Projection of mineral development in an area is highly speculative and forecasting employment and population resulting in Petersburg on the basis of such projections is equally hazardous. It is forecast that mining employment will not reside in Petersburg. However, mining employees in the vicinity of Petersburg, who will use this City as their principal source of trade, transportation and services, are forecast to be between 30 and 120 by 1985.

TOURISM

The future Stikine-Iskut Highway linking Petersburg with the continental network of highways will dramatically change the amount and type of tourist travel through Petersburg. Since this highway will probably be the only land route into central Southeastern Alaska, completion will make Petersburg a major terminal for persons embarking on and debarking from the Alaskan Ferry System. Petersburg will assume a function as a terminus similar to that of Prince Rupert and Haines.

As is shown on the map of regional transportation, the highway to Petersburg will connect with the Alaska Highway and, in the long run, will connect with the highway from Hazelton to southern British Columbia and the West Coast. This new route will permit much greater variety, flexibility and convenience in travel through Southeastern Alaska. For instance, tourists from British Columbia and the West Coast will be able to take a short circular trip traveling through Prince Rupert and Petersburg by ferry and back by land on the new highway through Hazelton and southern British Columbia. As an alternate, the tourist could travel to Petersburg on the ferry and then drive to the Alaska Highway and take the longer route either to Alaska or back to the main part of the United States. With the connection to Hazelton, persons traveling north or south via the ferry and highway will be able to shorten the time spent in traveling by using Petersburg rather than Prince Rupert as the southern terminal of their ferry trip and by spending a greater proportion of their traveling time on the road. The trip from Petersburg to Hazelton would take approximately 10 hours via the Stikine-Iskut Highway as opposed to a minimum of 22 hours via the ferry and the highway from Prince Rupert to Hazelton.

A second change in the region's transportation routes which will have a major impact upon tourism in Petersburg will be the opening of British Columbia's Kelsey Bay-Prince Rupert ferry route linking Prince Rupert with Kelsey Bay on northern Vancouver Island. This ferry will make one one-way trip per day between Kelsey Bay and Prince Rupert taking 18 hours for the run. By providing a luxury ferry service connecting with the Seattle, Vancouver and Victoria areas, this new system will inevitably accelerate the use of the Alaskan ferry sys-

tem and, hence, will strengthen the economic impact of tourism in Petersburg and other Southeastern communities.

The use of these two new major routes from British Columbia to Southeastern Alaska will be intensified by the fact that Canadian tourism in Alaska is expanding rapidly. Between 1963 and 1964 the proportion of Canadian tourists in Alaska increased from 5 to 15 percent. Not only is Canadian tourism being accelerated by greater prosperity and leisure, but the new Trans-Canada Highway is attracting Canadian tourists to British Columbia and, hence, to Alaska.

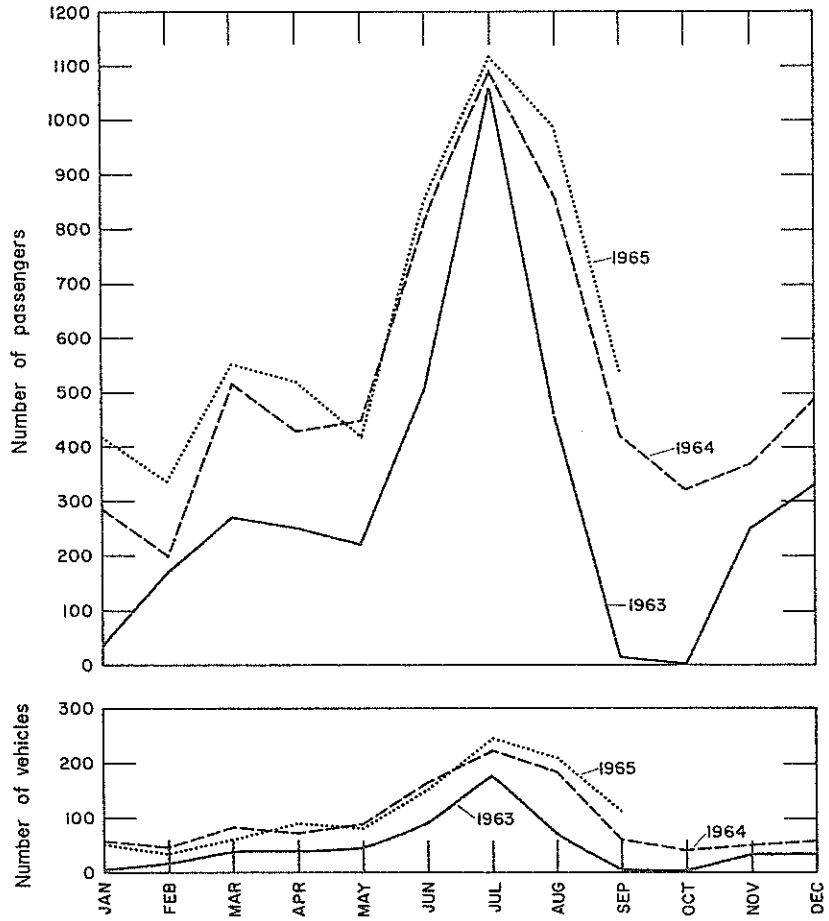
Because of these changes which are forthcoming in the region's pattern of transportation and because of a continuing rapid increase in tourism in Alaska, it is forecast that tourism will be a major source of economic growth in Petersburg. On a nationwide basis the recent increase of tourism has been nothing less than phenomenal and, because of tourism, a new dimension has been added to the economy of many areas. Increases in disposable income, population and leisure time together with the greater ease of transportation and the increase in the proportion of older retired persons, have acted together to create a booming national tourist industry. Demand has been particularly strong for those types of recreational facilities such as national parks and forests in which the natural landscape is a predominant attraction. Resources for the Future estimated, in a recent study of the future uses of America's resources, that by the year 2000 visits to such areas will be thirteen times the present level.

Since Alaska is rich in natural beauty and wildlife and in opportunities for sport fishing and hunting, it stands to realize large benefits to its economy from tourism. The Southeastern ferry which offers a unique and leisurely means of travel is a tourist attraction in itself.

Projections of the role of tourism in Alaska's economy are agreed in their optimism. The Division of State Planning has predicted that tourism in Alaska will have attained a level by 1980 that will directly add 14,600 new jobs to the economy. The University of Alaska in a study by the Institute of Business, Economic and Government Research forecast that tourists visiting Alaska will increase from 75,000 in 1964 to approximately 450,000 by 1975 and 650,000 by 1980.

During the recent past Petersburg has been participating in this tourist increase. The total number of ferry passengers disembarking in Petersburg was 73 percent higher in 1964 than in 1963. Also significant is the fact that since the inception of ferry service, there has been an increase in the usage of the ferry in the off-season months of winter, spring and fall (see Figure 6).

FIGURE 6



NUMBER OF PASSENGERS AND VEHICLES
DISEMBARKING FROM ALASKA FERRY SYSTEM
AT PETERSBURG
1963 — 1965

Source: Alaska Department of Public Works, Division of Marine Transportation

TABLE 8

ALASKA FERRY SYSTEM PASSENGERS DISEMBARKING AT PETERSBURG

	1963	1964	1965
May	220	455	420
June	516	820	857
July	1060	1094 1/	1118
August	454	780 1/	986
September	8	420 1/	540 2/

1/ Distribution of three month total estimated by Alaska State Housing Authority.
2/ Estimated from partial information.

Source: Alaska Department of Public Works, Division of Marine Transportation.

TABLE 9

USAGE OF SOUTHEASTERN SYSTEM
1964

	Prince Rupert	Ketchikan	Wrangell	Petersburg	Sitka	Juneau	Haines	Skagway
Passengers on	20,679	15,180	4,734	6,004	4,876	21,831	18,370	10,183
Passengers off	21,971	14,787	4,785	6,189	4,731	23,085	15,534	10,275
Vehicles on	4,978	2,873	679	962	810	4,701	5,007	1,275
Vehicles off	5,059	2,989	869	1,117	1,054	4,891	4,080	1,325

Source: Traffic Quarterly, Volume XIX, No. 3, July 1965, p. 368.

Petersburg's attraction for tourists lies in its spectacular surrounding scenery, its charm as an unusually well kept and well ordered fishing village and in the excellent opportunities for camping and sport fishing and hunting which are readily available. The surrounding woods and mountains abound in deer, brown and black bear, moose and goats, while some of the world's best bird hunting is available on the flats of the nearby Stikine River. Halibut and salmon provide excellent fishing and clams are abundant. At some times of the year Dolly Varden and cutthroat trout may be caught. Charter trips are available to nearby fiords and glaciers and to areas rich in seal, whale and other marine wildlife. Le Conte Glacier near Petersburg is located farther south than any other active glacier on the North American continent. Under its policy of multiple use development, the U. S. Forest Service has provided several camp grounds and picnic and recreation areas in places of outstanding scenery and recreational value. Visitors can tour interesting crab, shrimp, halibut and salmon processing plants or inspect an experimental fur farm on the outskirts of Petersburg.

The major changes which are forthcoming in Southeast Alaska's pattern of transportation will not only cause overall increases in tourism but will also increase Petersburg's share. As shown in Table 9, Petersburg presently receives a minor share of the traffic brought into the region by the ferry. However, by 1975 after the completion of the Stikine-Iskut Highway linking with the Alaska Highway, it is projected that 13 percent of Alaskan tourists will visit Petersburg. By 1985, after the link to Hazelton is completed, about a quarter of all Alaskan tourists should pass through Petersburg. A translation of this forecast into new employees indicates that tourism will directly add about 10 new employees to Petersburg's economy by 1975 and an additional 35 new employees should be added by 1985.

PEAT

The processing of peat is an economic possibility which should be investigated in the Petersburg area. Wolf Management Services in their report Investment Opportunities in Southeast Alaska, suggested that a peat processing mill run as a seasonal operation might be feasible in this area, on the basis of the apparently abundant local supply of peat moss and the large amounts imported into the United States, principally from Canada, but also from Germany, Sweden and the Netherlands.

Peat improves the water-holding capacity of most soils and gives better physical structure to fine soils. Consequently, it is used extensively by commercial nursery operators, especially for specialty crops, and by home owners for general soil improvement purposes.