

HYDER, ...ALASKA?

Unusual Southeast border town embraces its dual nature

By **SARA WHITNEY**

At first, Hyder might look like a cartographer's mistake. The easternmost town in Alaska juts out from the Southeast Panhandle into what looks like Canadian territory on the other side of the Salmon River, and for all practical purposes, it's a cultural and physical part of British Columbia.

Hyder is one of the few communities in Southeast Alaska accessible by road — but its road isn't connected to Alaska, and weekly ferry service from Ketchikan ended in the early 1990s. Instead, Hyder's road leads into the larger, Canadian town of Stewart, two miles from the U.S. border.

B.C. travelers can drive right into Hyder, and therefore into the United States, without passing through border security. However, they're stopped once they try to reenter Canada — and that's only allowed during certain hours, a fairly recent and controversial change.

Part of Canada, more or less

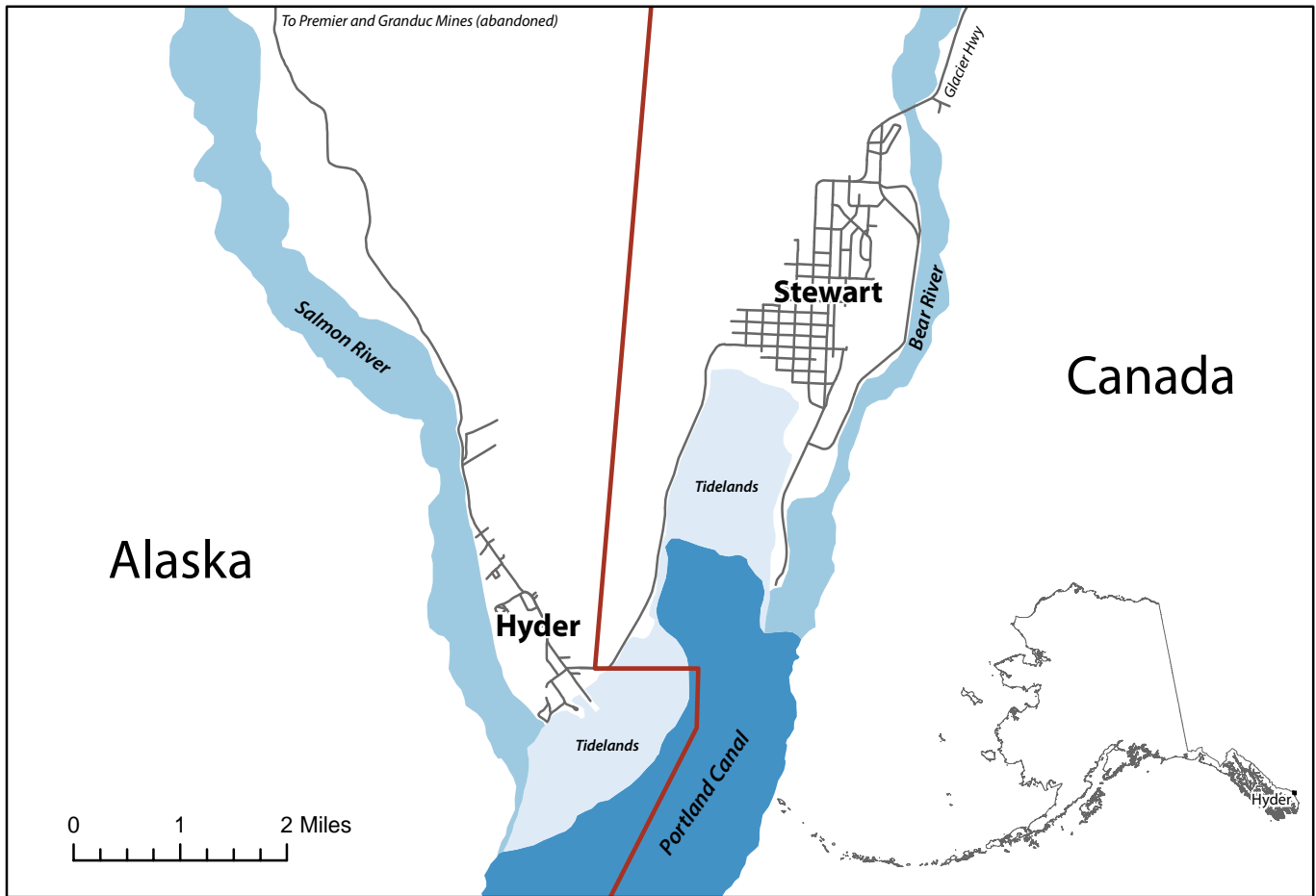
The Alaska town of less than 100 residents has long embraced its dual nature. Although Hyder is on Alaska time, it runs unofficially on Pacific time with the rest of B.C. With the exception of Hyder's U.S. Post Office,



The sign on Hyder's general store provides some local demographic information. Photo by Flickr user Zoe52

both towns accept Canadian and U.S. currency. The towns share an international chamber of commerce, residents mark both countries' holidays, and Hyder's electricity and phone service come from a Canadian company. Calling Hyder requires a 250 B.C. area code, and it's the only town in Alaska without the 907 prefix. If you call the Alaska State Troopers, they'll dispatch the Royal Canadian Mounted Police.

For many travelers and Canadians, passing through Hyder is a quick way to cross visiting Alaska off their bucket list. That's brought some recognition to the



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

town, which has also garnered international attention (whatever that means in this case) from two films being shot there. A 1982 remake of “The Thing” was filmed at the Granduc Mine near Stewart, and 2002’s “Insomnia,” starring Al Pacino and Robin Williams, was partially filmed in Hyder and Stewart.

What’s less well-known or understood is why Hyder belongs to Alaska in the first place.

Few strong ties with Southeast

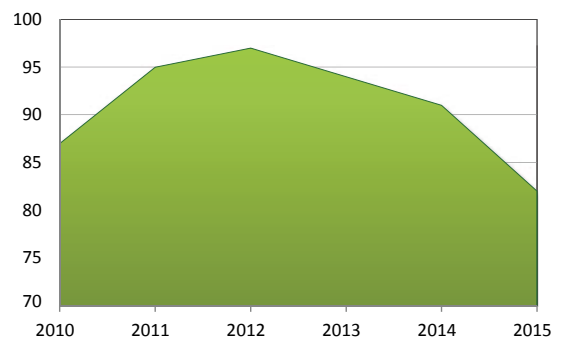
Hyder lies at the head of Portland Canal, a 130-mile fjord that forms a natural border between the United States and Canada. The town is about 75 air miles from Ketchikan, but that’s where its association with Southeast Alaska appears to end.

In 2006, Hyder residents strongly opposed joining an expanded Ketchikan Gateway Borough or the newly created Wrangell Borough. They didn’t want to be part of any borough if they could help it, but agreed to be part of a new census area called Prince of Wales-Hyder.

Although residents are mostly Americans, the town’s ties to the much-larger Stewart — whose population fluctuates between 500 and 750 — are closer and go way back.

1 Population Under 100

HYDER, 2010 TO 2015



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



The U.S. Post Office in Hyder is the one place in town that doesn't accept Canadian currency. Photo by Flickr user Eugenio Vacca

The struggle over the U.S. border

The area was originally inhabited by a Canadian tribe, the Nisga'a, but as with much of the north, the population changed with the discovery of gold in the late 1800s. What followed was a dispute between Canada and the United States over who got what land, driven by the desire for better access during the Gold Rush.

The rub was some wording in the Anglo-Russian Convention of 1825, a treaty that defined borders when the U.S. bought Alaska from Russia. The path the border was to take through the Portland Canal area was so vague and so vehemently disputed that it required international arbitration.

Great Britain and 'the big betrayal'

Canada's proposal would have claimed much of Southeast Alaska, including what are now Juneau, Skagway, Wrangell, and Ketchikan. Ultimately, though, the U.S. succeeded in pushing its border farther east, thanks to Great Britain.

Canada asked Britain to sit on the 1903 Boundary Commission to help the two sides negotiate, but Britain sided with the U.S., raising the ire of many Canadians and contributing to the rise of the Canadian independence movement. Historians believe the decision was a strategic move to garner American support for other British interests.

Ultimately, the boundary commission chose to draw

a line down the middle of Portland Canal, which bisected the adjacent peninsula and gave the western half to Alaska.

From there, with discoveries of gold and silver lodes, Hyder formed on the western side of the peninsula with Stewart on the east, and the population began to climb.

From mining to tourism

In the early 20th century, prospectors on the American side of the peninsula applied for a U.S. Post Office under the name "Portland City," but the government rejected the request, saying too many U.S. cities already used the word "Portland."

Hyder was then named after Canadian mining engineer Frederick Hyder, who predicted great mineral success for the town. He was partially correct.

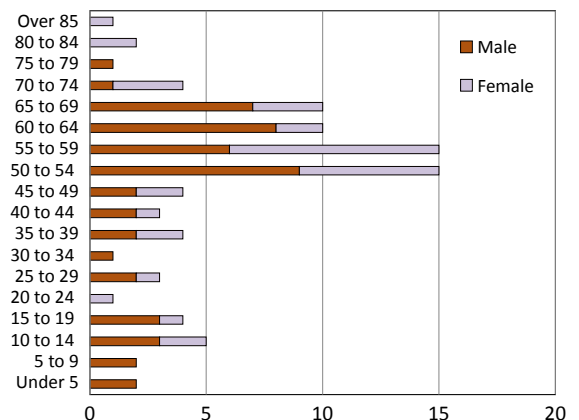
Hyder and Stewart were mining towns through the first half of the 20th century, with Hyder as the access point.

Hyder's mining industry boomed through the 1920s and '30s with extraction of silver, gold, copper, lead, zinc, and tungsten. Its population peaked at 254 in 1930.

But when the town's Riverside Mine closed in 1950, the population bottomed out at 30 people. After that, major mining was limited to the Canadian side, and it remained strong until the mid-1980s.

2 Older, With More Men

HYDER BY AGE AND GENDER, 2010



Source: U.S. Census Bureau, 2010 Census

Since the shift away from mining, Hyder's economy has relied mainly on visitor traffic. In 2015, the town had 15 active business licenses, and most were tourism-related.

Creative marketing over the years

In the 1960s, Hyder marketed itself as the "Friendliest Ghost Town in Alaska." Today, tourists can get "Hyderized" at a local bar by ordering a special shot of 190-proof Everclear. But the town's most industrious revenue-generating project was probably the water bottling plant.

About 15 years ago, the town built a 73,000-square-foot plant to market its glacially fed groundwater. The lack of an operator and distribution problems brought the \$1 million project to a halt, however, after four years of work. Getting the product to market, from an American town landlocked in Canada, was the biggest problem.

Today, the now-defunct bottling plant is where Hyder's children attend school.

Town has few local services

For many years, children attended school in Stewart. However, Hyder now has its own school, part of the Southeast Island School District. About 13 children meet at the old water bottling plant.

The nonprofit Hyder Community Association contracts with the Alaska Department of Transportation and Public Facilities to provide road maintenance. But beyond that, the town has no municipal government and few basic services.

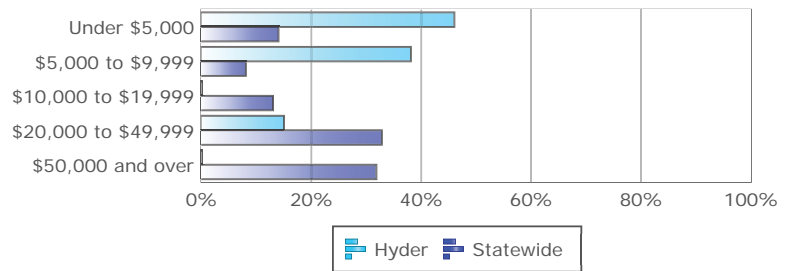
Residents rely on wells and septic systems, and the town has a landfill. According to the association, the town plans to work with the state to come up with a better arrangement.

An older, largely white population

Although demographic data for a place this small are scarce, they provide a reasonable picture of who lives there. With an older, largely male, and almost entirely white population, Hyder doesn't look much like the

3 Low Average Wages for Residents

HYDER VS. STATEWIDE, 2014



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

rest of Alaska.

The town's population, which has fluctuated between 75 and 100 since 1990, was estimated at 82 in 2015. (See Exhibit 1.)

As of the 2010 Census, it was 59 percent male, with a median age of 54.8 — considerably older than Alaska's 33.8 years at that time. (See Exhibit 2.)

Also in 2010, residents were 90.8 percent white, 1.1 percent Alaska Native or American Indian, 1.1 percent Pacific Islander, and 6.9 percent other or two-plus races. In contrast, Alaska was 69.3 percent white, 15.6 percent Alaska Native, 5.4 percent multi-race, 3.5 percent black, 4.0 percent Asian, and 0.5 percent Pacific Islander.

Less than half are employed

Hyder had 65 residents over the age of 16 in 2014. Just 40 percent were employed, which doesn't factor in self-employment and a handful of federal jobs, nor anyone who works in Stewart.

The majority of those employed in Hyder weren't employed year-round, which is reflected in its lower-than-average yearly wage for residents. (See Exhibit 3.)

The low percentage in the labor force is also due to Hyder's considerably older population, many of whom are retirement age. Of residents working for an employer in 2014, 62 percent were over the age of 50.

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