

UKHM was condemned as an enviro-sinner

By JANE GAFFIN

Keno, the venerable old gentleman mine, refuses to die a natural death as long as a probable hundred million ounces of silver keep its heart beating. Yet, the federal government is bent on subjecting the mine to euthanasia.

I believe the mine deserves a dignified burial.

In a series of articles being published in the *Star* each Friday, I'm saying last rites and farewell to a great mine that served as the Yukon's lifeblood off and on for more than 80 years.

Here's part 17.

The federal government's ultimate objective was either to nationalize or destroy the mining industry and the Yukon's fragile economy along with it.

The bureaucracy had turned attention to changing the laws that governed mining. The feds went into collusion with freelance environmental bureaucrats who often called themselves "geo" (earth) "ologists" (scientists) but who were not geologists educated in the true sense of the profession.

COMMENT

Yukoners were prepared to embrace the embryonic environmentalism movement. Everybody wanted to find and participate in better ways to carry out human activity on the land in a cleaner fashion while maintaining a vibrant economy through resource development.

Like all radical movements, environmentalism went from bizarre to bozo.

When the public was awash in government psycho-politics, little chance existed for anyone to correct the junk science that was seeping into environmental laws.

It started with a subtle warning of what was coming down the pike during a Northern Resources Conference. Yukon Conservation Society president Garth Graham told the 400 delegates the society would henceforth be assuming an active, vocal role as custodians of the planet.

The Northern Resources Conferences, founded in 1963 by renowned geological engineer Dr. Aaro Aho of Faro mine fame, met every third year in Whitehorse. The 2 1/2-day October event was designed to bring together industry people and politicians who were interested in and involved with northern development.

Robert "Dutch" Van Tassell chaired the 1975 and 1978 organizing committees. He was United Keno Hill's exploration superintendent and an active executive member of the Yukon Chamber of Mines, which co-sponsored the Northern Resources Conferences with the Whitehorse Chamber of Commerce.

The theme of the 1975 conference was an optimistic "Yukon on the Move", which, three years later, evolved into the drabber overtone of "Development Dilemma".

Conference presenters often told what the economic contributors were doing with available technology to restore the aesthetic value of land which had to be disturbed for development and mining.

Most of the early-day disturbances



Photo by JANE GAFFIN

MEETING OF THE MINES — United Keno Hill Mines manager Doug Walli (left) chats with Dave Tenney (right), president of the Yukon Chamber of Mines, in 1975.

had already self-healed and were no longer visible.

At the relevant time, United Keno Hill Mines was humming full-strength at Elsa, producing ore from six mines (Husky, Elsa, No Cash, Townsite, Dixie and Keno).

The company was experimenting with re-vegetation under its own environmental control program. As a result of sowing various types of seeds on surface and from the air, grass was sprouting profusely on abandoned sections of the tailings pond that would make a great golf course.

United Keno's vice-president and managing director did not try to run the mining operation entirely on long-distance phone calls from Vancouver. Frank Godfrey's communication consisted of frequent business trips to the central Yukon to keep an eye on progress and to avert trouble.

Doug Walli, his on-property mine manager, spent every waking hour directing daily traffic. Walli also served as mayor of Elsa, where the company maintained a permanent townsite and supplied a dizzying litany of amenities.

There was a recreation hall, grocery store, curling club, beer parlour, coffee shop, library facilities, bank, schooling to Grade 8, nursing station, company doctor, a CBS Telestat unit and low-power relay radio transmitter.

The pay was good for the \$2.30 hourly-wage earners and 92 salaried staff; the scenery magnificent; outdoor activities maximized; the residents friendly; and the fringe benefits generous.

Every six months, the company provided employees with one-way fare to Edmonton or Vancouver. Housing was subsidized. Married folks lived in Panbode-style residences; bunkhouse room and board was subsidized for single fellows.

Workers talked of good cafeteria grub fixed to an individual's likings and heaping portions exceeding what a person could consume in one sitting.

Although isolation and bunkhouse burn-out were cited as the main causes of heavy labour turnover, the long-term employees fondly remembered their years at Elsa.

The conservation society members shunned the place. Maybe they could have offered helpful suggestions to improve the re-vegetation program. Instead, they declined several invitations of free trips to the minesite and the various exploration properties.

Nevertheless, the society commissioned a criticism of the company for toppling trees and digging holes at its DEF copper property, 80 kilometres northwest of Carmacks.

The society's purpose was to advance the government's agenda to insert federal Territorial Land-Use Regulations into the Yukon Quartz (hardrock) Mining Act and the Yukon Placer Mining Act.

The Territorial Land-Use Regulations were part of the federal Territorial Land Act and pertained to Crown land vested in the Yukon Territory.

The regs were not relevant to mineral claims which was land divested by the Crown to miners who were governed under two mining acts.

Van Tassell was hardly finished tidying up the paperwork from the Northern Resources Conference when the conservation society unleashed a 28-page condemnation on him in December 1975.

It accused mining companies of freely doing unnecessary and wasteful damage to the Yukon land because they were not subject to the land-use regulations.

The strategy was to make accusations that forced and would keep

industry in a vulnerable defensive position in perpetuity.

The 33-year-old Robert George McCandless prepared the report. He didn't write like a "geologist", as he was identified. While he may have studied earth sciences, his leanings were strongly allied with environmental protection, wildlife biology and game management.

The society could get in a more powerful punch attacking a local company rather than taking a swing at companies based outside the territory.

Yet United Keno's DEF project was a far sight neater than the job carried out on ASARCO's adjacent Minto property.

Project manager Art Courtney of Vancouver apologized when showing an aerial picture of non-threatening scarring of a mountain to illustrate his presentation during the Geoscience Forum in November 1975.

A spun-out-of-control equipment operator cut the mountain to ribbons while walking a bulldozer to and fro with the blade down.

If United Keno got the nod to manage the overall mine project, daresay that particular 'dozer operator would not be on the payroll.

Albeit, the society tried to pin the rap on United Keno. The industry rebutted that land aesthetics weren't to be confused with a permanent "eyesore".

A permanent "eyesore" is upriver from Five Fingers Rapids where a slide left a scar that man could repair. But it would take a half-dozen years for a bulldozer to move the same amount of earth that slumped away naturally.

And there was the city of Whitehorse's disgraceful eyesore and health hazard at the end of Range Road near the federal government buildings.

For decades, rusty vehicles, tires, garbage and debris were deposited

down the bank, slipping into the Yukon River to mingle with the city's raw, untreated sewage and used toilet paper.

It just so happened that a mining company came to the rescue in 1974. Instead of backfilling and reseeded, Hudson Bay Mining and Smelting donated (for \$1) a valuable Crown-granted piece of real estate.

The huge War Eagle open pit on the north end of the Whitehorse copperbelt was used as a municipal landfill site.

That is not to say the city of Whitehorse was acting legally. It was and still is in violation of the Yukon Quartz Mining Act.

Pursuant to section 76.1(a) then and 78.1(a) now, mineral claims cannot be used by the holder except for the "efficient, miner-like operation of the mines and minerals contained in the claim, but for no other purpose."

So far, the city managers and city councils have lucked out, but they could be very vulnerable if somebody decided to launch a court challenge under provisions of the mining act.

For sure, the Minto area was not damaged environmentally. The aesthetics could be repaired easily by humans, or turned over to the capable hands of Mother Nature, who is a little slower but her fastidiousness is more effective than human interference.

The report complained that United Keno Hill had not filled in and reseeded bulldozer trenches dug the previous year.

Had the company been subjected to the land-use regulations, the report argued the company would have been forced to backfill and reseed the same year.

The logic was that the 300- by 1,500-metre (1,000- by 5,000-foot) trenching was what exposed the DEF orebody. Trees were felled to put in a 25-man exploration camp and prepare pads for Caron Diamond Drilling's rigs that had to be moved around the grid to produce rock core to assay and study.

During 1975, other than crews prospecting to expand reserves and extend the deposit's boundaries, not much work was carried out on the DEF property that was under the tri-company ownership of United Keno Hill, Falconbridge Nickel and Canadian Superior; the adjoining Minto property was owned by the Vancouver-based Silver Standard/ASARCO syndicate.

The two syndicates were in the throes of discussing how much money each one would contribute toward a jointly-funded consultant's study to determine if the project was economically feasible to bring on stream.

Van Tassell, a perfectionist, had overseen a neat, tidy job. But he never lost his composure when responding to the society's outrageous comments. He patiently explained in his articulate, didactic fashion that without trenching, the orebody wouldn't have been found.

Digging down to bedrock with a bulldozer and taking samples and studying the rock formation was a normal exploration procedure after other less-intrusive studies indicated favourable results.

Continued on page 13

Nobody dared get a legal opinion

Continued from page 12

United Keno didn't fill in the trenches. A decision to open pit or go underground hinged on a feasibility study which wouldn't be completed until 1976.

There was no logic to backfilling a trench that may have to be reopened to mine. United Keno Hill Exploration had a reclamation budget to cover backfilling and reseeding expenses had the exploration work not rewarded them with a mineral deposit conducive for mining.

Van Tassell thought the society would have acted more responsibly if members had approached the exploration companies or the Yukon Chamber of Mines with complaints and concerns before embarking on a misleading anti-industry, anti-corporation diatribe.

The complaints were unfounded, Van Tassell pointed out. The report's substance indicated to him the writer's lack of experience and knowledge with geological and mining-related matters.

McCandless' statement that a creek flowing over the orebody would have to be dammed and diverted was probably true. But he opined it would lower the water's value for grayling to spawn.

There were no grayling in the creek, and an environmental protection service's study showed no adverse effects to the water quality from drilling and trenching, countered Van Tassell, who had been issued a water-use permit in 1973.

McCandless wrote that mining companies could do virtually anything on their claims — even leave empty fuel drums behind — because they were outside the land management zones and didn't come under land use regulations.

It was costly to sling out empty 45-gallon fuel barrels. But one of the many duties assigned to Yukon Airways helicopter pilot Chuck Ford was to air-lift every empty oil drum from United Keno's exploration sites.

Van Tassell was well-versed about guidelines and requirements under environmental protection. He went an extra mile in keeping in touch with government officials and in line with its current regulations.

What more did the Yukon Conservation Society want?

The upshot of the idea to insert the



Photo by JANE GAFFIN

WORKING AT MINTO – Art Courtney, project manager for ASARCO (American Smelting and Refining Co.), is seen on the Minto property in 1975.

Federal-Territorial Land Use Regulations into two existing mining acts met with failure.

After the paid government employees and environmentalists wasted the time of industry volunteers with 10 years of talking, the proposal ran head-on into legal complications.

Lots of legal baggage was attached to people's fundamental rights to own property. Land use regulations could not be legally inserted

into the two mining statutes simply by reprinting the parliamentary acts.

Lower courts and the Supreme Court of Canada upheld those rights that date back many hundreds of years into British law.

That idea crumbled on the drafting table around 1985, but the paid and contract bureaucrats weren't deterred.

The burning question was: If it wasn't legal to incorporate the Territorial Land Use Regulations into the

Yukon Quartz Mining Act and the Yukon Placer Mining Act, how did it become legal 10 years later to insert a new set of freshly-written mining land-use regulations into the mining acts in the late 1990s?

It wasn't. But nobody dared solicit a legal opinion beforehand. Nor did anybody have the nerve to commission a judicial review afterward.

When the feds transferred the Northern Affairs Program to the territory in 2003, it was the Yukon Party government, under the leadership of Dennis Fentie, that inherited the legal tangle which he and his cabinet and caucus naively brushed under the rug as a non-existent issue.

Fentie & Co. were too twitchy to ask the Yukon Supreme Court what the territory inherited in the way of mining acts, which were altered behind closed doors and not the mirror legislation the feds had promised.

Fentie didn't give a whit how, he was supposed to legally administer

Crown land he didn't own. Yet he forged ahead selling lots and granting titles to mining leases.

This problem of land use regulations was never resolved from the time it began in earnest in 1975.

Those fledgling and stringent regulations at the relevant time, coupled with transportation deficiencies and low metal prices, were responsible for dragging the DEF/Minto into an economic kill zone.

The copper deposit was shelved as mineral inventory until it was looked at as a project in 1993.

Jane Gaffin is author of *Cashing In*, a definitive history of the Yukon's hardrock mining industry, 1898 to 1977. You can e-mail her at janegaffin@canada.com or visit her at www.diArmani.com.

Next week: independent mine developer Lutz Klingmann is encouraged to take a crack at the Minto project.



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Lot blossoms to three pieces

By **STEPHANIE WADDELL**
Star Reporter

A property in Marwell will become three after city council voted Nov. 8 to permit the property to be subdivided.

The application came from property owner 17077 Yukon Inc.

The site off Tungsten Road at Gypsum Road is currently a vacant lot that was created out of another subdivision in 2000.

The three lots would be varying sizes of 0.242 ha for the property at the corner of Tungsten and Gypsum Roads, 0.206 ha for the middle of the three properties and 0.137 ha for the next property.

All three properties would continue to be zoned for service industrial use, which has a minimum lot size restric-

tion of 0.065 ha.

A six-metre easement for a city sewer main runs along the property's south boundary line, which restricts development on or within the corridor.

The subdivision was granted on the condition Public Use Land Dedication

(PULD) be taken in the form of cash of 10 per cent of the land value of the area.

The PULD is a policy designed for the city to have land for public use. Subdivisions within the city are subject to the PULD.

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