

may be regarded as that of an expert. Mr. McGillivray commences then with the statement that the Alaskan gold-bearing areas so far discovered are very much more extensive than those of California, there having been located to date considerably more than 150,000 acres of auriferous ground, in addition to the concessions covering even more extensive areas specially granted by the Dominion Government. That this ground is generally rich is demonstrated by the fact that very little gravel in the Klondike costs less than \$2 a cubic yard to work, this rather excessive cost being due to the crude methods employed and without water under pressure, the last being charged to a short-sighted policy on the part of the Canadian Government. Meanwhile, it is shown that though Eldorado, the most important creek, has been worked out, the output from the Klondike is as large as ever, and this output comes from the lower grades of gravel that would not have paid profits under the conditions existing a few years ago. Referring to the output in recent years, Mr. McGillivray states that the yield during 1902 was probably equal to that of 1901, official returns to the contrary notwithstanding, but the change in the royalty from a direct tax on the output to a tax on the export of gold made the figures appear considerably less, and as a result the reports made by the United States authorities and the Canadian Government show only about \$18,000,000. Including this year's yield from a gold area having a thirty-mile radius from Dawson, a production valued at nearly a hundred million dollars will have been made, this enormous amount of gold will have been obtained by miners without capital, the few incorporated companies operating in the field being responsible for a very limited proportion of the whole. The mines that are now being worked at a profit are mines which three or four years ago would not have paid under conditions then existing. Indeed, few of the mines now being operated would have been profitable even two years ago, so greatly have conditions improved. Mr. McGillivray estimates that at the very least the Klondike region in the vicinity of Dawson is capable of producing well over three hundred million dollars in gold before the richness of the area becomes exhausted. The article concludes as follows: "The Canadian Government placed upon mines most difficult, and in point of fact, ridiculous regulations which tended to retard mining or any other industry. However, in spite of all this, on account of the very good values found in the gravel of the Klondike country, a great many of the experienced miners who went there in the early days made money. The result was then, as it was in California in 1849-50,

that a very few, and only those who were capable of doing good work in any direction, succeeded. Ninetenths of those who went to the North were unfitted for the work that it was necessary to do there, and they returned to the States or other parts of the world from whence they came. These men condemned the Klondike; condemned the whole Yukon, and told the rest of the world that there was up there no opportunities for miners. This has done much to give the Yukon a bad name. Yet never a miner who understands gravel has gone into the North who has not said that it is one of the best gravel regions in the world. The best proof of this is that a large proportion of the mine owners of the Klondike who have made fortunes, and most of the miners of experience on the Alaskan side, all the way from the boundary line to Nome, return to that country every year and say that they know of no country in which they would rather live and do business in than along the Yukon. It will be said, perhaps, that the climate is bad. I have spent five winters in the Yukon and the past winter in London and New York, and I must say that we have a better climate on the Yukon in winter and in summer than either in New York or London. With us the air is dry. There is no wind. And while the thermometer goes down in winter to as much as 70 degrees below zero (though it is seldom more than 50 degrees below), having no wind and having no dampness in the atmosphere, we wear less clothes and suffer less inconvenience than we would in New York or London in the colder days of winter, or in San Francisco with its fogs and winds."

Although conditions in the Yukon have in the last two years greatly improved, mining costs are still relatively high. In early days it is estimated that no gravel was worked for less than \$15 per cubic yard. Wages at this time were \$1.50 per hour and freight was from 10 to 20 cents per pound from Dawson to the mines only. Wages are now about 50 cents per hour and owing to the wagon roads built by the Canadian Government, the freight rate from Dawson to the mines is not in excess of 1 cent per pound. Likewise the royalty has been reduced from 10 per cent to 2 1-2 per cent. Steam thawing replacing wood fires has resulted in further economy. The cost of drifting on bench claims on Bonanza Creek for the year ending October 10, 1902, is given in the following table. With the exception that little timbering is required here, the drifting is similar to that on the Forest Hill divide.

Mining expenses, including board	\$38,573 52
Mining stores	1,796 52
Fuel	5,957 00