

## A CANADIAN COOLGARDIE.

Under this caption the Scotsman, Scotland's leading newspaper has the following to say about West Kootenay.—

"Canada, too, has her Coolgardie. For several months rumours have been rife of rich and valuable gold discoveries in the Kootenay district of southern British Columbia. At the present moment it is stated that the attention of the whole colony is turned to the town of Rossland, which is the principal town or camp in the mining district of Kootenay. Thither are flocking miners, company promoters, and adventurers of every kind, who rely on the bounty of mother earth, or the credulity of their fellow-men, to open to them a short road to fortune. A year ago the population of Rossland numbered only 300. Today it has swelled to 5,000, and if the rush continues at the present rate, it will at the end of the year exceed 10,000. Not only Dominion capitalists, but American and English speculators are eagerly competing with each other in the purchase of claims in the district. According to the Times correspondent at Ottawa, Ontario has been smitten with the gold craze, the floating of new companies is almost of daily occurrence, and mining experts, as is their wont, declare that the Kootenay district promises to be the greatest gold-producing country in the world. Although the mining industry in the district may be said to be in its infancy, the government returns show that in the three months preceeding July 15 the value of the ore exceeded 1,750,000 dollars. This is a remarkable output in the circumstances, and goes some way to justify the excitement of the Canadians; but the experience of Coolgardie, where the inevitable collapse followed the first boom, ought to serve as a warning against the public placing undue faith in prospectuses. That the company promoters themselves do not quite know the values of their properties is indicated by the fact that they are issuing the shares in most cases at one-tenth of their par value. But while it is not desirable to expect that El Dorado has been discovered on Canadian soil, there are many circumstances favorable to the view that rich gold deposits may exist in the Rossland district. Although the precious metal is found in many parts of Canada, it has hitherto been worked mainly in British Columbia and Nova Scotia. In Nova Scotia there were in 1895 some 37 mines, employing about 4000 persons, and paying a fair return to the investors.

The existence of gold in British Columbia was discovered in 1851. In the early sixties the province, owing to the discovery of many comparatively rich districts, produced three or four million dollars worth of gold each year; but the deposits soon gave out, and the value fell year by year, till about six years ago it was only one-tenth of what was realised in its palmiest days. In 1891 the value of the production of Nova Scotia was 456,000 dollars, against 430,000 dollars for British Columbia. Since then the latter province has improved its position steadily.

In 1894 the output of British Columbia rose from 379,090 dollars to 456,000 dollars, and last year it went with a leap to 636,000 dollars, while the Nova Scotia production remained practically stationary. The total value of Canada's gold production in 1895 was 1,911,000 dollars, so that the Kootenay district in the short period of three months has almost equalled the output of the whole Dominion for last year. This, taken with the record of the province in the past, seems to indicate that the discovery is a genuine one. If the best hopes are realised it will be of immense importance to Canadian prosperity. It has always been one of the grievances of foreign powers in search of profitable and habitable colonies that the British had occupied all the good places of the earth. The statement is an exaggeration, but John Bull, looking to recent mining developments in Western Australia, Rhodesia, New Zealand, and now in Canada, has no reason to be dissatisfied with his possessions."

This article elicited the following letter, pointing out the difference in permanency and stability of the output between placer and quartz mining:—

EDINBURGH, August 18, 1896.

SIR. I have had a close interest in West Kootenay for some years, and more especially, recently in Rossland. I therefore read with much pleasure your article on that place in today's Scotsman. There is

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one point, however, in regard to which there seems a possibility of your readers being misled. You rightly remark on the output of ore from that district for the last three months as a remarkable one. But you somewhat minimise its importance by referring to the large outputs of gold from other parts of British Columbia in the early sixties. The deposits then discovered, you say, soon gave out, and the industry fell away. This is very true, but it gives no indication whatever as to the prospects of permanency in the mining industry, which has now made so good a start in and about Rossland. And for this reason. In the early sixties (*i. e.*, in what the colonists of British Columbia call the Cariboo days) the gold obtained was placer gold, washed from the soil by diggers. Whereas now the gold is being obtained from ore mined from seams or reefs, and smelted. This is an all-important fact in regard to the permanency of the industry and its returns. Placer diggings are limited in area, and soon become exhausted. The yield is often immense, but in the nature of things cannot last long. A true vein of gold-bearing ore is a different matter altogether.—I am, &c."

AN OUTSIDER.

## BRITISH COLUMBIA GOLD MINING.

Under this heading the Bullionist, a heavy-weight English financial paper discourses at length on Trail Creek. It is refreshing to learn that it is the enterprise of the Canadian Pacific which is attracting notice to Kootenay and the construction of barges to be used as ferries between Nakusp and Arrowhead and Slocan Lake is very fine; the writer meant balloons of course. The article is a good one on the whole, though the "poor settler" and his ten cent stock is a sublime misapprehension only possible to an insular journalist writing about something with which he is not familiar:—

"There is one good point about the Kootenay gold-field in these days of easily-worked booms. It is that it is mainly deep-level work, which can only be worked by people of means. The ordinary harum-scarum rush of the world's riff-raff is not therefore likely to be encouraged, since mining at a depth of from 500 to 2,000 feet is a costly undertaking, and requires the sinking of capital as well as shafts. Gold mining in British Columbia is not a new thing. The Fraser River attracted prospectors forty years ago, and one or two companies have done well, while others have had their day and discreetly retired. The Kootenay district has been worked only in comparatively recent times, but what is now bringing it before the public notice is that the enterprising Canadian Pacific has advanced to within a short distance of the field, and has done its best to overcome the difficulty of the handling of its ore shipments by constructing barges to be used as ferries between Nakusp and Arrowhead and the Slocan Lake. The Slocan River branch, it is hoped will be constructed in due course, but it is wise not to lose sight of the fact that the recent accession of the Liberals to power will possibly make it more difficult to obtain those guarantees without which the Canadian Pacific is not accustomed to move very far.

According to the Lieutenant-Governor of British Columbia, who has recently been in London, and who has paid the penalty to the interviewers of various evening papers, it is only within the last two years that the towns of Trail and Rossland have sprung into existence, and now they can boast of newspapers, breweries and of course stock exchanges. The newspapers discourse of little but mining-camp deals, and the movements of prospectors and experts are chronicled with as much detail as in this country we

devote to actors and cabinet ministers. On the Rossland stock market the real activity in the shares began about the middle of July, and according to the Rossland Miner of July 31st, there was at that date no sign of diminution. At present specialties are attracting the most attention, and it is understood that the Le Roi, War Eagle and one or two other groups are the most promising of immediate development. To travel through the list would be unprofitable, as it is difficult to obtain reliable particulars of the various properties over here; but as there is undoubtedly gold on the field in payable quantities we may rest assured that it will not be long before opportunities will be afforded to the British investor of taking an interest in the new district. The professional company promoter will possibly not make himself so obnoxious in this new field as he has done in both West Australia and South Africa, owing to the greater outlay of capital that is necessitated by the alluvial deposits being almost exhausted, and it may perhaps be hoped that fresh enterprises will only be started under respectable auspices.

According to some correspondence that appeared in the Times on the town of Rossland, which is the principal mining camp of the Kootenay district, the population last year was 300 and is now 5,000, while it is expected that before the close of 1896 it will have risen to 10,000.

American capitalists have hitherto had the bulk of the new business to themselves; but English emissaries are now appearing on the scene, and it is stated that hardly a day passes but some new company submits its prospectus to the public. The shares are usually at about one-tenth of their par value (a happy way of arranging things, which would not be possible in this country;) but the fact that a dollar share may be got for ten cents is proving to be more than the poor settlers can resist. Experts, however, declare that the Kootenay district promises to be the greatest gold, producing country in the world; and although mining is as yet in its infancy, the value of the ore for the three months up to the end of July, according to a government report, exceeded in value \$1,750,000.

Options are held upon what are regarded as the most promising properties, such as the Le Roi, the War Eagle, and the Iron Mask, and Mr. Corbin, whose option expired on August 1st, on the War Eagle and Iron Mask, has had it extended for a few days owing to the fact that it was understood that negotiations were going on in London to acquire these two properties. Doubtless it might be a good thing for London to get directly interested in the matter; but it is worth noting that although on the one side we are told that English capitalists are not wanted, on the other hand there is an apparent alacrity to increase the option when it does not suit the holder to declare upon it on the date fixed.

The War Eagle sale has been arousing some heart burning in inside circles here, and we are informed that an effort was made to interfere with the deal; but this, after all, may only be a sharp way of advertising matters, and it is possible that before long we shall find the War Eagle and the Iron Mask decorating the advertisement columns of our morning papers.

That the Kootenay district will come into notice before long may be taken for granted, and when the shares of the various properties are introduced to this market it will be time enough to consider their comparative and intrinsic value. In the meanwhile the British investing public may feel pleased at the prospect of a new market in which shares, instead of being bought at big premiums may be acquired at par, with a good prospect of a run for one's money."

NOTE:—English capital is wanted in Rossland