

Kodiak, an atypical fishing town



Seafood is a year-round, all-hands-on-deck affair

By NEAL FRIED

Kodiak's history and most of its modern economy are rooted in its wealth of natural resources. Fish comes first, but the bounty doesn't end there.

Before Europeans arrived, the Alutiiq used the area for subsistence. When the Russian fur traders came in 1792, they made Kodiak the Russian territorial capital, with otter pelts as the primary attraction.

The Russians stayed until the U.S. bought Alaska in 1867, and that's when fish took over the island's economy. About 150 years ago, Kodiak built its first fish processing plant.

Today, the island has the largest resident seafood processing workforce in the state, and commercial fisheries weave a common thread throughout most of the economy. Even Kodiak's Coast Guard station, which is one of the nation's largest, is part of that web through its search and rescue function and wide-ranging enforcement.

Tourism also depends on the area's seafood. It feeds the world's biggest brown bears — a major island attraction. And while subsistence isn't part of the cash economy, it still plays a vital role for many Kodiak households.

Other plentiful resources include hydro and wind, which allow Kodiak to generate nearly all of its electricity from renewables.

It's one of the nation's fish capitals

Kodiak consistently ranks as one of the busiest seafood ports in Alaska and the nation. In 2019, it ranked third nationally for pounds landed and sixth

In the banner: A pan of Kodiak, [photo courtesy of Flickr user outdoorPDK](#)

Kodiak's job count by industry, 2010-21

Industry	2010	2021	Change
Total wage And salary employment	6,104	5,547	-9.1%
Natural Resources	106	131	23.6%
Forestry and Logging	ND	ND	ND
Construction	171	169	-1.2%
Manufacturing	1,606	1,140	-29.0%
Seafood Processing	1,598	1,091	-31.7%
Wholesale Trade	ND	42	ND
Retail Trade	500	475	-5.0%
Transportation and Warehousing	211	277	31.3%
Utilities	ND	34	ND
Information	62	41	-33.9%
Financial Activities	254	123	-51.6%
Professional and Business Services	218	224	2.8%
Education and Health Services	692	699	1.0%
Leisure and Hospitality	453	386	-14.8%
Accommodation	128	96	-25.0%
Food Services and Drinking Places	298	257	-13.8%
Government	1,498	1,565	4.5%
Federal	343	258	-24.8%
State	287	247	-13.9%
Local	868	1,025	5.9%
Uniformed military (Coast Guard)*	950	799	-15.9%
Fish harvesters**	655	541	-17.4%

*Military numbers come from our yearly survey.

**Harvesting estimates are for 2020, which are the most recent available.

Notes: 2021 data are preliminary. ND means not disclosable.

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

Gross earnings for 2020 fish landings in Kodiak

Species	Value
Crab	\$19,122,710
Halibut (longline only)	\$2,395,339
Herring	\$611,730
Other Groundfish	\$30,559,486
Other Shellfish	\$1,586,384
Sablefish (pot gear only)	\$1,384,238
Salmon	\$23,479,769

Source: Commercial Fisheries Entry Commission



At left, "Kodiak Alaska Harbor," [photo courtesy of Flickr user outdoorPDK](#)

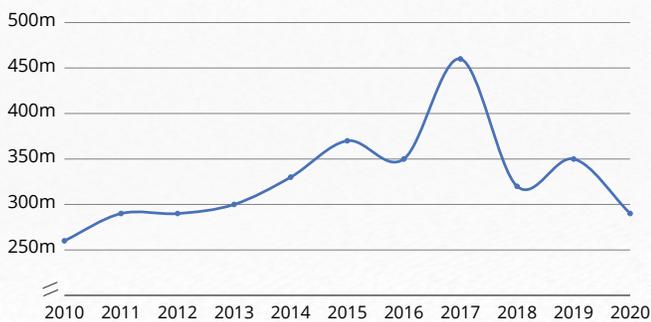
Above, "You Are In a Tsunami Hazard Zone" in Kodiak, [photo courtesy of Flickr user Adam Burke](#)

for value, according to the National Oceanic and Atmospheric Administration.

In 2020, Kodiak landed 290.4 million pounds of seafood, valued at \$84.3 million.

While salmon is one of the leading fisheries, it doesn't define Kodiak's fishing industry as it does elsewhere in the state. Kodiak's dominant catch can vary year to year, from crab one year to salmon or groundfish the next.

Yearly seafood poundage landed in Kodiak from 2010 to 2020



Source: Commercial Fisheries Entry Commission

Kodiak's fisheries are the most diversified in the state, a strength for the island that makes its economy less volatile than many other fish-based communities.

Fishing is volatile by nature, though, and Kodiak is no exception. For example, Kodiak salmon harvesters netted 30 million fish last year, worth \$47 million. The 24 million they caught in 2020 were worth just \$26.6 million.

Tanner crab prices jumped from \$4.25 per pound in 2020 to more than \$8 per pound early in 2022. The island's harvesters and processors are used to rolling with these vagaries, and many Kodiak harvesters participate in more than one fishery. It isn't unusual to catch crab, salmon, groundfish, halibut, or some combination during a single year.

Pollock and Pacific cod are the main groundfish. The groundfish fishery rose to prominence during the mid-1980s, a godsend for the economy after Kodiak's legendary red king crab boom of the late 1950s to early 1980s went bust. Shrimp was a prominent harvest, too, until stocks collapsed in the 1960s.

Kodiak is one of the top national ports for halibut. It's managed through individual fish quotas, so catching it is allowed any time between mid-March and mid-November.

Kodiak's red king crab harvesters haven't set pots in home waters since the 1982-83 season, but Tanner, Dungeness, and other crab harvests are notable.

Another stand-out detail is that Kodiak turns much

of its fish waste into oils, meal, and fertilizer, unlike most Alaska ports. Processors elsewhere usually grind it up and dump it back into the ocean.

Finally, Kodiak leads the state in seaweed farming and has the largest seaweed hatchery in North America. It was recently recognized for having the greatest potential for continued expansion in Alaska.

Over half of the fish processing workforce are Kodiak residents

Kodiak's large seafood processing workforce is unique, too. Over half are locals, and the island is home to the biggest resident processing workforce in the state. In 2020, 60 percent were Alaska residents (57 percent were local). Industry-wide, it's just 22 percent.

While the Aleutian Islands' processing workforce is larger, only 18 percent are residents and its economic impact locally pales compared to Kodiak's.

Kodiak seafood industry paid out \$46.5 million to workers in 2021, making it the largest private-sector contributor to local wages. It's also the borough's largest employer.

Population by community, 2010-21

Area	2010	2021	Avg annual growth rate
Kodiak Island Borough	13,592	12,900	-0.7%
Akhiok	71	58	-2.5%
Aleneva	37	8	-17.4%
Chiniak	47	51	1.0%
Karluk	37	27	-3.9%
Kodiak	6,130	5,495	-1.4%
Kodiak Station (CG)	1,301	1,590	2.5%
Larsen Bay	87	33	-11.4%
Mill Bay	4,324	4,185	-0.4%
Old Harbor	218	210	-0.5%
Ouzinkie	161	114	-4.2%
Port Lions	194	170	-1.6%
Womens Bay	719	736	0.3%
Remainder of borough	266	223	-2.2%

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Census Bureau

Majority of Kodiak processors are locals, 2020

Area	All processing workers	Nonresident	Nonlocal Alaskans	Local workers	% local workers
Bristol Bay Borough	3,288	3,115	162	11	0.3%
Aleutians East Borough	2,839	2,566	103	170	6.0%
Aleutians West Census Area	2,587	1,862	65	660	25.5%
Kodiak Island Borough	1,865	751	60	1,054	56.5%
Chugach Census Area	1,831	1,583	68	180	9.8%
Kenai Peninsula Borough	1,129	743	86	300	26.6%
Sitka, City and Borough	929	666	67	196	21.1%
Dillingham Census Area	853	731	104	18	2.1%
Ketchikan Gateway Borough	606	445	15	146	24.1%
Petersburg Borough	576	453	8	115	20.0%
Lake and Peninsula Borough	360	347	8	5	1.4%
Juneau, City and Borough	309	166	24	119	38.5%

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

While the highest employment months are during the summer, Kodiak's seafood processing industry provides year-round jobs for locals, who live and spend their incomes in Kodiak.

For six months in 2021, employment topped the annual average of 1,217 monthly jobs. February and March were nearly as high as June, one of the peak months.

This pattern is evident in the local unemployment rate. Unemployment in Alaska typically swings from its highest levels in the winter to its lowest in the summer with seasonal employment, but Kodiak's year-round fisheries can keep the rate low; in February and October 2020, Kodiak's unemployment rates were 4.1 percent and 4.4 percent, respectively.

In recognition of Kodiak's diverse fishing industry and prominent local workforce, the University of Alaska established its Fishery Industrial Technology Center on the island. It researches and develops new processing techniques and researches on behalf of harvesters.

How the Coast Guard fits in

The large Coast Guard station provides search and rescue and law enforcement for the entire Gulf of Alaska, the Bering and Chukchi seas, and the Aleutian Islands to the end.

Kodiak had 799 Coast Guard personnel in 2021 and 1,230 dependents, who made up about 16 percent of the local population. That was a decline from 903 personnel the year before. The reason for the decrease

isn't clear, but the Coast Guard recently announced it would expand its presence in Kodiak significantly.

Most personnel live on base, and another 100 civilians also work at the station (but live off base). Kodiak's station also provides a range of opportunities for contractors and other businesses.

The visitor industry and a few other sectors round out the economy

Many outdoor experiences draw tourists to Kodiak, including hunting, wildlife viewing, and hiking as well as fishing. The visitor industry is seasonal, with most tourists arriving in the summer and early fall. Visitors who make it as far as Kodiak tend to stay longer and spend more than the average visitor to Alaska.

The year before COVID-19, according to McKinley Research, Kodiak hosted 64,000 out-of-state visitors: 26,000 cruise passengers and 38,000 independent travelers. Tourism generated about 810 jobs in 2019. Like everywhere, Kodiak's visitor industry took a blow in 2020 but perked up in 2021.

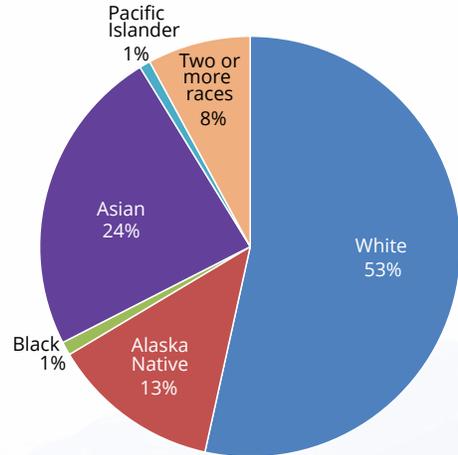
While fishing, military, and tourism are central, the population works in a handful of other sectors. Logging still represents a small slice of the economy. Retail and health care provide more than 1,000 jobs, and about 28 percent of local workers in 2021 worked in government, outside of active duty military.

While small, Kodiak's rocket launch facility is also noteworthy. The State of Alaska opened the Kodiak Launch Complex, now known as the Pacific Space Complex, in 1998 to launch suborbital and orbital launch vehicles. The facility marked its 30th launch last March, and its goal is to pick up activity as the demand for satellites grows.

The demographic kaleidoscope and where on the island they live

The Kodiak Island Borough includes multiple smaller areas, and in 2021, its 12,900 residents were spread across a dozen communities, most accessible only by plane or boat. Although 43 percent of borough residents live in Kodiak, the broader population still lives relatively close together on the road system.

Kodiak's racial makeup in 2020



Notes: Race includes race alone or in combination with another race. Multirace respondents are included in each of their race categories. Nine percent reported Hispanic ethnicity, which can be of any race.

Sources: Alaska Department of Labor and Workforce Development, Research and Analysis Section; and U.S. Census Bureau

The least-populated place on the island is Aleneva, a Russian believer community of just eight people — less than a fourth of its 2010 population.

As with jobs, Kodiak's population has declined modestly over the last decade with a sluggish economy. But a more dynamic population picture underlies the stagnant overall count.

Kodiak's population is one of the state's most diverse at 17 percent Alaska Native, 24 percent Asian, 53 percent White, and 8.9 percent Hispanic. Kodiak is home to the second-largest concentration of Asians in Alaska, after the Aleutians, because of the Filipino population's strong historical ties to the seafood processing industry.

The Alaska Native percentage has increased slightly in recent years, and most of Kodiak's rural communities are majority Alaska Native: Old Harbor, Larson Bay, Ouzinkie, and Akhiok.

The population is a bit younger than the state as a whole, with a median of 35.6 years.

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