

NATIVE 8(a) WORKS

FOR AMERICA



- COMPETITIVE
- EXCEPTIONAL VALUE
- OPPORTUNITIES FOR ALASKANS

FACT SHEET: PROVIDING BENEFITS TO NATIVE PEOPLE

Congressionally Mandated Benefits

When Congress passed the Alaska Native Claims Settlement Act (ANCSA), it specifically charged the Alaska Native Corporations (ANCs) to provide “benefits to its shareholders who are Natives or descendants of Natives or to its shareholders’ immediate family members who are Natives or descendants of Natives to promote the health, education, or welfare of such shareholders or family members ...”

This mandate is much broader than the traditional for-profit goals of capitalism. It is not enough for ANCs to be financially successful (although that is quite challenging by itself). ANCs must take the income earned by their businesses and use that money to meet the social and cultural needs of their owners in a manner that perpetuates their unique priorities.

Today, ANCs are providing an ever-expanding range of services to their owners. Examples include:

- Jobs and job training
- Dividend payments
- Scholarships
- Internship programs
- Cultural preservation initiatives, such as language preservation and culture camps
- Elder benefits
- Health and social services

In the just released Alaska Native Corporations Economic Data 2010 report, shareholder benefits 12 regional corporations are detailed. For example:

- The 12 ANCs hire 3,577 Alaska Natives, which is almost 10 percent of their total employment base in Alaska.

- ANCSA corporations employ 11,278 minority employees worldwide in 2008, or nearly 32 percent of their total workforce.
- In 2008, the 12 regional corporations distributed \$171 million in dividends to shareholders, representing 66 percent of net profits.
- All 12 regional corporations paid shareholder dividends in 2008.
- During 2008, contributions of \$11.1 million were made to more than 3,200 scholarship recipients as well as endowments.

This support has provided opportunities to thousands of Alaska Natives that were previously limited or unavailable.

Congress Should Continue to Support Native Participation in the SBA 8(a) Program

While 8(a) contracting has helped tens of thousands of Native shareholders, there are many needs that remain unmet. Consider these staggering statistics:

- One-fourth of Alaska Natives still live at or below the poverty level.
- Unemployment is two to three times the national average in Rural Alaska.
- Homicide rates are five times the national average.¹
- The Alaska Native suicide rate is more than three times the national average.²

NATIVE 8(a) WORKS

Learn more at www.native8aworks.org.

-
- Even today, about 8 percent of rural Alaskan households lack plumbing.

The architects and supporters of ANCSA realized economic opportunity and self-sufficiency would be critical for Alaska Natives to improve their quality of lives. It has taken over a generation now to see that vision come to fruition. Much of the success is indeed due to participation in the 8(a) program.

Yet even today, while there has been success by some in the program. Native 8(a) awards represent less than one-tenth of 1 percent of federal contracting. Many Alaska Natives and other Native groups have yet to learn about the program.

The 8(a) program is working as intended, by providing economic opportunity to those that are less fortunate, and deserves continued Congressional support.

^{1, 2} Alaska Department of Health and Social Services