

As a whole they are a venal crew and help to maintain the rottenness which they condemn after it has been exposed to the public eye. There is a conventional purity of gold influence and rank under whose protection the most unbusinesslike ventures and dishonest promotions may be launched with impunity; no financial paper will or dare attack them, and maintain a permanent and satisfactory balance between expenditure and income. But that is a digression. British Columbia's difficulties culminated with the shut-down of the Le Roi mine, following as it did upon the long continued trouble in the Slocan in which a fair amount of English money is invested. The Le Roi mine, however, has opened up again. Under the superintendence of Mr. Bernard Macdonald it is more closely realizing what was to be expected from its capitalization. Until the Le Roi mine produces 20,000 tons of ore a month it cannot be placed on a satisfactory dividend paying basis. It cannot produce 20,000 tons a month until the new shaft is in working order. But with the old mechanism it is doing marvels, and an output of 15,000 tons a month must be considered as very satisfactory. As soon as the new hoisting apparatus is in working order the Le Roi will be in a position to ship 1,000 tons a day and maintain this rate of production. Le Roi shares will then fluctuate above £10 instead of above £5; and this is the key to the situation on the London market. This will make the most important factor in the conspicuous success necessary to inaugurate a boom. There are other tributary causes which are working favourably. Notably, the other Rossland properties of the B. A. C., are approaching a condition in which their shares will have an actual market value. The London and B. C. Goldfields also control a most successful group of mines. The Ymir, the Enterprise and the Whitewater will do much to assist a favourable impression of British Columbia in London. There is another mine which will have an important effect and which is besides a beautiful example of the peculiarities of the London market, namely, the Velvet mine on Sophie Mountain. This property is to-day worth a million dollars hard cash of any American mining man's money. The value is there in ore blocked out. In London, however, a nominal market is maintained in the shares at a little above par on a capital of £100,000. Why? Because the group of companies inspired by Sir Charles Tupper are out of favour. They are out of favour because all of the companies so inspired have been failures or very modified successes except the Velvet. So that we have actual failure measured against potential success and the result is complete want of confidence. It is very silly of course. Because the success is just as real and measurable as the failure has been actual. But the English market has not yet got the information of the success through a channel intelligible to it. This channel is a profit and loss account. When the Velvet becomes a producer the reaction upon the market will be greater on account of the disrepute into which it has fallen. The foundation of a boom on the English market has been laid on an enduring basis. The time when it will arrive depends upon other concurrent circumstances. He would be a daring prophet indeed who would set the day and hour. But numerous events point to an early date, probably this fall. The South African thunder storm is clearing up. Much attention has been directed to Canada through the war. The mineral output of the province as a whole is exceedingly satisfactory; and the great advance made this year by

Klondike will also count for something. But whether the boom comes as early as this fall or not, come it certainly will. To what proportions it may grow it is impossible to say. How far the latent resources of the country will play up to the influx of capital cannot very well be estimated at present. But the very greatest benefit will result to the province if things are so ordered that the unscrupulous promoter is prevented from killing the goose that lays the golden egg of capital.

There are two industries in Canada, towards which a peculiar policy has been adopted, that namely of prohibiting the export of the raw material. The object is to stimulate the manufacture of the secondary product within the boundaries of Canada. These industries are the wood pulp industry and the industry of nickel mining. There would be no THE QUESTION excuse for discussing the wood pulp OF AN industry in a mining journal were it EXPORT DUTY not for the general principle involved, and for the fact that a similar policy in reference to the metalliferous ores of British Columbia is frequently advocated in influential sources. The industries in question, nickel and wood pulp, are favoured by a partial monopoly which Canada possesses in the raw material. They are also favoured by a rapidly increasing effective demand for nickel, and for wood pulp for the manufacture of paper. The paper trust of the United States upon the termination of existing contracts is raising the price of paper about 60 per cent. and the commercial world is suffering from a paper famine, a condition of affairs brought about by the great expansion of journalistic enterprise, and the celerity and cheapness with which printing is now accomplished. It is obvious that with such an increase in the price of the products of wood pulp Canada can afford to take liberties with the law of supply and demand, for the time being at least, without losing control of the market already in her possession. But the eventual success of the experiment depends upon whether Canada can manufacture the secondary product as cheaply as it can be made anywhere else, and also upon whether this competitive point can be reached by Canada before a cheaper substitute has been found for the raw material of which Canada has the monopoly. It is not necessary for us to investigate the chances in connection with the particular industry of the manufacture of wood pulp. It is to be hoped they have been carefully gone into before the drastic policy now in force was adopted; although from the parity of reasoning applied to lead and copper mining by the advocates of the embargo upon logs it is doubtful of they were.

A similar condition of affairs presents itself in connection with nickel mining. Canada is in a most favourable position. The principal sources of nickel are Canada, New Caledonia and some of the planetary bodies. These latter need not be considered as commercially available, for an occasional meteorite is not likely to affect the market. In relation to nickel Canada is in as good a position to take strong ground and insist upon the manufacture of refined nickel within her own borders as could well be imagined. But nickel refined in Canada must come down eventually to the same cost of production as nickel refined outside Canada from Canadian ore or else the experiment will fail in the long run. And not only must it do so but it must do so before a new source of nickel