

# Bethel Census Area

by Brigitta Windisch-Cole

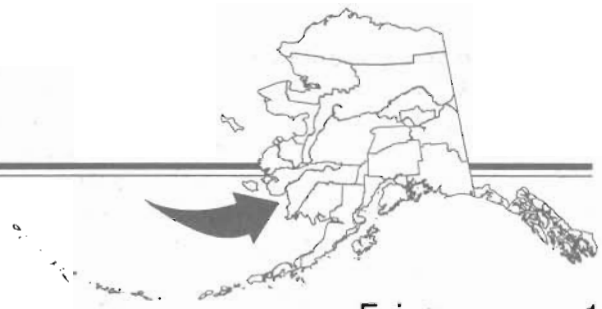


Figure • 1

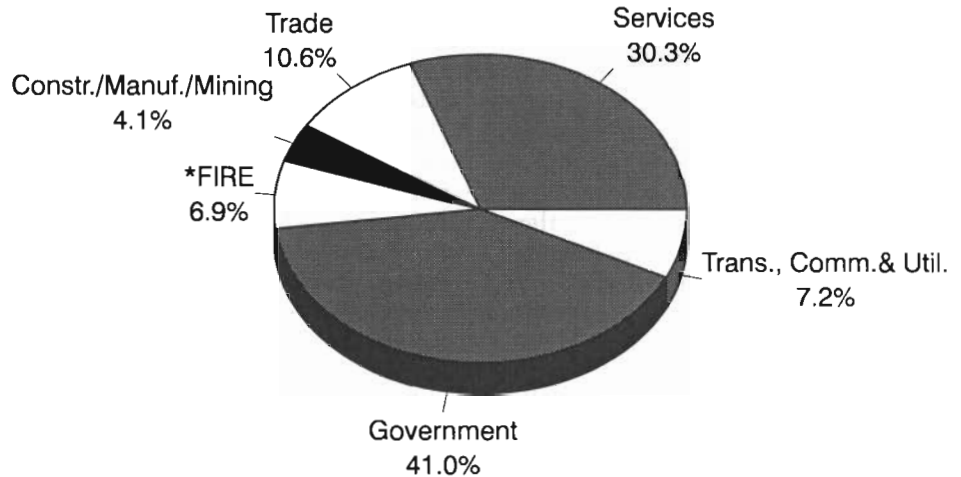
The Bethel census area, at 41,087 square miles, is Alaska's third largest region. Only the Yukon-Koyukuk census area and the North Slope Borough encompass more land. The Bethel census area, with 15,367 residents, is also the most populated of Alaska's remote areas. (See Table 3.) The city of Bethel is home to over one-third of the area's population, and the remaining residents live in 36 communities throughout the region.

Native Alaskans comprise the largest segment of the area's population. The first Russian fur trader, traveling up the Kuskokwim River in 1830, estimated a population of 4,000 Eskimos settled along the river banks. Just a few decades later, Moravian missionaries reported epidemics that caused numerous deaths among the indigenous population. In fact, from 1910 to 1919, the U.S. census recorded an average population of only 514 residents in this area. Since then, the Native population, mainly Yupik Eskimos, has grown steadily to its current size of 12,857, almost 84 percent of the area's residents. (See Table 3.)

## Government important to early day economy

Owned first by Russian fur traders and later by pioneers, trading posts along the Kuskokwim introduced the local population to products from the outside world. While missionaries organized educational, social and health care services, the traders established a nearly cashless mercantile system. The federal government introduced cash payrolls at the beginning of the twentieth century when it sent civil servants to the area to establish mail, schools and health services.

The Public Sector is a Large Employer  
Bethel Census Area 1995

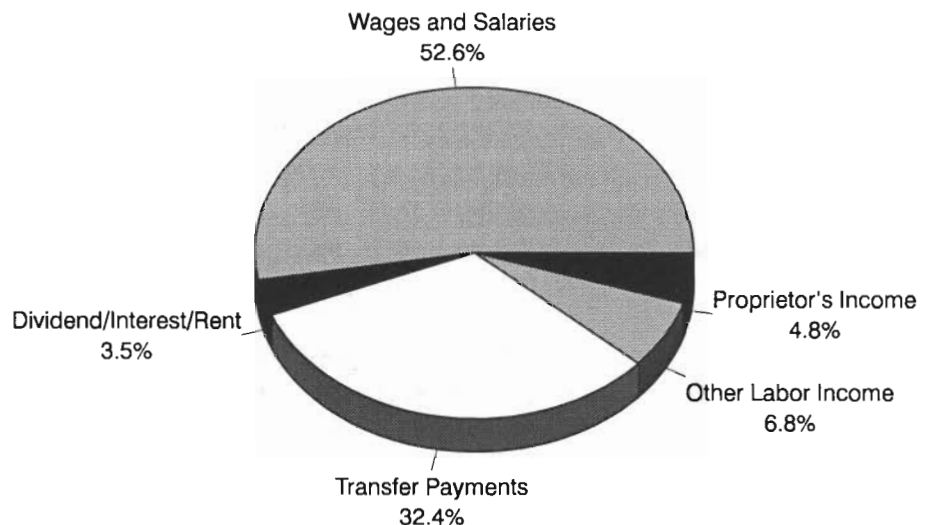


\* Finance, Insurance, and Real Estate.  
Source: Alaska Department of Labor, Research and Analysis Section.

Figure • 2

Sources of Personal Income in the  
Bethel Census Area

1994 = \$ 230,432,000 (p)



(p) = preliminary.  
Source: Alaska Department of Labor, Research and Analysis Section.

## Employment concentrated in Bethel City

Employment data suggest that over half of all wage and salary jobs in the region are in the city of Bethel. The city supports the 36 villages lying within the Bethel census area, as well as about 64 more settlements in adjacent census areas. Goods and services, for example, flow from Bethel into villages as far away as Scammon Bay or Pilot Station in the adjacent Wade Hampton census area, a northern neighbor.

## Subsistence and cash economies mix

The area's economy has a distinct rural Alaska flavor. While most of the region's economic activity pulses in its center, the traditional lifestyle is best preserved in the villages. Village activities are determined mainly by subsistence, the pursuit of natural food supplies, and the public sector, which provides education,

basic health care and other essential services.

About 41 percent of all wage and salary earners in the region are on government payrolls. (See Figure 1.) School-related employment dominates. (See Table 2.) In the private sector, the delivery of goods and services sustains nearly all other private sector jobs. Health care, social service providers, and a housing agency, owned and managed by Alaska Native corporations, are among the largest employers. (See Table 2.) Transportation firms employ about seven percent of the regional workforce. (See Figure 1.) Most jobs in the trade sector, which employs almost 11 percent of the workforce, are located in the city of Bethel. As elsewhere in Alaska, goods-producing industries such as construction and manufacturing (mostly seafood processing) offer seasonal employment during the short summers. Combined, these two industries contribute about four percent to year-around employment.

## Private Sector employment is gaining

During the past 10 years, total wage and salary employment grew over 33 percent in the region. While public sector employment peaked in 1990, it has retrenched to its 1985 level. (See Table 1.) While local government has added employment because of increasing school enrollment, staff reductions in the federal government have countered this trend. The private sector workforce has increased by 74%. Structural and organizational changes in the delivery of health care services accounted for most of this shift from public to private sector employment. In 1992, private sector employment surpassed public sector employment. (See Table 1.)

In the past, the federal government provided nearly all essential services. One example is health care. With the declaration of self-determination, the public mandate of health care transferred to the Yukon-Koyukuk Health Corporation, an Alaska-Na-

T a b l e • 1

### Bethel Wage and Salary Employment 1985-1995

	1985	1986	1987 <sup>1</sup>	1988	1989	1990	1991	1992	1993	1994	1995
<b>Total</b>	<b>3,958</b>	<b>3,862</b>	<b>3,911</b>	<b>4,175</b>	<b>4,214</b>	<b>4,467</b>	<b>4,375</b>	<b>4,561</b>	<b>4,840</b>	<b>5,051</b>	<b>5,283</b>
Private Sector Employment	1,793	1,761	1,746	1,871	1,918	2,102	2,026	2,344	2,655	2,919	3,121
Mining	*	*	*	16	4	0	5	10	16	7	8
Construction	135	77	14	31	41	50	44	78	104	105	61
Manufacturing	82	138	138	129	112	87	50	125	200	145	146
Trans., Comm., & Util.	218	191	223	231	281	427	269	270	294	286	379
Trade	388	411	403	391	390	420	386	426	491	538	558
Wholesale	9	*	22	28	28	28	19	22	21	29	27
Retail	379	401	381	364	361	392	368	403	470	510	531
Finance, Ins., & Real Estate	167	195	180	191	206	240	263	280	301	376	364
Services	740	713	744	877	883	876	1,001	1,142	1,240	1,459	1,600
Miscellaneous	*	*	*	5	0	3	7	11	3	2	1
Government	2,165	2,101	2,165	2,304	2,296	2,365	2,349	2,217	2,185	2,132	2,162
Federal	349	291	300	290	285	288	295	211	179	157	132
State	266	266	252	277	304	321	356	336	328	315	318
Local	1,551	1,544	1,614	1,736	1,708	1,756	1,699	1,670	1,677	1,660	1,712

\* Nondisclosed.

<sup>1</sup> Manufacturing employment: 1987-1995 adjusted for misreported overcount in seafood processing industry. These figures differ from those published in the Employment & Earnings Summary Reports.

Source: Alaska Department of Labor, Research and Analysis Section.

tive-owned nonprofit corporation. It is the largest private employer in the region and the 24th statewide. When the change in stewardship became effective, job growth shifted to the private sector. Since 1992, compacting, an administrative reorganization program, at the Alaska Native Medical Center in Anchorage has shifted health care jobs from Anchorage to Bethel.

### The Kuskokwim River is an important lifeline

About 76 percent of the area's population lives along the Kuskokwim River, the ancestral travel route - a frozen highway during the winter months and a water passage during warmer seasons. Erosion of the river banks has long threatened adjacent settlements. This year, a seawall reconstruction project in Bethel, costing \$22.6 million, was begun.

During the summer, about 10 ocean-going barges carrying building materials, bulk food and other supplies dock in Bethel. In addition, six mainline fuel barges, loaded with 12 million gallons of fuel, call on Bethel's port. A fleet of lighterage barges distributes bulk freight, fuel and stove oil up river, reaching communities as far away as McGrath and Nikolai.

The Kuskokwim also provides food and income as a fishery. Traditional summer fish camps line the river banks as chum and silver salmon are harvested both for subsistence and commercial uses.

Over 800 residents used their area permits in the 1995 commercial salmon fishery, adding valuable cash to a subsistence economy where job opportunities are scarce. In recent years, however, salmon prices have plummeted, and the fishery, although plentiful, has left fishers disappointed with the value of their catch.

### Busy skies over Bethel

The fastest links to the rest of Alaska's economy are the busy airways leading to and from Bethel. In 1995, the Bethel airport registered 121,400 landings and take offs. Small planes carrying passengers, air freight and mail to outlying communities contribute most of this heavy air traffic.

### Living conditions improve

The 1990 U.S. census documented the lack of infrastructure in rural Alaska. At that time in the Bethel region, only 38% of all housing units had septic tanks or access to public sewage systems, compared to 88% of homes statewide.

Since 1990, federal and state grants have helped modernize infrastructure, upgrade houses, build new construction and manage public housing. In the past six years, for example, the Department of Housing and Urban Development has contributed over \$83 million to modernize living conditions in the region. The agency just approved another grant for construction of 60 more units in three rural villages. Among various

federal and state agencies, the Bureau of Indian Affairs has also been a large contributor to public housing.

According to Alaska's Housing Market Indicators, since 1990, contractors had filed 362 new housing permits in the Bethel census area. The majority of residential building upgrades and new construction were for single-family homes in the city of Bethel.

The AVCP Housing Authority, an affiliate of the Association of Village Council Presidents, manages the majority of public housing grants. It oversees most residential construction and improvements, and currently acts as landlord of about 1,150 single-family and 50 multi-family units. The AVCP Housing Authority and the Association are among the region's top 10 employers. (See Table 2.)

### Personal income remains low

While total personal income, a comprehensive measure of monetary resources, increased over 85 percent during the past 10 years, regional

T a b l e • 2

### The Top Ten Employers in the Bethel Census Area

Rank	Name	Average Annual Employment
1	Lower Kuskokwim School District	881
2	Yukon Kuskokwim Health Corporation	652
3	Omni Enterprises (formerly Swansons)	214
4	Association of Village Council Presidents	201
5	Yupit School district	130
6	Kuspuk School District	130
7	Alaska Dept. of Health & Social Services	92
8	AVCP Housing Authority	93
9	Yute Air Alaska	88
10	University of Alaska	65

Source: Alaska Department of Labor, Research and Analysis Section.

per capita income still ranked second lowest in the state in 1994.

In 1990, the U.S. census found that 4,022 residents of the Bethel census area, or 30% of the population, lived on incomes below the poverty level. In the city of Bethel, however, poverty was recorded for 12.2% of the population. This reflects a lack of economic opportunity in the villages.

Income from wages and salaries contributes about 53 percent to the region's earnings. (See Figure 2.) This

compares to a statewide average of 64%. Rent and investment income added 3.5% to Bethel's earnings, lagging behind the state's average of 10.6%. Transfer payments, which are government payments to individuals, nonprofit organizations, and businesses, play a more important role in the regional economy. Over 32 percent of all income generated in the area comes from government sources, compared to about 17 percent statewide.

Included in transfer payments is the state's distribution of Alaska Per-

manent Fund earnings which, in Bethel, represented about 17 percent of the 1994 transfer payments. The bulk of transfer payments comes from the Bureau of Indian Affairs for health care and social services. However, individual income supplements, which are all forms of public assistance, are also an important portion of transfer payments. In 1989, over 22 percent of all households in the Bethel census area received public assistance.

Wage and salary earnings data further confirm government as an important industry because its employees earn 48% of the region's payroll. In 1995, the average annual wage and salary earnings for Bethel were about 25 percent below the statewide average. This does not mean that jobs pay less in Bethel than elsewhere; it shows that there are more jobs in lower paying industries, such as services and trade, and also that part-time and seasonal employment plays a larger role in the economy.

### The most recent developments in the Bethel region

More services are on the way for Bethel residents, including an Internet connection linking local residents to the World Wide Web, cellular telephone service, and an extra airline flight to Anchorage.

T a b l e • 3

## A Snapshot of the Bethel Census Area Current Statistics and Census Information

	Alaska	Bethel
Population 1995	615,900	15,367
<b>The population is younger with more persons per household</b>		
Median age (1995)	30	25.4
Persons per household	2.79	3.65
<b>... and there are more children and fewer seniors (1995)</b>		
Percent under 5 years old	9.0%	13.1%
Percent school-age population (5 to 17)	21.6%	26.2%
Percent adult workforce population (18 to 64)	64.8%	55.9%
Percent Seniors (65 years & over)	4.6%	4.9%
<b>and there are a few more women . . . .</b>		
Percent Female	48.0%	48.1%
<b>Demographics of the region (1995)</b>		
Percent Native American	15.7%	83.7%
Percent White	75.7%	15.2%
Percent Black	4.4%	0.4%
Percent Asian/Pacific Islander	4.2%	0.7%
Percent Hispanic	4.0%	0.6%
<b>More workers are unemployed (1995)</b>		
*Percent of all 16 years + in labor force	68.1%	54.0%
Percent unemployed	7.3%	8.6%
<b>Income measured</b>		
Personal per capita income (1994)	\$23,437	\$15,379
Wage and Salary employment (annual average 1995)	\$32,288	\$24,452
<b>Educational Attainment (1990)</b>		
Percent high school graduate or higher	86.6%	62.3%
Percent bachelor's degree or higher	23.0%	13.1%

\*based on 1995 population estimates

Sources: Alaska Department of Labor, Research and Analysis Section. U. S. Department of Commerce, Bureau of Economic Analysis.

Brigitta Windisch-Cole is a labor economist with the Research and Analysis Section, Administrative Services Division, Alaska Department of Labor. She is located in Anchorage.