

BRITISH EMPIRE CASHES IN ON BOOM IN SALE OF GOLD

Buying by the United States Has Given Great Boost to the Gold Industry--Some Facts On Gold and Gold Mines.

Gold is flowing into the United States because the buying rate there is \$35 an ounce. Among the nations selling gold is Great Britain, and on a recent voyage from England the Berengaria carried more than \$22,000,000 worth, and the Bremen more than \$7,000,000 worth of gold. Britain ultimately will be the greatest gainer for the whole Empire is selling.

The high lights about gold are these:

France and the United States have three-fourths of the world stocks buried away in their great steel-and-concrete vaults.

But the French colonial empire, the second biggest in the world, produces only a negligible quantity.

And the American mines are not producing \$75,000,000's worth of gold a year.

Whence, then, comes this vast treasure which increases the world gold stocks, approximating \$13,000,000,000, by something like \$750,000,000 a year now?

All excepting about \$125,000,000 worth, comes from within the British Empire!

The fabulously rich mines within the British Empire area produce three-quarters of all the world's new gold. The great Transvaal mines alone, the richest so far discovered and worked in human history, produce half the world's supply.

But gold is a scarce metal. It is terribly hard to work. You cannot "step up" its production steeply overnight, simply to take advantage of a buying price which has risen, over the last two years, from \$17 to \$35 an ounce.

It can take anything from two to eight years to bring a new field into production. It can cost a million to bring a new mine into production on the Rand, where they have to go down sometimes 8,000 feet to follow the vein—and may presently have to go down 10,000 feet.

All the existing mines, working all out, so far have not managed to produce more than \$500,000,000's worth of new gold in any one year. (But under the stimulus of the present gold price, the highest in history, who knows what miracles of production may not be achieved?)

Whence, then, comes that extra \$250,000,000 of gold annually into the great gold stream now flowing?

It comes from the great Indian hoard.

Joseph Kitchen, the leading authority, calculated just before his death that since the British East India Company opened up trade between Europe and the East, India had sucked in over \$3,000,000,000 of gold.

The bulk of this has gone into the secret hoards of the rajahs and merchant princes and bankers.

Now, it is coming out—charmed forth, at the rate of a million a day over the past two years, by an unprecedentedly high price for the metal.

Now that the Americans are offering \$35 an ounce for the yellow stuff, more than has ever been offered before, the disgorging from the Indian hoard—already lightened to the tune of about \$500,000,000—is likely to be accelerated through 1934.

What the Americans think they are up to, offering 35 of their dollars (exchangeable for seven British pounds) for an ounce of gold, is their own business.

At the back of it all is the single factor of currency depreciation, which makes the yellow

low metal immensely more valuable in money terms.

Take a bird's-eye glance of what a higher price for gold has done for gold production over the lands within the British Commonwealth of Nations.

Nigerian gold production was only 2,700 ounces in 1932. That figure soared to show a tenfold increase in 1933.

Even experts thought the Gold Coast, the oldest producing area in the world, was about worked out. In 1928 production declined to 160,000 ounces.

But now there is a great stirring among the dry bones of that jungle. The big gold groups are busy there. Last year 400,000 ounces were recovered. Production is still rising.

The Obbuassi mine alone paid 125 per cent. on an increased capital.

What the newly discovered gold of Kenya will mean to the imperial British remains to be seen. A considerable treasure in alluvial gold has already been taken out. The wealth of the reefs which are being worked now is thought to be immense. Great sums are being spent by financial groups on development.

The great gold rushes in the Cariboo and on the Klondyke turned out to be only spectacular flashes in the pan. Klondyke reached its peak in four years, when 370,000 ounces were taken out, and soon after was just an empty shell.

The Canadians were so disillusioned that when the really big strike was made in 1911 at the Hollinger mine, in the wilds of North Ontario, a rush did not follow. The men who knew, grinned, and said it would blow up.

But it did not blow up; and the Porcupine Group and the Kirkland Lake Group up there are now responsible for 80 per cent. of a Canadian gold output which has increased 400 per cent. in 20 years, and is still rising.

Canada is now the world's second largest producer. The Yukon and Nova Scotia have staged a come-back under modern processes. The gigantic Hudson's Bay and Sherritt Gordon mines in Manitoba have come into production. Prospectors have struck deposits in Saskatchewan, and range the almost unexplored wilds of the Canadian hinterland.

Today an unbroken chain of gold-producing provinces stretches from Quebec to the Pacific, adding to the vast British Empire output around \$100,000,000 of gold a year.

But the high light is the mighty auriferous reef of the Witwatersrand under the great central plateau of South Africa, 5,500 feet above sea-level. Nearly \$6,000,000,000's worth of gold has already been extracted from this field. But it is estimated that there still remains over \$10,000,000,000, or close on the total amount of gold extracted from the earth since man became gold-conscious.

If gold had stayed at \$17 an ounce, South Africa would be in a bad way today. But with gold nearly \$15 an ounce higher, her internal financial problems have been abruptly solved.

The real point about this gold boom lies less in the immediate profits accruing to John Bull as a seller of gold to the world, than in the ultimate meaning of the gold upheaval, and the cheapening of money in terms of gold.

There never has been a gold boom which did not presage a great era of gold expansion.

Gold just now is flowing to one centre, America. But this movement will not continue indefinitely. Eventually the whole situation will be ironed out by a readjustment of national currencies.

The price of gold may then decline.

But the good work of extracting huge new supplies from the rocks will have been done, and the foundation will have been laid for the mighty new expansion era which lies round the corner of tomorrow—an era which will bring higher living

standards, and a life which will compare with that of today as it compares with the restricted and relatively comfortless life which men knew at the opening of this century.

FAKE ANTIQUES ARE MADE TO SELL TO THE MUSEUMS

London, Eng.—A warning to museums throughout the world against accepting antiques which have been, unknown to them, stolen from British museums is to be given by the museums association as a result of a theft from the Devizes museum and an attempted theft from the Winchester city museum.

It is suspected that someone having expert knowledge of ancient bronzes is systematically stealing these treasures.

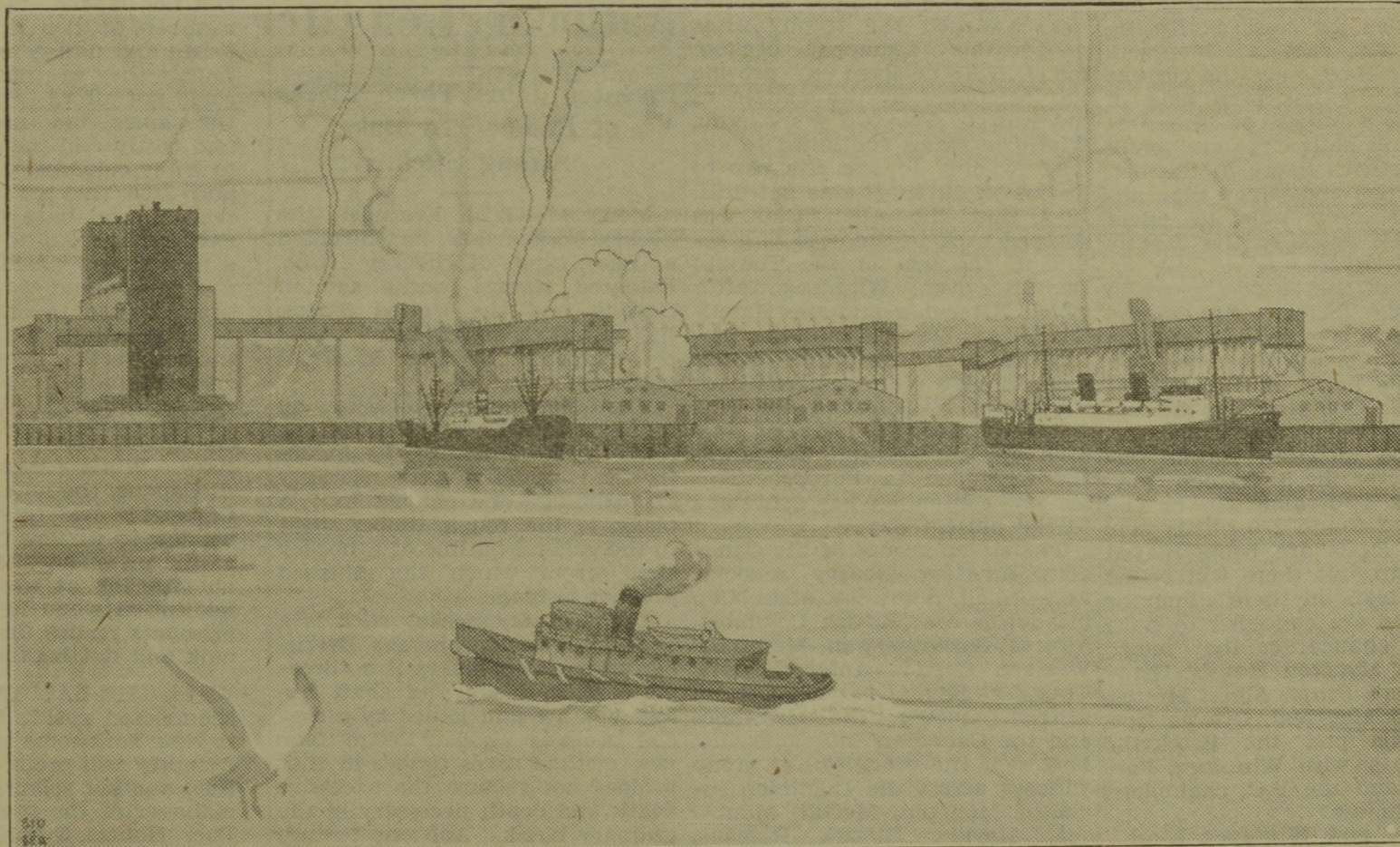
Only one successful raid has been made so far. Valuable bronze spearheads and axes were stolen from the Wiltshire Archaeological Society's museum at Devizes and worthless imitations put in their place.

A few days ago a similar raid was made on the city museum, Winchester, but failed.

The attempt was only discovered when a plumber repairing a pipe found a "sword" lying on top of a case containing bronze age exhibits. It proved to be a copy, made of aluminum, of a fine bronze sword.

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