

a growing city of nearly six thousand. In the old part log cabins, shacks, and mouldering husks of stern-wheel steamers stand side by side with the new diesel locomotives of the White Pass and Yukon Railway, a large office and administration building that is already too small, and an imposing new hospital that is to serve not only Whitehorse but all the Yukon Territory. The city's growth has required a bridge to be put across the Yukon River to a new subdivision on the east side—a subdivision with tree-lined streets and houses that would fit in any community in the south. A few miles upstream is standing evidence of the country's confidence in the growth of the Yukon Territory—a new power plant being built by the Northern Canada Power Commission to harness the waters of the Yukon River as they flow over the rapids that were made famous in the Klondike gold rush. Whitehorse is a good place to begin such a tour. It brings disillusionment to anyone who thinks of the north as an area of ice and snow and dog teams. It sets the tone—a tone of bustle, of growth, and of optimism.

After two busy days in Whitehorse I moved on by air—down stream along the Yukon River that once carried all the traffic of the Yukon Territory and now has not a single cargo vessel moving on it. All the traffic of the Yukon—machinery, mine concentrates, food, and all the other necessities of life—move either by air or by truck over the steadily growing network of roads and highways. At Carmacks a bridge is being built across the Yukon River at a cost of over \$800,000—soon to be followed by two other bridges that will eliminate the ferries that limit the use of the main artery of the Yukon—the road from Whitehorse to Dawson.

The heaviest traffic on the road comes from the United Keno Hill mine at Elsa—a mine that is the largest silver mine in Canada and one of the largest in the entire world. An idea of the wealth of the ore that is produced in this mine can be gained when one realizes that it is capable of being competitive after going by truck for three hundred miles to Whitehorse, then by narrow gauge railway for one hundred and fifty miles to Skagway, by boat about one thousand miles to Vancouver, and finally by train another three hundred miles or so to Trail for smelting. This presents a perfect demonstration of the point made by the Honourable Alvin Hamilton speaking to the Northern Development Conference in Edmonton on September 17th, when he said:

In spite of what I have just said, the hard truth is that the mineral resources of the territories are still relatively unprospected and unexplored. Since economic expansion will depend in large measure on the rate at which their exploration progresses, we are eager to help in hastening the process. It is clear that the most effective way of doing this is also the surest way of promoting the development of known resources. That is by reducing the problems facing the northern economy.

The chief problem, and in many ways the only important one, is transportation. The limited transportation facilities in the territories today leave almost their whole area inaccessible to economic development. Where they do exist, the distances from markets and sources of supply and the small, unbalanced volume of traffic make transportation the largest single cost item in mining and other industrial operations. Transportation is the main reason why the territorial economy is a high-cost economy, and reducing the problem it presents is the great key to future development.

One of the main purposes of my trip, indeed, was to see the routes of some of the roads the government plans to build in the northern territories—and to witness the progress of a few that are already under way. The Minister of Northern Affairs had hoped to do this himself but the pressure of duties in Ottawa made it necessary for him to stay behind and I had the good fortune to take his place.