

prospectors who discovered them have, without any capital and entirely by their own labour, been able to develop them and bring them to a producing and paying position. The owners of the Lorne group have built three arrastras and the owners of the Woodchuck group two arrastras. At the Lorne one arrastra produced in 1898, \$800 from a two months' run on ore taken from the cross vein first discovered. In 1899 they commenced to run on the main veins, and from July 1st to the close of the season in October they produced \$6,564.96 with three arrastras. This year up to August 6th they had worked 204 arrastra days, producing 446 6-16th ounces of bullion. This bullion sold according to the returns from the United States Assay Office at Seattle, where the gold was purchased for \$16.34 per ounce before melting. The duty of an arrastra will average one ton per day, making 204 tons milled, and producing \$7,293.76, equal to an average of \$35.26 per ton milled. During 1899 the ore was picked and only the best was sent to the arrastra but this year they have milled the quartz just as it comes from the stopes and have also milled some of the second-class quartz left on the dump last year. The Woodchuck arrastras have also been worked this season; 9 tons milled and cleaned up during my visit, producing 17½ ounces of bullion worth \$290.03, and averaging \$32.22 per ton milled. The last clean-up from 14 tons is said to have produced \$800, or an average of \$57.14 per ton milled. Considering that these high values obtained at the Lorne mines are from an ore chute of some 300 feet in length, a great future may be predicted for this camp, and I believe it is the only camp in British Columbia where the owners have been able to develop a gold property for themselves and without capital.

Much agitation has been carried on, much has been written and said about the diversion of the northern trade from Victoria and Vancouver to Seattle. Most people are perfectly clear on the injury done to Canadian business and the evil effect of this state of affairs upon the development of Victoria and Vancouver. It never seems to have occurred to anyone to investigate the actual and assignable cause of the difficulty. People talk vaguely about the establishment of a Canadian mint, the establishment of a government assay office and so forth vague remedies for an evil of whose effect they are conscious but which they have never analysed, and specifics of the working of whose remedial effects they are ignorant. Canada does not particularly need the gold. Gold is interchangeable all over the world. Canada can buy all the gold required in New York or London just as easily as in Vancouver. The gold itself is not what we are after. It is the wealth which the gold represents we desire to see circulating in the country in which it is produced, fertilising Canadian manufactures, stimulating Canadian agriculture and invested in Canadian securities. We wish to inject the buying power of this gold into the veins of Canadian trade. Unless the question is presented in this way it is quite impossible to get people living in the East to interest themselves in the matter. Otherwise, under the influence of that bemusing and obfuscating parochial ophthalmia which is the curse of this country east, west, north and south, they are too apt to consider that the establishment of a mint is merely an ingenious scheme to bonus the cities of British Columbia at the expense of the public treasury.

The next consideration is how, if it is merely the trade in gold, not the gold itself which is most wanted, is it that this trade has not been established through the ordinary channels? How it is that we have not private assayers, bullion brokers and banks in Victoria and Vancouver to handle this commerce? Why is it that it must necessarily be a function of government if it is to be established at all? The reason is so plain, so simple, so obvious that it is astonishing that it has not before now been appreciated and the evil remedied. The United States pays at Seattle a premium on gold over its commercial value at any common point on the Pacific Coast. In this way. The mint pays the full value of the gold less a smelting charge, which is not enough to cover the cost of smelting and then transmits the gold at government risk and charges to San Francisco or Philadelphia. This premium amounts to about 1 per cent. of the value of the gold. That is to say, the mint at Seattle pays from 20 to 25 cents more per ounce of fine gold than a bank or private broker in Victoria and Vancouver can pay and resell without loss. Naturally all the gold goes to Seattle and the trade with it. The miners have no greater interest in Vancouver or Victoria than any other class of tourist. The first thing done by the United States government when the Yukon became a great gold producer was to make the point most convenient to the miners the best market in which to dispose of their gold. By this simple means the acute Americans made that point the centre of attraction and thus monopolized the trade. If Canada is not as acute as the United States it cannot be helped. There is always reserved the privilege of admiring what we have not intelligence enough to initiate, nor common sense enough to imitate.

"The Kootenay lead mining companies will shortly find themselves in an unpleasant position if the prediction of J. N. Hill, president of the Spokane Falls & Northern and the Kootenay Railway & Navigation Companies, proves to be correct. To G. O. Buchanan of Kaslo, who was in Nelson yesterday, Mr. Hill stated that the American smelters were overstocked with lead ores, having more on hand now than the supply of silicious ores in sight would enable them to handle. The inference is, of course, that the market for lead ores from this district is cut off, and Mr. Hill's solution of the problem is that the lead miners of the Kootenay must begin to smelt their lead ores irrespective of a dry ore supply. If a supply of coke at \$5 or even \$7 a ton could be secured; a smelter on Kootenay Lake could reduce lead ores at a profit, but the Crow's Nest Pass Coal Company's output of coal and coke alike is not what, in Mr. Hill's opinion, is a reasonable production from their coalfields, and will have to be substantially increased before a lead smelter proposition would be a safe venture."

The above very interesting paragraph is from the *Nelson Tribune*, a paper whose mining news is both accurate and descriptive above the average. It refers to a movement in the silver-lead industry in the United States which must have important and far-reaching effects upon the smelting industry in British Columbia. The growing preponderance of wet ores in the United States is a natural result of the heavy decline in the value of silver which has made that metal less profitable to mine for its own sake and where it was not in conjunction with some other