

for the purpose. A union among miners is just as necessary as a union in any other industry.

The cost of living in most mining districts is high and the wages should be high. It is therefore greatly to the advantage of the miners in Northern Ontario that they have a union to formulate demands to enable them to meet the present conditions. They doubtless consider also that they are in a stronger position owing to their affiliation with the American organization, and if that organization had a reasonably clean record they would have grounds for such belief.

Western Federation methods are not of a character to warrant success in Ontario. Intimidation and murder accompanied the last effort of the Federation in Michigan. There are so many decent citizens among the members of the miners' union of Northern Ontario, however, that it is scarcely credible that they will tolerate Western Federation methods in Canada, even if they have affiliated themselves with that organization.

It is reasonable to assume that the Western Federation officers are well posted as to the attitude of Canadians towards lawless agitators. It is also reasonable to assume that they recognize that the present is no time to try the temper of the public by typical Federation methods.

## CORRESPONDENCE

### STEEL ALLOYS CORPORATION.

Editor, Canadian Mining Journal:

Sir,—I enclose a prospectus of the Steel Alloys Corporation. The whole reeks of the wild-cat promoter.

What a war baby this is! It is born of Germany's "molybdenum guns smashing the impregnable fortresses of Europe" (see p. 4). And what a word for the promoter is molybdenum with the mystical MoS<sub>2</sub>. Ricketts & Co., Inc., have reported on the holdings. In middle of winter I understand even reputable firms make mistakes at times. The report is most definite as to its body, and most indefinite as to conclusions. Entire ignorance is shown with regard to occurrence of the mineral, the mode of concentration, mode of conversion to ferro, its price, conditions and cost of mining.

What a promotion!

Steel Alloys Corporation, incorporated in Delaware, is selling stock in New York and elsewhere (I am told) above par. The property is in the backwoods of Ontario (distance lends enchantment). Representatives of the New York American and Evening Mail visited the property and Mr. Mullally states "nothing but the love of truth could cause me to endorse this security."

We do love to be fooled, and we do love to fool and not be found out.

I know nothing of the personnel of the corporation or those connected with it. The above remarks arise from what appears on the face of the report and a general knowledge of the condition of the molybdenite situation.

A READER.

We have received from the Sullivan Machinery Co. copy of a new bulletin, No. 71-C, on air lift pumping methods and equipment, and bulletin No. 75-B, dealing with the standard straight line, two stage steam driven Sullivan air compressors, class WB-2.

### CHANGES IN ONTARIO MINING TAX.

It was proposed in a bill presented last month, that the tax on profits of mining companies operating in Ontario be increased from 3 to 5 per cent. It has been decided, however, that gold and silver mining companies earning less than \$1,000,000 annually shall pay the old rate.

In the case of mines, other than nickel or nickel-copper, the tax shall be three per cent. per annum on the excess of annual profits above \$10,000 and up to \$1,000,000, and in the excess above \$1,000,000 the same rates as those provided for nickel and nickel-copper mines. This is an added clause to the amendment to the Mining Tax Act. The new tax on nickel is to be five per cent. on profits from \$10,000 to \$5,000,000, with an increase of one per cent. on each \$5,000,000 profit above the first \$5,000,000.

Another new clause of the utmost importance in the bill as redrafted says: "The mine assessor shall ascertain the market value of the fine metal or other product or products, suitable for direct use in industries or arts without further treatment arising from or contained in the output of the mine.

"He shall deduct from the amount so ascertained the actual cost of marketing the metal or other products and of each process by which the metal or other product is refined or treated, as shall be established to his satisfaction by the owner, manager, etc., of the mine." He shall also make the deductions previously allowed. "And the balance after making the said deductions and allowances shall be deemed and taken to be the annual profits of the mine and the year's output for the purposes of this act."

A new clause, which will have direct effect in the arrangement hitherto effectual between the interlocking Canada Copper Co. and the International Nickel Co., provides that: "A sale (of the product of a nickel or nickel-copper mine) shall not be deemed a bona fide sale within the meaning of subsection 36, where it is made directly or indirectly by an incorporated company to another incorporated company, which is associated with or ancillary to the selling company, or which controls or substantially controls the price to be paid or credited to the selling company, for the output of the mine."

### NEW CALEDONIA NICKEL PRODUCTION, 1916.

According to Le Bulletin du Commerce, February 10, 1917, page 13, the following was the production of nickel ore and matte for the year 1916. The figures for preceding years, given in the Royal Ontario Nickel Commission Report, page 245, are inserted for comparison. It will be noted that the production for 1916 shows a considerable decline, doubtless owing to lack of shipping facilities.

	1913.	1914.	1915.	1916.
Ni. ore (metric tons) . . .	93,190	94,154	48,576	30,679
Ni. matte (metric tons)	5,893	5,277	5,529	4,935

The nickel ore averages less than 5 per cent. of nickel as shipped, or about 6 per cent. after drying at 100 deg. C. The matte contains about 45 per cent. of nickel and is shipped to Scotland, France and New Jersey, U.S.A., where it is bessemerized and brought up to about 80 per cent. of nickel before refining.

The shipments of chrome ore in 1916 amounted to 74,115 metric tons.