

Quartz mining on a systematic basis in the Kootenay District is being rapidly prosecuted; as mentioned in the previous annual report, the progress of this district has been retarded for lack of transport facilities. A branch line of the Canadian Pacific Railway, from Sproat's to Nelson is being operated in connection with river steamers from Revelstoke, but the service is very imperfect and totally inadequate for the requirements, as the boats can only run two-thirds of the year. The difficulty would in a great measure be overcome by the building of the line provided for by the "Fort Sheppard and Nelson Railway Act, 1891," and a Minute of Council has been forwarded to Messrs. Earle and Prior M's P. asking them to use their best endeavors to ensure the necessary legislation in the Dominion House of Commons, where it was reported the measure had met with opposition. The attention of capitalists is already directed to the Kootenay District, and with proper machinery and cheap transport, judging from the analysis of recent quartz discoveries, it is probable results will follow fully equal to the expectations of the most sanguine.

Prospecting for minerals on this Island has been vigorously carried out; no important discoveries have been reported, but the indications tend to confirm the fact that the Island is rich in precious metals.

The mining laws which have been revised and amended upon lines suggested by a commission of practical men, will by their provisions, tend to increased development of our mining industries.

Lumber.

The exports of Lumber from the Province have increased, but it is difficult to obtain correct information, as the quantities sent by rail to the Eastern Provinces are not included in the tables. The opening of the Nicaragua Canal, referred to elsewhere, would undoubtedly give a great impetus to this already important industry.

A large lumber mill has recently been established at Chemainus, and ship-building in connection therewith will be carried on.