

THE CITY OF WRANGELL



Southeast town keeps fishing base through decades of change

By **CONOR BELL**

Wrangell Island was originally home to Stikine (Shtax'héen) Tlingits, who had a population of about 1,500 in the early 19th century when Russians first engaged them in trade. The Tlingits traded furs, which they gained mostly through trading with the Athabascans in the Interior, to the Russians for textiles and other European goods.

The Russian American Company built a fort by the Stikine River in 1834, which it began leasing to the British Hudson Bay Company six years later. The British company continued the fur trade until 1849, when it abandoned the fort due to a poor relationship with the Tlingits.

Two minor gold rushes renewed the area's economic activity during the 1860s and 1870s. In 1880, Alaska's first census put Wrangell's population of white settlers at 106 and area Tlingits at 817. Later, during the Klondike Gold Rush, prospectors stopped in Wrangell on their way up the Stikine River.

Traffic through the town slowed as other routes proved easier, but a base of businesses was already in place, allowing other industries to develop.

A history of timber

The fishing and logging industries gained prominence in the late 19th and early 20th centuries. While fishing's presence in Wrangell's economy has been steady, logging grew continuously through the 20th century.

Initially supplying wood for local construction and



Above, float houses rest on the mud in Wrangell. Photo courtesy of Flickr user brewbooks

crates for shipping salmon, the local sawmill provided lumber for airplane manufacturing beginning around 1920. It also produced wood for U.S. military bases through World War II and for Japanese industries through most of the second half of the century.

Total employment in Wrangell fluctuated between 900 and 1,100 through the 1980s and early 1990s, with logging by far the largest employer.

The Tongass Timber Reform Act of 1990 limited harvesting areas and ended heavy federal subsidization. The Wrangell sawmill, which had been the town's primary economic driver, closed in 1995. Just one year prior, the sawmill alone had provided almost 20 percent of the area's employment and 30 percent of wages.

Between 1994 and 1997, the population decreased from 2,800 to 2,500, and in 2006, it bottomed out at 2,200 — 20 percent lower than in 1994. Since then, the city’s population and jobs have never fully rebounded.

1 Wrangell Has an Older Population

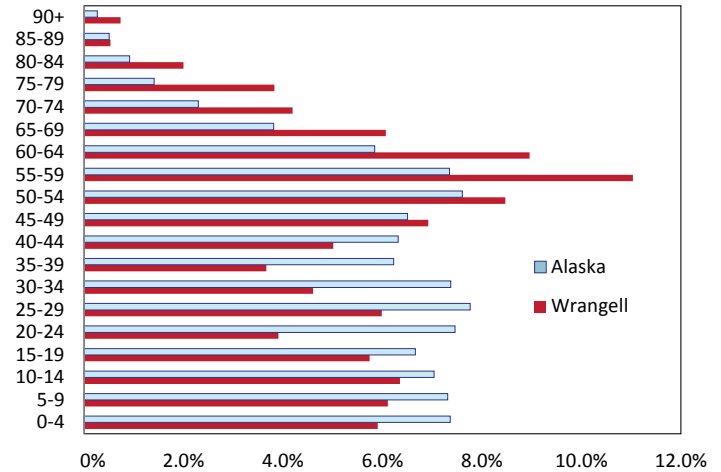
VERSUS ALASKA AVERAGE, 2013

Older, less diverse population

Today, the City and Borough of Wrangell’s population is around 2,500, with mild losses projected over the next few decades.

The population is older, with a median age of 47 (see Exhibit 1) — considerably higher than Alaska’s 34 years and the United States’ 37. Older populations have lower birth rates and more deaths, and Wrangell also tends to lose population through more people moving out than in, which is common for smaller Alaska communities.

Wrangell’s composition also differs from the state as a whole in that it is 73 percent white versus 67 percent for Alaska. While Wrangell has a much smaller percentage of blacks, Asians, and Hispanics than Alaska, it has a slightly larger share of Alaska Natives.



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

and Alaska’s was \$51,030. Per capita personal income, which encompasses wages plus all other sources of income including fishing, was \$39,359 in 2012,¹ considerably below the statewide average of \$49,436.

Personal income includes transfer payments — such as retirement income, dividends, and welfare — and Wrangell has more per capita, mainly due to its older population. However, this additional income doesn’t fully compensate for the city’s lower wages.

¹For personal income, 2012 data are the most recent available.

Lower wages and income

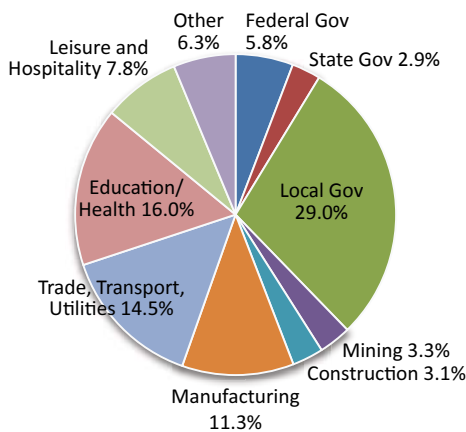
Wrangell’s average annual wages and average personal income are both lower than statewide.

In 2013, Wrangell’s average yearly wage — which doesn’t include earnings from fishing — was \$37,520,

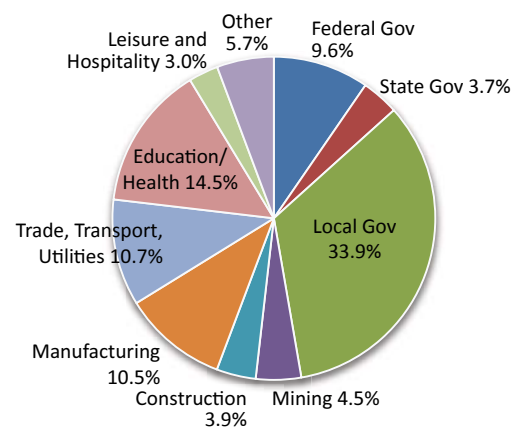
2 Largest Share of Jobs, Wages in Local Government

CITY AND BOROUGH OF WRANGELL, 2013

Employment



Total Wages



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

38 percent of jobs are in government

Wrangell's employment is 38 percent government (see Exhibit 2), and as is common in small communities, it's largely local. Local government represents 29 percent of all jobs in Wrangell and includes the school district and the Wrangell Medical Center.

Local government jobs, which provide basic services in small communities, tend to pay less than state and federal jobs. Heavy reliance on government jobs also suggests a lack of other economic activity.

Federal employment makes up a much smaller share, at 6 percent, and is mainly U.S. Forest Service. State jobs are scarce at just under 3 percent of total employment compared to 8 percent for Alaska as a whole, and include a handful of jobs at the Department of Fish and Game and the Department of Transportation and Public Facilities.

Fishing plays a major role

Fish harvesting is a key piece of Wrangell's economy, but these workers don't show up in regular employment data because they're generally considered self-employed. Because the employment figures in the rest of this article exclude fish harvesting, alternative measures are necessary to quantify its role in the economy.

Wrangell residents fished 259 permits in 2012. These residents brought in 9.9 million pounds that year and \$12.9 million in earnings (see Exhibit 3), with 57 percent coming from salmon permits. For a permit holder, this averages out to \$77,895 in gross earnings.

While fisheries earnings vary from year to year, 2012's earnings were near the 10-year average of \$11.8 million.

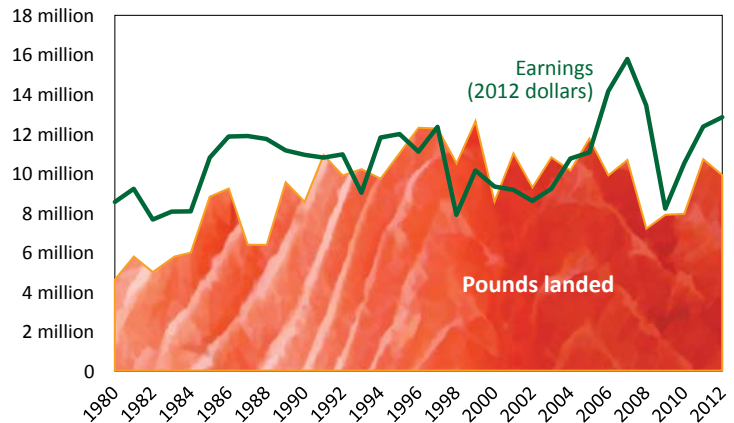
The millions of pounds coming into port each year feed into seafood processing jobs, which make up the majority of manufacturing employment in Wrangell. The average monthly job count for manufacturing was 97 in 2013.

Seafood processing is highly seasonal and spikes with the summer salmon season. Manufacturing jobs peaked at 237 in August of that year.

Wrangell also draws in fishermen from the surrounding area with its marine service center, which has a 300-ton boat lift.

3 Seafood a Major Part of Economy

WRANGELL, 1980 TO 2012



Source: Commercial Fisheries Entry Commission

Fewer cruise ships

While Wrangell doesn't have Juneau's or Ketchikan's high volume of visitors, it brings in a steady flow of travelers throughout the summer — about 18,000 in the summer of 2011. For comparison, Juneau had 917,000 and Ketchikan brought in 867,000 that season.

Wrangell is scheduled to receive more than 50 cruise ships this summer, mainly small ones. The community lacks the larger cities' ability to port ships carrying thousands of passengers; its largest visiting ship carries about 500. Just four ships that visit Wrangell carry more than 100 passengers, and these make 10 total summer visits.

Visitor-related industries averaged 73 monthly jobs in 2013, fluctuating from 54 in February to 89 in July.

Wrangell has several notable visitor attractions. It's home to the Petroglyph Beach State Historic Park, which has the highest concentration of rock engravings in Southeast Alaska. George T. Emmons, an ethnographer, wrote in the early 20th century that no Tlingit elders knew of the engravings' origin, and some denied they were created by Tlingit ancestors. There's no consensus on their age, either, but some speculate they could be thousands of years old.

Other destinations include the Anan Wildlife Observatory, 30 miles from town by charter boat or float plane, and Anan Creek, which has one of Southeast's largest pink salmon runs as well as a large population of grizzly and black bears.

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