2012 median age of 35.7 versus 34.1 for all Alaskans.

Yukon-Koyukuk also has fewer adults between ages 20 and 49, possibly due to more people

leaving the area at those ages. Out-migration is common for the 20-to-24-year-old age group around the state as they leave to pursue educational and economic opportunities elsewhere. The young and middle-aged adults that remain have higher-than-average birth rates, which translate into a higher percentage of children. The area also has a larger proportion of older people — 11.2 percent of residents are 65 or older versus 8.7 percent statewide.

## Subsistence a big part of life

The area has a scarcity of amenities as well as job opportunities, and its high cost of living makes

shipping groceries in a major expense. Many of the locals supplement their diets through subsistence hunting, gathering, and fishing, which has been especially challenging in recent years with the closure of portions of the Yukon River to subsistence due to low numbers of king salmon. According to the Alaska Department of Fish and Game, 2012 had one of the worst salmon runs in 30 years.

## Most jobs are in government

Though the communities in the Yukon-Koyukuk Census Area differ in history and terrain, their persistently high unemployment rates are a key similarity. Unemployment has been in the double digits for more than two decades. Of the available jobs, a large percentage is with government agencies.

It's common for small communities to have a high share of total jobs in government, as even the smallest villages tend to have public services, law enforcement, and a school. In 2011, 63 percent of jobs in Yukon-Koyukuk were in federal, state, local, or tribal government, which is more than double the statewide average. That translates into one government job for every four residents in the census area — considerably more than the one-to-nine ratio statewide.

Part of the reason for this large percentage is geography. Some services are likely to be duplicated because a government employee can't efficiently travel long distances to serve residents of other communities. The other reason is simply that private-sector jobs are so limited.

## How residents make a living

Although 63 percent of the census area's jobs are in the public sector, average annual earnings for government jobs are lower than the area's average — the average job brings in \$38,800 per year, while government work pays an average of \$32,500.

Among private industries, transportation stands out with nearly double the area's average earnings — \$74,900 in 2011 — which boosts the area's average wage. The industry includes pipeline transportation, where earnings are particularly high. The Trans-Alaska Oil Pipeline passes through the center of the census area, with three pump stations spaced roughly between Liven-



Above, a morning flight prepares for takeoff in Fort Yukon. Air transportation is a major part of the Yukon-Koyukuk economy, as communities are spread far apart. Photo by Kirk Crawford

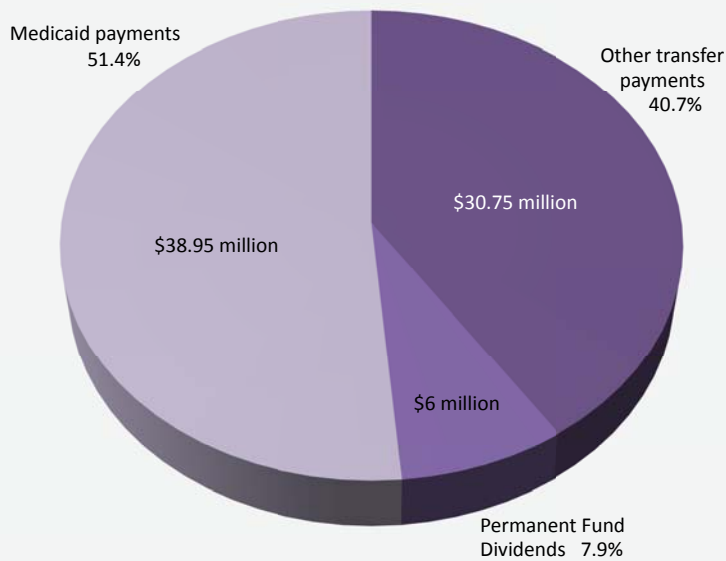
At left is a historic church in Arctic Village. Photo by Sarah Deer

good and Evansville.

Earnings tell just part of the story, though. Average annual earnings show how much money was paid to people working in the census area, regardless of whether they live there. Personal income is a better indicator of what residents make, and it's almost always higher than earnings because it includes money from other sources such as unemployment benefits, retirement benefits, Medicaid payments, and the Permanent Fund Dividend — collectively called transfer payments.

Transfer payments are a much larger share of income in Yukon-Koyukuk than statewide, where they make up about 16 percent of total income. In the census area, transfer payments account for approximately 40 percent, with the majority coming from PFD and Medicaid payments. (See Exhibit 2.)

## 2 Most Transfer Payments Are Medical Yukon-Koyukuk Census Area, 2011



Source: U.S. Bureau of Economic Analysis

## 3 Government is the Largest Employer Yukon-Koyukuk Census Area, 2002 and 2011

Industry	Employment		Avg Annual Earnings	
	2002	2011	2002	2011
Total Employment	2,161	2,371	\$28,572	\$38,808
Total Government	1,538	1,485	\$28,200	\$32,460
Federal Government	108	100	\$33,888	\$47,196
State Government	104	107	\$50,856	\$59,400
Local Government	1,326	1,278	\$25,968	\$29,040
Natural Resources and Mining	3	—	—	—
Construction	77	—	\$68,640	—
Manufacturing	13	—	—	—
Trade, Transportation, Utilities	244	248	\$29,148	\$38,496
Information	16	10	\$24,804	\$33,192
Financial Activities	47	16	\$22,572	\$29,340
Professional & Business Services	14	32	\$31,824	\$52,800
Education and Health Services	13	—	\$21,480	—
Leisure and Hospitality	70	52	\$12,600	\$14,424

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

In 2011, Medicaid and the PFD were a combined 60 percent of transfer payments and 21 percent of all area income. For comparison, these two programs were 40 percent of statewide transfer payments and only 6 percent of total statewide income.

Overall, per capita income in the Yukon-Koyukuk Census Area was particularly low, ranking 20th

out of 29 Alaska boroughs and census areas.

## Income beyond government

Social assistance — which includes private services for children, the elderly, and the disabled — is the largest private-sector employer by industry, and it grew by 33 percent between 2007 and 2011.

The only other industry to have grown recently was retail trade, which has generated new jobs consistently since 2007 despite a declining population. Retail employers include general merchandise stores, gas stations, and grocery stores, and these made up 6.5 percent of all area jobs in 2011.

The high-wage transportation sector is a smaller but vital piece given the vast distances that must be traveled to distribute goods or transport people between communities across the interior. Transportation made up 2.7 percent of total employment in 2011 — and though it includes the high-paying pipeline transportation jobs, the majority are in air transport.

Other small but notable private sources of income include the Ophir mining district near McGrath, with total placer gold production of about 749,000 ounces through 2010; and a commercial arctic lamprey fishery along the Yukon River with an annual harvest of between 20,000 and 25,000 pounds.

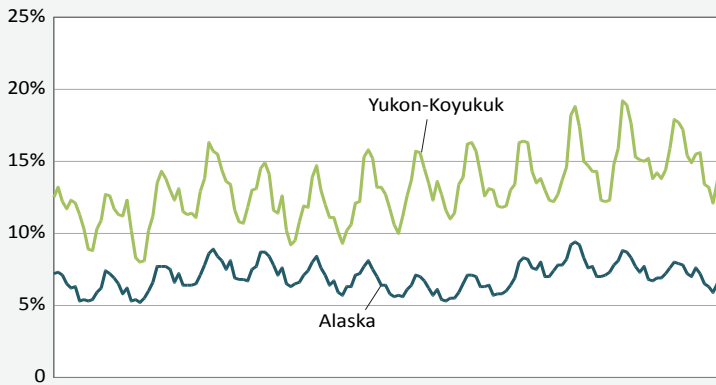
## Economic strain persists

Though the area has some opportunities for work, unemployment remains higher than most areas in the state — and because unemployment only measures those who are actively looking and available for work, the statistics underrepresent those without jobs. Some Yukon-Koyukuk residents are available but may have stopped looking because they know jobs are scarce, so they are no longer considered part of the labor force.

Neither the state nor the federal government calculates alternative measures of unemployment that include this population of “discouraged workers” in the census area, but the Alaska Department of Labor and Workforce Development compiles data for the Denali Commission that

## 4 A History of High Unemployment

### Yukon-Koyukuk Census Area, 1990 to 2011



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

identify “economically distressed” communities.<sup>1</sup> In 2011, over half of all residents in the Yukon-Koyukuk Census Area lived in distressed communities, a decline from 60 percent in 2003.

Although the number living in distressed communities has decreased, poverty in the area has remained about the same — 23.6 percent of all residents lived below the poverty line during the 2010 Census, down just 0.2 percent from 2000.

<sup>1</sup>A distressed community meets one of these three criteria: its average market income was less than \$16,120 in 2011; more than 70 percent of residents 16 years or older earned less than \$16,120 in 2011; or less than 30 percent of residents 16 years and older worked all four quarters.