

Yukon's Ore Production Is Now Less Glamorous But More Solid

By BOB KNOX
Times Correspondent

MAYO, Yukon Territory—Hundreds of millions of dollars worth of gold have been produced by the mines of the Yukon Territory since the turn-of-the-century Klondike Rush, but today a different, less glamorous type of mining is providing the territory's economic backbone.

While many small gold operations still continue in the Yukon, only one major producer remains in operation. This is the Yukon Consolidated Gold Co.'s, dredge operation in the Dawson City area

which produces some \$2,000,000 annually. By contrast the lead-zinc-silver mines of the United Keno Hill operation near Mayo are now producing \$9,000,000 to \$10,000,000 annually with indications of expanded operations in the future.

THIS IS THE major private industry for the territory, which has less than 14,000 inhabitants in its entire 207,076 square miles of area. Most Alaskans know the story of the Klondike rush which was touched off by the discovery of the fabulously rich deposits near Dawson.

Not quite so well known is the fact that since then well over \$250,000,000 in gold has been produced in the Yukon. However, as in Alaska, today's higher costs and higher wages pretty well limit large-scale operations to a few efficient dredges.

DISCOVERY OF the lead-zinc-silver deposits in this area goes back almost as far as the Klondike rush, to 1906. In that year a prospector named H. W. McWhorter found a silver-lead vein outcropping in the canyon walls of Galena Creek, some 32 miles from Mayo.

In 1912 this small operation, known as the Silver King, shipped 59 tons of ore to a smelter at Trail, B.C. The ore paid \$269 to the ton to prove the richness of the strike.

A fairly large-scale operation was conducted in this area by the Treadwell Yukon Co., until World War II forced suspension of work. Then, in the post-war years, improved metal prices revived mining activity in Canada. Despite its natural disadvantages of location and climate, the camp was examined by several companies.

CONWEST Exploration Co., Ltd., together with the Froisher interests, formed Keno Hill Mining Co. in 1946 and acquired the Treadwell interests.

Later additional ground was acquired and the firm was reorganized in 1948 as United Keno Hill Mines, Ltd.

Earlier this year Conwest sold its controlling interest to the large Canadian mining firm of Ventures, Ltd.

United Keno Hill mines today cover a 15-mile-long belt of rich ore bodies. In addition to their large lead and zinc production, they are Canada's largest single producer of silver concentrates. Reserves for the mines have been estimated as large enough for more than one hundred years of sustained production.

These mines are operated from two company camps, Elsa and Calumet, which have a reputation of being the most scenic and modern mining camps on the continent. Some 550 miners are on the payroll, living in the camps and working on two daily shifts, 48 hours a week, throughout the year.

While the mines represent the territory's biggest single payroll and are the territory's largest private purchaser of supplies, that tells only part of the story of their importance.

PERHAPS THEIR greatest importance comes in lowering the freight rates on all of the supplies, equipment and foodstuffs which must be shipped into the Yukon.

They do this because their ore shipments create a backhaul for both the White Pass and Yukon Railway and its ocean shipping line. Without this outgoing shipping, rates on incoming goods would have to be much higher.

Shipping these ore concentrates to the smelters is probably the biggest problem of mining in the Yukon. While the territory gets cold winter temperatures, the underground shafts can be worked comfortably year-round.

However, the high costs of long-distance transportation to the smelters make only the richest of ore bodies profitable for mining.

BEFORE World War II, ore from mines in this area was brought down out of the hills by winding road to Mayo. Here it went aboard paddle-wheel steamers for a laborious journey down the Stewart River and up the Yukon River to Whitehorse.

Construction of the Alaska Highway and the later building of the Whitehorse-Mayo road has changed that, but the ore must still travel a great distance to smelters.

Seven or eight huge diesel trailer trucks roll away from the Keno mill every day carrying 25 or more tons of concentrates to Whitehorse. There the ore is loaded aboard the narrow-gauge WP&Y for the 110-mile trip to Skagway.

From there it travels by ocean vessel to the mine firm's dock at Vancouver. The last lap of the long trip to smelters in British Columbia and the United States is again by railroad.

THESE ORE shipments represent the territory's major mining production at present, but the United Keno is not the Yukon's only prospect for the future.

A large-scale asbestos mining operation, the Cassiar, is in production just across the B.C. border and shipment are made through Whitehorse. Other asbestos deposits have been located in the Yukon but have not been proved yet.

Recently a large-scale tungsten prospect was located just across the Northwest Territories border and is being developed from Watson Lake in the Yukon. A road to the deposit is being built from Watson Lake.

The field of petroleum exploration is also starting to show promise in the Yukon.

Last summer one well was brought in by Western Minerals at a location known as Chance Camp in the Northern Yukon. This summer the firm is deepening that well and additional field work is being conducted throughout the Peel Plateau area.

AT LEAST TWO other major firms, Amerasia and Sinclair, are known to have ground and aerial exploration parties in the northern Yukon.

With only a small population and with only the bare beginnings of development of any other natural resources, minerals and petroleum appear to hold out the best promise for the Yukon's economy for some years to come.

No Silting Difficulties Are Seen

The Port of Anchorage "has no problems" concerning silting or shoal formation in Cook inlet, Port Director Henry Roloff said this morning.

"The city port has deep water approach and there is a 35-foot minimum water depth along the dock even at low tide," Roloff said. This water depth is considered more than enough to handle commercial shipping vessels which will use the port.

The city's \$8 million port facility is slated to be in usable condition by the end of November. It was originally set for completion during August, but construction was halted for 44 days last summer because of a strike.

Roloff, contrary to reports that the port's future is "beclouded," expects considerable usage of the facility after its completion. He said the fact that the Army is having difficulty with silting along its dock will not affect Anchorage's port in any physical way.

However, he declared, silting at the Army port does give the city facility a "sort of black eye" among ship owners and operators since any reports of vessels stuck in the mud are circulated among the shipping fraternity.

Reports that silting is taking place at the Army dock simply means that we will have to work harder to convince shippers that Anchorage has a first rate silt-free port, Roloff said.

Marine Surveyor Says 'Hump' Threatens Ships

A dangerous mud "hump" off Ocean Dock is a threat to ships unloading cargo there, Bob Logan of Cordova, a surveyor for marine underwriters, said today. It may also be a threat to future Anchorage port operations.

Logan said the hump is about two and one-half feet higher than the rest of the ocean floor there. Ships unloading at the dock must of necessity be berthed in such a way that the hump poses a threat to them.

LOGAN STATED the hump was caused by heavy ocean-going barges which settled in to the mud near the dock while being unloaded. Their weight pushed the mud out from under themselves and forced it into the hump he said.

Ships unloading at the dock must have a breasting barge between them and the dock to keep them in sufficiently deep water.

A breasting barge is 34 feet across, Logan said, and the ship's width extends approximately 60 feet out from there. The hump is about 60-70 feet from the dock.

FRIDAY THE "Choctaw" settled onto the hump. It not only caused the ship to list six degrees to starboard, but it meant the "Choctaw" was resting 350 tons of weight on a very small area between two hatches. This could cause buckling of plates in a ship.

Logan said he discovered no damage to the "Choctaw." But he said the hump is potentially dangerous to every ship that anchors here.

"Any time a vessel sits on the bottom with that much weight concentrated in a small area there is a chance for damage," he said.

THE CORDOVA resident said a clamshell dredge could get rid of the hump in about two days. However, no one has yet made an attempt to do this.

Logan added that barges in the future might create another hump even if the present one is eliminated.

He said each time a ship settles on the bottom he must submit a report to the American Institute of Marine Underwriters in New York.

IF THE serious situation continues, he speculated, it could cause a hike in insurance rates for Anchorage. This in turn might cause traffic to be diverted to Whittier or Seward.

This could result in a bad reputation regarding shipping here that the new Port of Anchorage would have to combat, he indicated.

SOME BUSINESS TO GO ON AT WHITTIER PORT

Three Private Enterprises And Also Three Publicly Owned Will Continue At Facility

By CLARKE WARD
Times Staff Writer

A big chunk of business will continue at the Port of Whittier even though the Army no longer handles general military cargo for the interior through the \$55,000,000 port.

To continue are three private enterprises, plus three publicly owned. The latter are the Alaska Command's petroleum, oil and lubricants dock and tank "farm," the Federal Housing Administration's Whittier Arms apartment building and the Alaska Railroad's passenger and freight operations.

The private concerns are Union Oil Co. of California, Columbia Lumber Co., and Koppers Co., Inc. of Pittsburgh.

THE THREE companies are lessees — along with the Whittier Arms — of land from the ARR on its terminal area. Union Oil operates an oil dock, tank car loading facilities, and a 12 tank "farm" capable of handling the cargo of a company ocean-going tanker. The complex is the firm's distribution point for the Railroad.

Columbia Lumber is building a modern, \$75,000 sawmill with a daily capacity of 50,000 board feet. It replaces a mill destroyed by a \$1,000,000 fire last May.

According to Herbert Murphy, master mechanic in charge of construction, production of the new mill primarily will be railroad ties, timbers and telephone and other poles.

The mill will employ 12 men when it opens next spring, Murphy said. The former mill had 40 workers.

MUCH OF the output of the Columbia mill will go to the Koppers plant for creosoting, Murphy said.

Koppers is spending \$370,000 for construction of a chemical pipeline dock, storage tanks and a plant addition, a spokesman said. The treating plant will be the first in Alaska producing creosoted telephone poles, the employee said.

The POL dock will continue to serve Army installations with petroleum products, port military officials say.

Now about 50 per cent occupied, the 100 - apartment Whittier Arms expects an increase in business as the Army mothballs the major buildings at the port, according to William Collins, FHA Anchorage director. Caretaker of the port buildings and employees of the private companies may make use of the rental units, he said.

ALL OF the operations remaining in the port area are dependent on their landlord.

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Situation On Mud Hump Is Muddled

A hump of mud off the Alaska Railroad's Ocean Dock, which some say is there and others say isn't, is creating a bit of a muddle itself these days.

Last Friday the "Choctaw" was unloading at the dock. The ship developed a six-degree list to starboard at one time during the unloading.

BOB LOGAN of Cordova, a correspondent of the American Institute of Marine Underwriters for the Alaska Sea Front, said the ship was resting on a mud hump that was two and one-half feet above the normal ocean floor.

Logan said the ship rested 350 tons of weight on the narrow area contact with the hump. He called this a dangerous situation and said it might cause damage to a ship. He said the hump could be removed in two days with a clamshell.

Enter confusion. The railroad said it owns the dock but added that the Army has had control over it for almost 20 years.

THE ARMY said it just unloads freight. It added that the U.S. Army Engineer District, Alaska, has charge of rivers and harbors work.

The District Engineers said this was so, but added that although they have the authorization of Congress to dredge the Anchorage harbor,

Dock Problem Is Muddled

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information on the hump — if it is there — but don't know what they can do if they conclude one is there.

"IT WOULD cost a good deal of money for even a good sounding job," a spokesman said.

Henry Roloff, director of the new Port of Anchorage, just wants it made clear that the hump is not at the new port facility.

Logan has stated that a report to the underwriters about the hump may cause insurance rates to be hiked here or ships to bypass Anchorage.

In the meantime, the hump, if it is actually there, apparently lies blissfully unaware of the stir it has created.



MAN SHIP CALLS — Visiting the port of Anchorage for the first time, the Geert Howaldt lies at the Army dock with the West German flag waving. Second Officer Ekkehard Bauer, looks out from beneath the flag. Brinload of pipe from Glasgow, the five-year-old ship made the run in 34 days, after docking early Wednesday, the deep draft vessel was hard aground at the Master of the Geert Howaldt is Capt. Emil Jacobsen.

Planners of New Port at Anchorage Defy Ice and High Tides

Tides of 30 feet are common at Anchorage, Alaska's biggest city, and 38-foot tidal changes come along occasionally.

Chunks of ice as big as a room in a house mill around Knik Arm, battering anything that gets in the way.

Ice builds up on piling so that they look like concrete blocks.

Only part of the year is the channel open.

But, undeterred by these obstacles, Anchorage has determined to make itself a major seaport, open all year.

"If we can get this thing open, it will mean the difference in opening the interior," says Henry Roloff, who recently moved from sunny Southern California to Alaska to become port director at Anchorage.

Roloff, who spent several weeks in Seattle studying port operations before going on the job at Anchorage, explained the Anchorage situation with enthusiasm to Seattleites on last week's

Chamber of Commerce tour of Alaska.

Harold Strandberg, who has been on the Anchorage Port Commission eight years, presented sales talks that Roloff left out.

How the ice problem is going to be handled is still a question, Roloff and Strandberg said. It may be done with an icebreaker. The Alaska Freight Lines operated into Anchorage throughout the 1953-59 season by breaking the ice ahead of its tugs and barges.

A system used in Sweden, using compressed air, piped under the ship channel and around the wharves, to force warmer water from the bottom of the waterway to the surface to replace the ice, has received some study.

But, in spite of ice and some of the widest tidal ranges in the world, Anchorage is determined to have an all-year port.

It is 114 miles by railroad from Seward to Anchorage. That rail haul adds to the



PORT INSPECTION: Port officials of Seattle and Anchorage stood on an Army pier at Anchorage and looked across Knik Arm toward the new terminal which Anchorage hopes will make it the major port in Alaska. From left, C. H. Car-

lander, Port of Seattle commissioner; Harold Strandberg, Port of Anchorage commissioner; Henry Roloff, director of the Port of Anchorage, and Howard M. Burke, general manager of the Port of Seattle.

Part of the Anchorage confidence is based on a preliminary study on the feasibility of a deep-water harbor at Anchorage, made in 1952 by George T. Treadwell, chief engineer for the Port of Seattle.

Expensive though it is, Anchorage considers this just a starter. If Anchorage is successful, Alaska's transportation pattern will be materially altered.