

Whitehorse, by rail to Skagway and then shipped to domestic and export markets.

In many parts of the territory, there has been an upswing in the discovery of placer gold. There are more than 60 gold operations in nine areas of the Yukon, and it is estimated that as much as two tons of gold are mined annually. In other spots, miners are also recovering profitable amounts of tungsten and platinum.

Next to mining, tourism is the Yukon's major source of revenue, accounting for approximately \$33 million of revenue in 1978, and it is increasing. Many tourists, in transit between Alaska and the southern provinces, come *via* the Alaska Highway by car or camper. The majority originate in California; many also cruise from British Columbia to Skagway and travel from there by train.

Approximately 12 per cent of the Yukon Territory is covered with productive forest. As yet, forest industries are limited to one large sawmill at Watson Lake, three smaller mills in the vicinity and about 12 portable mills. They produce fuelwood, lumber, mining timber, railroad ties, building logs, Christmas trees and transplants. Most of the Yukon's forest area is covered by white spruce, along with lodgepole pines, aspens, larches, alpine firs and black spruce. Most of the lumber produced in the Yukon is used within the territory,

as the high costs of transportation and production make export prohibitive.

The many rivers and lakes of the Yukon are a potential source of revenue in the form of hydroelectric power. A small fraction of this vast resource has already been converted into electric energy. Hydro dams have been built on the Yukon River at Whitehorse and on the Aishihik River, 140 km to the west. Six new potential dam sites have already been identified.

Trapping is still an important way of life for many Yukoners, as it has been for more than a century. Fur-bearers such as fox, martin, mink, beaver, muskrat, wolf, wolverine, squirrel and lynx are trapped, providing annual revenue of about \$350,000. Commercial fishermen catch salmon, white fish and lake trout in the rivers of the interior.

Over the past 30 years, development of oil and gas has been an important activity in the Yukon. Gas has been produced in the Beaver River field on the British Columbia border for the past seven years.

A commercial gas field was discovered several years ago in the Kotaneelee area, and a similar development at Eagle Plain has also shown good potential. Oil and gas activity in the Yukon is expected to increase in the future, especially with the prospect of extending oil and gas pipelines to the north.