

Big fishing in Little Norway



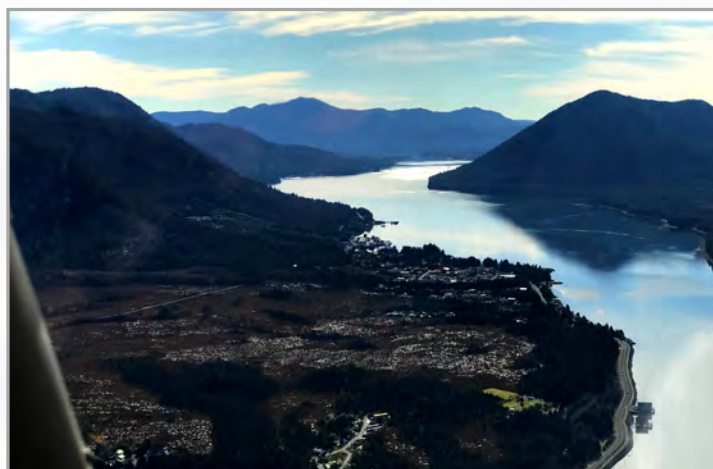
Seafood has always been the lifeblood of Petersburg

By SARA WHITNEY

If you walk along Sandy Beach near downtown Petersburg, you might encounter something not found anywhere else on the planet. The low tide exposes the remains of petroglyphs and unusual ancient fish traps.

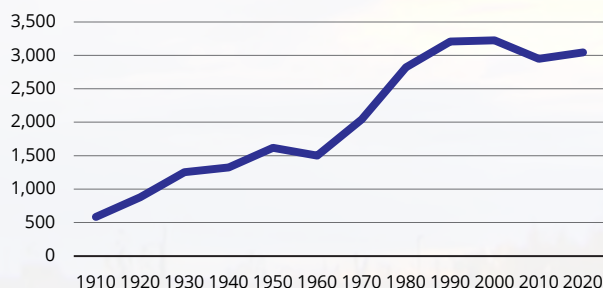
The Tlingit fishermen who wrote the first chapter of the area's fishing history designed a heart-shaped fish trap that hasn't been used anywhere else, as far as we know. These remnants are thought to be about 2,000 years old, but carbon dating has placed some as far back as 10,000 years.

In Tlingit, the area was called *Séet Ká*, or "On The Channel." The Petersburg we know today, a fishing community of around 3,000 people on the tip of Mitkof Island, is also called Little Norway.



Above, this aerial photo of Petersburg, courtesy of Flickr user [Jeffry N. Curtis](#), shows the Wrangell Narrows. The narrows limit the size of ships that can dock in Petersburg. The banner image, by Flickr user [Mike X-d](#), shows a seiner in the Petersburg harbor.

Petersburg's population history



Source: U.S. Census Bureau, decennial censuses for Petersburg Census-Designated Place

In the 1900s, the town forged its own identity in Southeast

The city sprouted in the early 20th century as a Scandinavian community named for a Norwegian named Peter Buschmann who settled there in the late 1800s.

Buschmann noticed the LeConte Glacier's ice was perfect for preserving fish, so he opened a cannery — the Icy Strait Packing Company — as well as a sawmill and a dock. By the time Petersburg was incorporated in 1910, it was home to about 585 people.

The city lasted just over a century, then was

Fish harvesters, earnings, and poundage in the Petersburg area

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Decade trend
Number who fished that year	401	403	398	402	416	400	381	378	370	369	348	
Pounds landed (in millions)	59.5	82.0	50.2	101.8	68.4	59.8	50.1	64.0	40.4	46.0	25.8	
Gross earnings (in millions)	\$56.3	\$72.7	\$59.0	\$72.2	\$57.3	\$43.6	\$46.2	\$57.9	\$54.9	\$49.0	\$37.2	

Notes: For Petersburg Census Area, which includes Kake, Kupreanof, Port Alexander, Rowan Bay, and Saginaw Bay. Gross earnings are not inflation-adjusted. 2020 numbers are preliminary.

Source: Commercial Fisheries Entry Commission

dissolved in 2013 in favor of a borough government. The Petersburg Borough is mainly Petersburg but includes Kupreanof, the smallest second-class city in Alaska at 21 people in the 2020 Census.

The Scandinavian flavor remains strong over a century later. About 14 percent of the mostly white population claims Norwegian ancestry, according to the borough, and Petersburg stands out in Southeast Alaska for its long-running Little Norway Festival, Sons of Norway Hall, and Scandinavian-style structures.

The Little Norway Festival began in 1958 to mark the signing of Norway's Constitution on May 17, 1814, and it expanded in length and scope over time.

The multiday celebration, which returned in 2021 after the pandemic wrought its first-ever cancellation in 2020, also marks U.S.

Armed Forces Day, the coming of spring, and the beginning of the fishing season.

Fishing industry stays afloat as the storms come and go

Petersburg has one commercial fishing permit for every three people. While the industry is less of a powerhouse than in past decades, it remains the local lifeblood, culturally and economically.

Most visible are the large seiners that harvest salmon, halibut, black cod (sablefish), king and tanner crab, and her- ring. Other harvesters include salmon trollers and a gillnet

fleet as well as Dungeness crab and dive fisheries.

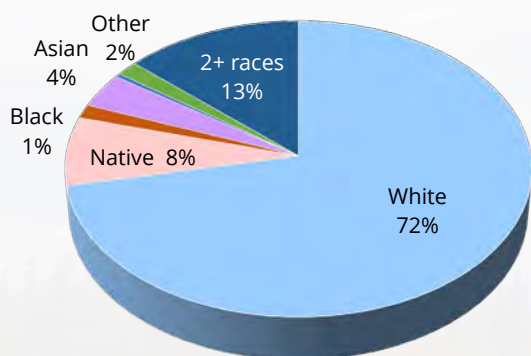
Like the rest of the state's economy, Petersburg's fishing industry took a blow in 2020 with the pandemic. The Department of Fish and Game reports Petersburg's landed poundage came in at just over half of what it had been the year before, and only a quarter of its decade peak in 2013.

The number of residents who fished commercially dipped from 369 in 2019 to 348 in 2020, and their gross earnings fell from \$49 million to \$37 million. For context, the decade peak for earnings was just over \$72 million, also in 2013.

In 2011, the National Marine Fisheries Service ranked Petersburg the nation's 15th most lucrative port by volume and 13th for value. By 2020, it had fallen to 33rd for volume and 38th for value.

Civil rights leader Elizabeth Peratrovich was born in 1911 in Petersburg.

Petersburg's racial makeup in 2020



Source: U.S. Census Bureau, 2020 Census for Petersburg CDP

Things are looking better in 2021, though. Southeast is one of the state's top three regions for salmon, and it saw a surge of pinks this year and strong sockeye landings. The year's statewide salmon forecast was 61 percent above last year's, and the harvest far exceeded the forecast.

That bodes well for Petersburg, and so do 2021's high Dungeness crab prices. According to the local broadcaster KFSK, Petersburg's summer Dungeness haul was worth double its decade average value.

Assessing the size of the area's seafood harvesting workforce

Estimating the size of Petersburg's seafood harvesting industry isn't as straightforward as most of our job counts because most fishermen are self-employed. However, the numbers of active fishermen and gross earnings in the table on the previous page and the U.S. Census Bureau's Nonemployer Statistics paint a consistent picture.

The Census Bureau shows 472 of the borough's 770 self-employed worked in the fishing and agriculture category at some point in 2018, the most recent year available, and brought in over \$53 million. That's nearly \$113,000 each.

These numbers show Petersburg's high-earning seafood harvesting workforce is almost as big as its processing workforce. For Petersburg residents, harvesting is easily the largest industry.

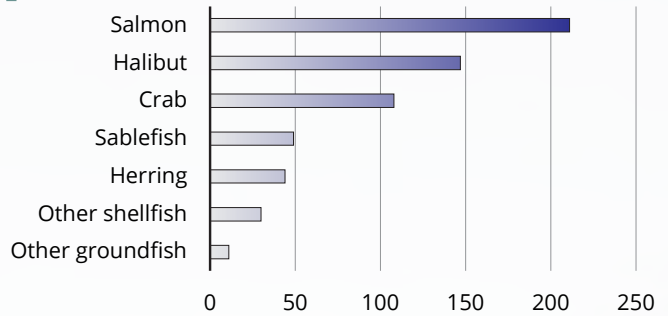
Seafood processors a big local presence

An additional 1,921 people worked in seafood processing jobs in 2019.

Two big plants operate in Petersburg (OBI Seafoods — a recent merger between Icicle and Ocean Beauty — and Trident Seafoods),

Petersburg is considerably older than the state as a whole, with a median age of 43. For Alaska, it's 35.7.

Area harvesters by species in 2020



Note: Some individuals fish more than one species.

Source: Commercial Fisheries Entry Commission, preliminary 2020 data for Petersburg Census Area

as do a cold storage facility and a handful of smaller local plants, including Tonka Seafoods, Coastal Cold Storage, and Northern Lights Smokeries.

Sitka-based Silver Bay Seafoods, another big player, purchased property on Petersburg's Scow Bay several years ago, suggesting future expansion is possible.

In 2019, the most recent year available, seafood processing employed 561 of the borough's workers. While the other 1,300-plus were nonresidents — seafood processing has the highest nonresident percentage statewide — the industry was one of the top

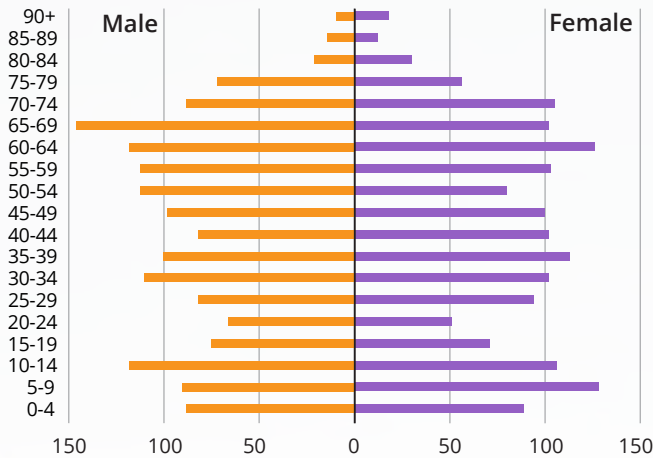
The Petersburg Borough's workers in 2019

Industry	Local workers	Nonlocal Alaskans	Nonresidents	Total workers	Percent local
Manufacturing (mainly seafood)	131	8	422	561	23.4%
Local Government	253	5	21	279	90.7%
Retail Trade	182	24	43	249	73.1%
Health Care/Social Assistance	203	3	33	239	84.9%
Accommodation/Food Svcs	88	2	37	127	69.3%
Construction	32	32	18	82	39.0%
Transportation/Warehousing	53	8	21	82	64.6%
Other Services	35	7	9	51	68.6%
State Government	40	1	5	46	87.0%
Information	25	5	6	36	69.4%
All Other	96	23	50	169	56.8%

Notes: Excludes seafood harvesters, who are largely self-employed. See page 5.

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

The population by age and gender



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section, 2020 Population Estimates for Petersburg Borough

employers for locals, as well, after local government, health care, and retail.

The location means tourism looks different in Petersburg, too

Much of the community's retail supports tourism, which takes a back seat to fishing but is still a pillar of the economy. Even with tourism, Petersburg stands out from other Southeast destinations.

Petersburg is halfway between Ketchikan and Juneau but gets a fraction of their visitors, mainly because the often-shallow Wrangell Narrows south of town limits the size of visiting ships.

While Ketchikan and Juneau receive more than a million visitors during a typical summer, Petersburg sees about 50,000 tourists a year.



Above, participants dressed as vikings prepare for the Little Norway Festival Race in this 2009 photo by Flickr user [Damian Manda](#).

At right, this photo shows "cannery row" in Petersburg, courtesy of Flickr user [Mike X-d](#).



Only small cruise ships — about 250 passengers max — can dock in Petersburg. In contrast, a 1,200-foot cruise ship with a capacity for 4,000 passengers docked in Ketchikan for the first time on Aug. 2 of this year.

According to KRBD in Ketchikan, the ship held just 600 nonpaying passengers on this “dry run” to test pandemic protocols — but its size illustrates the vast difference in capacity between Petersburg and Southeast’s other tourism-centered towns.

An overview of Petersburg's earnings and other industries

Other prominent industries are local government and health care, which are mainstays in smaller towns. Petersburg's state government presence

is mostly Fish and Game and includes its research vessel R/V Kestrel.

While Petersburg has a reputation as a wealthy town, its wages outside of seafood harvesting and its total income are on the low side for Alaska. The borough's median household income was \$69,948 in 2019, and statewide it was \$77,640.

In early 2021, the average employee in Petersburg was making \$42,816 per year compared to \$57,888 for the average Alaskan.

The area's small number of federal jobs pay the highest wages by far, at an average of \$77,568. Other high-paying industries in Petersburg include water transportation and construction.

Sara Whitney is the editor of *Alaska Economic Trends* magazine. Reach her in Juneau at (907) 465-6561 or sara.whitney@alaska.gov.

FISH PROCESSING

Continued from page 12

Labor shortages remained a problem throughout 2021

Last year, workers were broadly unavailable because of travel restrictions, reduced airline service, strict quarantine requirements, and worker hesitancy. As mentioned before, seafood processors mainly come from other states and countries to work in remote areas and live in employer-provided dorm-style housing.

While travel is no longer an issue and vaccines have constrained factory outbreaks, the pandemic is still taking its toll. With the national economy regaining ground but struggling with a shortage of willing workers, processors are competing for workers who may have more options than they had before.

Relief money still pending, but some areas' runs improved

Last year's salmon runs were so low that Cordova, Petersburg, and Ketchikan declared local

economic disasters. Between COVID-19 and bad runs, the state received \$50 million in federal CARES Act funding in 2020 for fishing industry relief.

Alaska divided the money roughly in thirds for commercial seafood harvesters, seafood processors, and the sport fishing industry, but hadn't distributed any of those funds when this article was published.

This year's salmon season was strong overall, but it varied by area. Robust runs improved the picture for Southeast and Cook Inlet. Bristol Bay harvests were down from 2020 in most species except sockeye, although sockeye is its dominant harvest. Sockeye arrived in greater numbers than the year before but with smaller-than-average fish.

The Arctic-Yukon-Kuskokwim area performed poorly in 2021, realizing none of its expected catch of sockeye or king and only half the predicted chum harvest, but a threefold bounty of pinks offset the losses somewhat.

Salmon prices also rose this year, especially for kings, as restaurants reopened and global demand picked up. In a uniquely Alaskan price comparison, a king salmon's value briefly exceeded that of a barrel of oil in July.

Karinne Wiebold is an economist in Juneau. Reach her at (907) 465-6039 or karinne.wiebold@alaska.gov.