

YUKON ROYALTY QUESTION.

Montreal Daily Star Says It is Reproach to Government.

Advocates the Establishment of an Assay Office for Dawson, Where Gold Can Be Exchanged.

[From Tuesday's Daily.]

The Montreal Daily Star has the following to say regarding the Yukon royalty question:

The future historian of Canada, in chronicling the events transpiring in this country during the Laurier regime, will probably refer to the gold discoveries in the Yukon as being most worthy of notice in consideration of the great opportunities which were thereby opened up to Canadian enterprise and development. In perhaps no other feature of its policy has the Liberal government so egregiously failed in its duties to the people of this country.

Passing by for the occasion the scandals which have sprung from the administration of the country, let us consider the effect of the 10 per cent royalty.

Under the present conditions, of the \$730,000 collected in 1898, which was less than 5 per cent of the total gold exportation, the principal contributor was the honest miner, although he was assisted somewhat, doubtless, by stock companies, and mine owners who feared to take any chance of confiscation. Now, the miner who leads a hard life is certainly entitled to consideration at the hands of the government. It is no wonder that he becomes discouraged with a country which puts a heavy handicap upon his labor. The present heavy royalty has largely the effect of either making him a perjurer or driving him from the country to seek elsewhere conditions which are not so oppressive. If he goes, as has been the case in many instances in the Yukon, with him also goes royalty and revenue of every kind. If his lot is made easy, he will develop the country, and trade and revenue will consequently increase.

The shrewdness and foresight which has marked the American government's appreciation of the Yukon situation is in striking contrast to the lack of statecraft displayed by the Liberal administration. When the gold discoveries were made known to the world, the authorities at Washington made haste to establish an assay office at Seattle for the purchase of gold as it came from the Yukon. The certificates issued by this department were made payable either in Seattle or other cities in the United States, as desired, without any charge for exchange. The result has abundantly justified the step from an American standpoint. The city of Seattle is today being built up by the millions of gold which annually pass Vancouver on the way to the United States assay office at Seattle. Exchanged for money, goods are purchased in that city and carried back past Vancouver in American vessels to Skagway en route to Dawson. As some 90 per cent of the goods going into the Yukon are brought to the Pacific coast from the east, the farmers, merchants, and manufacturers of Eastern Canada can form some idea of the millions of money annually lost to them under the present policy of the Liberal government.

When the provincial government of British Columbia a year ago attempted to divert some of this trade by guaranteeing the assay certificates of offices established at Vancouver and Victoria, it was found that on account of necessary charges for exportation of the gold, and exchange, these certificates were at a disadvantage compared with Seattle assay values. It was demonstrated that even were the assay offices in these cities on a par with Seattle, the gold could not be had, because fully 75 per cent of those coming out with gold dust were Americans who make Seattle their headquarters. These miners would wait several days longer at Skagway for an American boat sailing direct to Seattle in preference to going by a British vessel to a British Columbia port. A premium is actually placed on this wholesale exportation of gold to Seattle, because gold dust at Dawson under existing conditions, is sold at such a discount from its real value that the expense of taking a trip out to the coast is paid for by the difference obtained by selling the precious metal at the Seattle assay office.

That it is the government's duty to carefully examine its position on this subject must be apparent to every one who would see Canada reap as much as possible for Canadians from the wealth of the northern gold fields. It has been suggested to tax the gold as it leaves the country rather than the miner who

digs it, if there is trade could be promoted and the necessary revenue for administration obtained. For, where the dust is exchanged, there the money will be spent; and the Yukon miner does not generally trouble himself searching for low prices. If an assay office were established by the Canadian government at Dawson for the exchange of gold dust for currency, there would certainly not be the same inducement for the miner to leave Dawson for Seattle or elsewhere. Merchants and commercial travellers could then meet and do business in Dawson and much of the trade now going to Seattle could be captured by Canadians.

By the abolition of the present 10 per cent royalty and the establishment of a government assay office in Dawson for the purchase of gold dust, making liable to confiscation any gold being taken out of the country without the appointed fees being paid, a great burden would be lifted from the shoulders of the miners. The gold could be exchanged for Canadian bank notes, and sufficient deducted to pay royalty, maintenance, transportation and insurance on the gold. If the miner, on the other hand, wishes to take the gold out he would have to go to the assay office and pay the charges just the same. This would result in most of the precious metal being sold in Dawson. And the miner coming out would not have so much inducement to pass Canadian cities. Indeed, having Canadian notes and drafts he would be drawn to Canadian ports where his money would be received at par.

Western merchants are fully alive to the golden opportunity which Canadians, under the present government are missing, and the Vancouver Board of Trade has passed a strong resolution appealing to the Dominion government for the abolition of the obnoxious royalty and the establishment of a government assay office at Dawson.

AT IT AGAIN.

(Continued from page 6.)

the four Indian regiments and that it be equipped for service in China.

Men and Mules for China.

San Francisco, July 13, via Skagway, July 17.—Orders have been received at the Presidio to prepare 5000 men and 500 mules for shipment to China via Seattle.

A large number of cavalry horses are being purchased all over the coast.

Germany Aroused.

Hamburg, July 13, via Skagway, July 17.—Ten steamers have been leased to transport 12,000 troops and ammunition to China.

Japan is Tardy.

London, July 13, via Skagway, July 17.—The tardy action of Japan in getting ready for war is being freely commented upon. It is hinted that the difficulty arose as to the manner in which Japan is to be recouped for her outlay and it is said she will demand the cession of a Chinese port.

Moore's Shut Out.

Washington, July 13, via Skagway, July 17.—A decision rendered in the U. S. land office regarding the Skagway townsite gives no land at all to Wm. and Ben Moore, original claimants of the property.

News From Nome.

This morning at 6 o'clock the N. A. T. & T. Co.'s steamer Hamilton arrived from St. Michael with freight and passengers.

Among the passengers were two who came from Nome, and the general account of affairs in the mushroom city by the sea is neither very flattering or in any particular different from that already published in the Nugget. The place is quarantined, which accounts for the few passengers being brought up the river, and smallpox is said to be on the increase. Such is the substance of the report given by the passengers, F. L. Cochran and Chas. Christie and the pilot, Jack Lynch.

Yukon Agriculture.

A stalk of oats was left at the Nugget office this morning by Col. McGregor that was grown by Jack Turk in his front yard. The seed was taken from the mouth of Wilson's little race horse by Jack on the Queen's birthday and planted by him the same evening. The stalk is 2 1/2 feet long and bears a heavy head of grain. Whether its speed in growing is due to its having been taken from the mouth of a fast horse or to the Yukon soil is a question that might properly come before a debating society.

Special Power of Attorney forms for sale at the Nugget office.

THE NOME BEACH A FROST.

The Tundra Is a Delusion and a Snare.

The Town Is Only a Bubble and Thousands Are Endeavoring to Get Away as Soon as Possible.

George W. Hazen, a Portland lawyer, arrived in Skagway yesterday from Nome. He came south to Juneau on the Farallon, Capt. Roberts, and then came to Skagway on the Topeka. Mr. Hazen is a cousin to Dr. I. H. Moore of this city, and will remain here a few days visiting. He says:

"I went to Nome with the rush of this spring, was there two weeks and then came back together with 50 other men on the Farallon. The Farallon has proceeded to the Sound.

"The Nome beach is a frost, the tundra a joke, the creeks limited, shallow and not phenomenal and the town a bubble. There are fully 25,000 people in the city of Nome, and already the tide of disgusted argonauts are beginning to flow back this way. The camp can only support about 3000 people.

"Men are not making much on the beach, and tons and tons of machinery taken there will never be so much as removed from the beach. The Farallon brought back a large boiler which was not even taken from the vessel. People are beginning to realize what a great will o' the wisp they have chased. Experienced Alaskans and miners who have followed the excitements up and down the coast for years are displeased. I know one man who has been chasing the allurements of mining camps of the slope for 40 years, who states he never saw such a stampede fake as that of Nome. It is the belief of no honest man would let his friend go there.

"For two and a half miles the beach is strewn with all manner of gold machines conceivable. For hundreds of yards the people are encamped on a narrow strip of sea beach, and dare not move forward for fear of the tide, or backward for fear of the owners of lots behind them making them buy the lots at fabulous prices or decamp. Those who owned the lots in the early part of the season and through the winter petitioned to have the beach cleared of campers. Their motive was simply to make people buy their lots. The strip on which the newcomers camped was so thickly covered with tents that it is an unbroken city of canvas with guy ropes intertwining with one another at every step.

"Everyone has an outfit and no one is suffering for food, but when I left 1500 people were walking the streets without a place to sleep. They simply sat about the streets and slept in their clothes.

"The health of the town was in a deplorable condition. There were thirty cases of smallpox, and fever and pneumonia were common. A pesthouse was built back on the tundra for the smallpox patients.

"Up to the time I left funerals had averaged three a day, and there had been six murders and two suicides. Two of the murders were over disputes as to lots."—Alaskan.

A Great Loss.

A recent Washington dispatch says the loss of the Oregon to the government at this time would be irreparable. She is the greatest ship ever built in any navy. It would take three years to replace her. The Oregon never gave any one any trouble. On her trial trip she exceeded her contract speed by two and a fourth knots. Her required speed was 15 knots, but she developed 17.15 knots on her trial, and went even faster in the battle of Santiago after steaming 14,000 miles. After the war with Spain she was clemmed at the Brooklyn navy yard, and it was found that no repairs were necessary. She left the Brooklyn yard in company with the Iowa, and reached the Manila in perfect order. Admiral Dewey acknowledged her arrival, saying that she was in perfect order and fit for any service. She has been in the Philippines ever since, with the exception of one visit to Hongkong to have her hull scraped and painted.

A letter was received here from her commander while she was in Hongkong, saying that there was not a butt or a rivet loose, and that the hull was as good as when she was launched.

She would be an immense loss to the government—far more than her cost, as a ship like her is badly wanted in the present emergency. The moral effect she would exercise on the allied fleet would be worth more than two ships in her class which have not proved their ability and endurance as has the Oregon.

Special Power of Attorney forms for sale at the Nugget office.

The Klondike Nugget

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INCORPORATION.

When the new members are elected upon the Yukon council one of the first measures which should be brought forward for consideration is an ordinance for the incorporation of Dawson. The matter of transforming the town into a self-governing municipality has been before the people of Dawson for upwards of two years, during all of which time authority for granting such incorporation has been vested in the Yukon council.

That body has been steadfastly opposed to incorporating the town by reason of fear that revenues now controllable by the council would as a result of incorporation be diverted to the use of the municipality.

It is a notable fact that of a total revenue of about \$300,000 expended by the council last year \$180,000 was derived from the two sources of fines and liquor licenses, which revenue is almost entirely of local origin. In fact the money which the council has received and disbursed during the past 12 months may be said to have come in almost exclusively from Dawson. These funds, however, have been appropriated without regard to the sources from which they are derived. The single item for trails, amounting to \$105,000, covers more than one-third the gross revenues and that sum is entirely outside the amounts spent for the improvement of local streets.

There should be a clear and distinct division between the revenues derived from the town and the revenues derived from the balance of the territory. The enormous sums paid in from royalties and similar sources of revenue should be available to some extent for trail building and like purposes, and moneys derived from the town left for local improvement. These matters will never be properly adjusted as long as the Yukon council continues to act in the dual capacity of territorial and local legislative body.

There can be no argument of strength advanced against the proposition to incorporate. It should be done at the earliest possible moment.

AN ABSURD PLAN.

As stated in yesterday's telegraphic dispatches the proposition has been seriously considered in Ottawa of giving the Yukon territory representation—so called—in parliament by extending the jurisdiction of the member elected from Edmonton. We are unable to understand by what process of reasoning the powers at Ottawa are able to arrive at the conclusion that such action would in any respect bring about the end which they maintain they desire to reach.

To include the Yukon territory in the Edmonton district will serve to give this country representation just about as effectually as though the territory were tacked onto the province of Quebec.

Apparently the government at Ottawa has no idea of the distances involved in traveling through the western and northwestern portions of Canada. When the fact is considered that the distance from Edmonton to Dawson is greater than the distance from the former point to Ottawa the absurdity of the plan to embrace the Yukon territory in the Edmonton district becomes at once apparent.

The member from Edmonton cannot possibly represent the Yukon territory in parliament as it should be represented. When Dawson and the Yukon are represented in the national legislative assembly it must be by a man who is so familiar with the conditions which prevail in this territory and with its requirements in a legislative way that there will be no possibility for him to make any mistakes.

Be his ability what it may, the member from Edmonton will first have the interests of Edmonton to look after and naturally would have but little time to look after matters which to us are of the

most vital importance. We consider the suggested plan of representation little better than none at all. In fact it might easily prove worse than none at all. If such a compromise is agreed upon, it may delay the granting of representation proper for an indefinite length of time. It would be better for the general good of the territory to do without representation for the next six months rather than be made the victim of such a make-shift arrangement.

There is such a thing as too much zeal even in the very best of causes. We suppose the dog catcher is a necessary evil—a sort of by-product of our latter day civilization, without which it would be impossible for us to live, move or have our being. But notwithstanding the important part he occupies as a cog in the ever advancing wheel of progress, there is a reasonable limit beyond which even so mighty a potentate as the dog catcher should not advance. It appears that the dog catcher is also a dog fancier of no mean qualifications. His ever ready rope is twice ready for the sleek, well fed canine property of the prosperous citizen, and the better the blood in the animal the greater the skill of the dog catcher in throwing his rope. If your dog carries about him evidences of comfortable and prosperous circumstances, you must watch him with an eagle eye, or the dog catcher's remarkable powers of discrimination will be brought to bear upon your property with disastrous results to your feelings, to say nothing of your pocketbook. Efficiency in a public servant should always receive commendation, and there is no reason why the dog catcher should prove any exception to the rule. It occurs to us, however, that if his zeal should be turned in the direction of many dogs which are a distinct nuisance and not be confined so closely to the pursuit of dogs whose owners take care of them, the results would be better all around.

Candidates are getting their war paint on and the atmosphere sniffs of battle not long to be deferred. If by any possible combination of circumstances Premier Laurier should fail to keep his promises with reference to representation in the Yukon council what a weeping and wailing and gnashing of teeth would result. We do not believe, however, that any such fear need be anticipated. The prime minister has passed his word to parliament and to the people of this territory that they will be given representation and we have no doubt that his word will be faithfully regarded. In fact it must be regarded.

As will be seen by reference to our local columns a strong objection is to be made to the collection of the proposed local revenue. If any doubt exists as to the legality of the tax which the council proposes to collect, that doubt should be removed immediately. It must be said that the rate of taxation is not exorbitant nor the amount which it is proposed to raise excessive. If, however, there exists any reasonable question as to the council's authority we repeat that such question should be removed at once.

According to reports brought up today from Nome, the only circumstance which stood in the way of a crowded passenger list from Nome on the steamer Hamilton was the fact that quarantine regulations have prevented the departure from Nome of parties desiring to leave. It is claimed that all up river steamers will be crowded with passengers for Dawson as soon as the quarantine is removed and travel in and out of Nome is again allowed to go on uninterrupted.

A Few Fine Teams.

The horses lately purchased of M. J. Heney, the railroad contractor, by J. S. Lancaster and shipped to the latter's partner, R. W. Calderhead, are the largest and finest stock that has ever been received in Dawson, and are being readily sold at good prices. As the freight on a plug is the same as that on a good draught horse, the wonder is that a better quality of stock has not been shipped here in the past. A first-class team is now worth in Dawson from \$1000 to \$1350.