

The development of the whole Boston Creek district is being retarded by the neglect of the Government to redeem its promise to provide road facilities. So far, the Ontario Government has not spent one dollar to assist highway transportation in this important and promising district. Boston Creek miners are energetically protesting against the unfair treatment they are receiving.

Gowganda to Cobalt by Motor.

That the inevitable connecting of the various districts of Northern Ontario by motor roads is coming about slowly but surely is demonstrated in the fact that an automobile was driven this week from the Gowganda camp, by way of Elk Lake, to Cobalt. The distance is not great, being perhaps not more than one hundred miles along the route of the road. But, the incident attracts attention due to it being the first time the through trip has been made.

The road from Gowganda to Elk Lake, when the present work of macadamizing it is completed, will be a good one, but at the present time it is but a rough wagon road through the bush, some thirty miles in length. Over the first few miles east from Elk Lake it was found necessary to travel over comparatively rough roads, paralleling the Elk Lake branch of the T. & N. O. Ry. These roads were found to improve on approaching closer to the main line of the T. & N. O. Ry., where fair roads are maintained through the farming districts and over which the trip was completed to New Liskeard, and finally to Cobalt over the macadam road passing through Haileybury.

It is learned that Henry Cecil is endeavoring to negotiate a deal for the disposal of the Hohenaur claim in the Kirkland Lake district. Promising progress was reported to have been made this week in Toronto.

It was also intimated that C. E. Wettlaufer, of Buffalo, might become involved. Also, that an endeavor might be made to consolidate the Hohenaur with two or three adjoining properties, including the Hunter-Kirkland.

A fair measure of encouragement and success is understood to be attending operation at the La Rose Consolidated. Recent unofficial reports, however, have exaggerated the situation, it is understood.

The Crown Reserve Mining Company has arranged to have a small amount of exploration work done on mining claims acquired a few months ago in the Larder Lake gold district. The company is also planning a small amount of exploration work on claims recently secured in the Gillies Limit.

McKinley-Darragh's Statement.

The financial position of the McKinley-Darragh, as shown in the statement just sent out, is concrete evidence of the success being met with this year. As of June 23rd the statement shows cash in bank \$259,371; ore in transit and at the smelter \$134,000; ore at mine ready to ship \$57,700, making a total of \$469,071. This compares with a total of \$346,861, as of March 22nd.

During the second week in May the excellent physical condition of the McKinley-Darragh was pointed out in these columns. It was shown that net earnings were far in excess of dividend requirements of 3 per cent. quarterly or 12 per cent. annually. The official statement just submitted to shareholders corroborates

the advance information printed in this paper about two months ago.

It is a further interesting fact that the present high production is being achieved with a force of men considerably less in number than the average employed throughout 1918. During recent months, working forces have been reduced to about 180 men, a reduction of about twenty per cent. A number of changes have been made and a high degree of efficiency is obtaining.

The dividend of 3 per cent. paid this month amounted to \$67,428 and makes a total of 9 per cent. or \$202,284 distributed so far this year. That the present rate of dividends will continue for years would appear to be certain. First, is the fact that the \$469,071 now on hand is sufficient to care for dividend requirements beyond the first quarter of 1921 without drawing from profits made from operations in the meantime. However, at the present rate of output, not only will this surplus of about 20 per cent. be left intact for use at some later date, but current earnings may add to the surplus in addition to covering the 12 per cent. annual dividends.

Present Price of Silver Increasing Cobalt Returns.

Readers have been shown recently in these columns that the output of silver from the silver mines of this district will have reached the total of \$306,056,976 fine ounces by the end of the current year, and that the total value will approximate \$184,641,387. This shows that the quotations for silver since 1904 have averaged approximately 60 cents per ounce. It further shows that had silver averaged \$1.10 per ounce as in the month of June this year, the entire output since 1904 would have a value of approximately \$336,662,673.60, as compared with \$184,641,387 actually received. In a word, provided silver quotations are to rule as high as an average of \$1.10 an ounce, then Cobalt lost approximately \$152,021,286.60 by having been discovered and mined during a period of the lowest silver quotations in history.

However, the mines of Cobalt are not worked out, and the camp as a whole will be a heavy producer of silver for a good many years. The mining companies operating in this field produced \$12,135,816 in 1915, with silver averaging a little under 50 cents an ounce. With silver considerably more than double the 1915 average, the added value more than makes up for the lower output in point of ounces, and 1919 promises to be a more prosperous year than was either 1914, 1915 or 1916.

Had the situation been reversed, it is probably true that the majority of the mines in this district would at present be closed down. That is, had silver averaged above \$1 an ounce during the early years of mining in Cobalt, and dropped to around 50 cents an ounce at the present time, the camp would not be the big thriving industrial centre that it is to-day. It is fortunate therefore, that the rise in quotations for silver has taken place at a time when most needed, and that the lowest average occurred just at a time when the camp was in its prime and in excellent physical condition to stand the strain.

Therefore, although low silver values in the early years of the current century denied the mining companies scores of millions of dollars, yet the fact that good fortune now smiles radiantly upon the silver producing companies, serves to offset the unfavorable silver market in the early days.