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## OPPRESSIVE TAXATION

Interesting Paper Read by  
Mr. Edmund B. Kirby at the  
Meeting of the Canadian  
Mining Institute at Nelson  
Yesterday--2 Per Cent Tax

(Special to The Miner.)

NELSON, B. C., Sept. 11.—At the session of the Canadian Mining Institute last evening the following interesting and instructive paper on "The Influence of Government on Mining" was read by Edmund B. Kirby. As will be seen by a perusal of the paper it was a strong and well thought out denunciation of the present system of taxation. It met with general favor and was followed by several gentlemen endorsing the stand taken. Following is the full text of the paper:

### THE INFLUENCE OF GOVERNMENT ON MINING.

In most mining districts of the world the difficulties which we as engineers have to confront are mainly business-technical problems. Methods and economies in mining, transportation, milling and smelting, studied both from the scientific and the business side, absorb our attention.

In few cases do questions of state economics force themselves upon us, because mining is almost everywhere, a favored industry, treated by governments with fostering care and considered worthy of every sacrifice and every encouragement by the state. It is rightly recognized as the mother of industries, focusing the attention of the entire world upon each newly discovered area. Upon this all the resources of civilization in men, money and skill are poured out. Around it agriculture, stock raising and lumbering spring up; railroads appear without the aid of land grants or subsidies, manufactures and towns follow and a commonwealth is established.

Now the British Columbia mining industry is unique in the world, not only in its entire lack of state recognition and fostering, but in the fact that difficulties imposed by state economics overshadow in importance all the ordinary technical and business problems with which mining men have to deal. It affords today a curious and interesting illustration of the injury wrought by unwise government and also of the reaction of repressed mining upon commerce and other industries. These effects are emphasized by contrast with the present prosperous condition of the other provinces of the Dominion and also of the United States. It is clearly recognized by the Canadian Mining Institute that British Columbia contains one of the largest and most promising mineral areas of the Dominion. But in considering the welfare of its leading industry of what use is it to concentrate attention upon the fine points of machinery, mining methods and ore treatment if we ignore such realities as a government taxation which amounts to one-fifth of the gross value of the product and a single item of which bars the treatment of low grade ores?

The phenomenon before us presents the following features. The Rocky Mountain range has been developed from lower South America to British Columbia, yielding a practically continuous chain of productive mining districts. It is found equally productive at the two points touched of Southern British Columbia and the Yukon. The unexplored area between, some six hundred miles of which is in British Columbia, should average up as well as that already known. Concerning the development of this area I quote from a memorial of the British Columbia Mining Association of June 28, 1901: "The development of these resources begun a few years ago so auspiciously, has been brought to a practical standstill, and whereas the mountains a few years ago were swarming with prospectors, today these pioneers of the mining industry have nearly disappeared. The flow of capital into the province has been practically cut off, the metal production is at present decreasing, numbers of producing mines have closed down and those operating have, with a few exceptions, ceased to pay dividends. The working mines are struggling under heavy burdens, which are still accumulating each year. It is now frankly admitted by mining men that the industry is prostrated in many mining divisions and that its condition is rapidly becoming worse."

Allowing for all the reaction from the mining boom, the association correctly ascribes the increasing paralysis to its two main causes—excessive taxation and oppressive legislation. At present conditions are even worse than those then described. Prospecting and the development of new deposits to reduce those exhausted, have practically ceased. Of 14,326 crown grants and recorded claims held December 31st, 1901, only 75 yielded ore in excess of 100 tons total production for the year. This is about one claim out of every 2000 held.

organization taxation acts literally like the hand of death. It shrinks, withers or dies at its touch. Taxation which is excessive or badly placed is worse in effect than war and pestilence. As industry declines the burden becomes heavier on the survivors, and thus the disease accelerates its own progress. Such taxation kills the goose which lays the golden eggs and the bankruptcy of the state inevitably follows. The simple principles of modern scientific taxation are well understood. In theory, if not in practice, the world has progressed since Colbert, the famous minister of France, summarized government finance simply as "The art of plucking the goose with the least amount of squealing." In the light of modern knowledge taxes may be so laid that industry is not only uninjured, but on the contrary actually benefited by them. In this twentieth century there is no excuse for excessive taxation or for Medieval methods.

The state may, if it will, not only relieve the "Mother of Industries" from all its burdens, but it may in a less important way encourage and aid it by attending to those matters which are beyond private enterprise. Many geological surveys, studies of districts and the collection and distribution of all kinds of information valuable to the industry, are peculiarly the province of the state. It should, however, be confined to this field, the only exception being the few cases where it is necessary for the state to interfere by regulations for the distribution of mining property and for public safety. It is easy for a department of mines to maintain such close touch and cordial relations with the whole industry as to secure its effective co-operation in all its work. It should, in fact as well as theory, be its representative, its advocate and its watchful guardian.

As to the outlook for relief in British Columbia we do not delude ourselves with any illusions. The disease has gone too far. History shows clearly that in all such cases the evil forces which control the machinery of government hold out to the last against reform. No government ever reforms until it is forced to do so by the overwhelming power of popular will. The exertion of this power is always long delayed because of the apathy and blindness of the public towards economic questions, and the long time required for it to recognize the causes of its distress. It is probable that a prolonged period of depression and suffering will be necessary to educate voters and compel reform. Meanwhile only the richest and most fortunate mines will survive.

But notwithstanding the gloom of today—we mining men, looking far beyond the present, have a clear view of the future grandeur of the commonwealth of British Columbia. We know its wonderful natural resources, the character and energy of its people. We know that civilization cannot be held back. Some day there will be good government, and with this one requisite supplied will appear an era of prosperity beyond the wildest hopes. Whether its arrival will find us here or laboring in other parts of the world is not for us to recognize. We only know our present duty, which is to maintain a united front to the evils before us and steadily press the fight for reform.

## MEN AT WORK ON VENUS GROUP

(Special to The Miner.)

NELSON, B. C., Sept. 15.—A force of 50 men are now at work on the Venus group, four miles from Nelson, and terminals for a tramway from the mine to the Athabasca mill are in course of construction. The property is expected to be a steady shipper this winter.

The death occurred Sunday afternoon of Watson Ray Hunt, yard master at Nelson for the C. P. R., aged 37. The funeral takes place tomorrow at 2:31. The Nelson Roller Milling Company is being incorporated in Nelson for the manufacture of flour, the certificates to be issued in a few days. Benjamin Friel is at the head of the concern. The machinery for the mill has been shipped and foundations for the mill erected.

The local conservatives are making great preparations to welcome the leader of the opposition, Mr. Borden, who will arrive tomorrow morning at 4:30. There will be a reception at the Phair Hotel and a meeting in the evening at the opera house.

## TEN FISHING SCHOONERS LOST

ST. JOHN, Nfld., Sept. 16.—The steamer Virginia Lake reached here from Labrador today. She reports the loss of ten fishing schooners with their cargoes of fish and their outfits during the last fortnight. The crews of the lost schooners were saved and brought here by the Virginia Lake.

The officers of the steamer also report the finding on Belle Isle of the remains of a woman, supposed to be Mrs. Bates of Montreal, who was a passenger on the ill-fated steamer Scotsman, which was wrecked on Belle Isle in October of 1899.

Mrs. Sanford, wife of Rev. A. M. Sanford, B. A., is expected home this week.

## ALMOST 8,000 TONS SHIPPED

The tonnage for the Rossland camp for the week ending September 13th was scarcely up to the mark predicted for the period, only 7663 tons being sent to the various smelters. On two days, or almost so, no ore was hoisted at the Le Roi and the shipments at the War Eagle are scarcely as large as was the case during the preceding week. Both contingencies are only temporary, however, and the present week should see large increases in the output of both mines specified sufficient to bring the aggregate well over the 8000 ton mark.

Operations have gone ahead quietly during the week and no special features are reported in connection with the work under way in the big Red Mountain mines.

### THE OUTPUT.

Shipments from the Rossland camp for the week ending September 13th and for the year to date are as follows:

Week.	Year.
Le Roi No. 1.....	3180 160,821
Le Roi No. 2.....	1650 46,551
Centre Star.....	1612 9,232
War Eagle.....	961 3,546
Rossland G. W.....	2,400
Giant.....	200 1,946
Cascade.....	300
Columbia-Kootenay.....	30
Bonanza.....	60 99
Velvet.....	60 610
Spitzee.....	20
White Bear.....	5
Totals.....	7663 225,350

## THE HOMESTAKE HAS A MEETING

It is now settled that the Homestake mine will resume operations in the near future, before the 15th of next month at the latest.

This decision was arrived at yesterday afternoon when the principal local shareholders met to consult with the directors as to the company's policy for the immediate future. A very large number of shares were represented, and while the session was wholly informal the shareholders went on record in a manner that will serve as a guide to the directors.

It was decided to proceed forthwith with the levying of the fifth call on the stock and that mining operations would be resumed as soon as the funds thus provided were in hand. It was decided also that stockholders not meeting the assessment should be declared delinquent forthwith. The principal stockholders are willing to meet the assessment, and if it is seen that the call is met cheerfully by shareholders as a whole the date of commencing operations will be advanced. The company now has considerable funds available for the prosecution of work.

The program will call for such work as will carry the workings deeper and explore the ore bodies known to exist beneath the present workings. The operations of the Homestake will be followed with keen interest by Rosslanders, for the reason that it is the only south belt proposition in which the ore bodies are exposed to the stage where important ore bodies may be discovered with comparatively little additional work. Such a development in the south belt would be of prime importance to the camp as a whole.

## CANADIAN MEDICAL ASSOCIATION

MONTREAL, Sept. 16.—The Canadian Medical Association opened its sessions here this morning with a large attendance. This morning the surgery and medical sections met and listened to a number of interesting papers. In the afternoon a general business meeting was held, when a number of new members were elected and other business transacted. An address on surgery was read by Dr. J. F. Sheppard of this city in the absence of Dr. John Stewart of Halifax, who compiled the paper. A lantern demonstration followed, in which Dr. William Corstet of Cleveland illustrated exanthemata. Afterwards the delegates were entertained at an afternoon tea by Mrs. James Ross. This evening the president delivered his annual address and this was followed by a reception.

In the afternoon the delegates were entertained by a drive around the mountain. QUEEN WILHELMINA. Returned to Castle Loo Preparatory to Opening Parliament.

THE HAGUE, Sept. 16.—Queen Wilhelmina returned here today from Castle Loo preparatory to opening parliament tomorrow. Her majesty was welcomed by the crowds that thronged the streets along the route to the palace. The city was gallily decorated.

## BRITISH COLUMBIA MINERAL RESOURCES

Glowing Future Pictured For the Province in a Speech Delivered by Bernard Macdonald, M.P.E., at the Nelson Banquet --An Interesting Address.

Comparatively few British Columbians really realize the immeasurable mineral resources of their own province. It remains for mining men of many years experience in various countries to bring to their attention the possibilities of the country in which they reside. This has been done in admirable style by Bernard Macdonald, general manager of the Le Roi No. 2 and Rossland-Kootenay mines. The occasion was the banquet extended to the visiting English journalists at Nelson recently. Mr. Macdonald made the following decidedly interesting address:

"Speaking for the members of the Canadian Institute of Mining Engineers, we owe our thanks to the mayor and city of Nelson for taking advantage of the fortunate coincidence which brought us to this hospitable city at the time when it is being visited by this distinguished party of English journalists. When Mr. Bell, the worthy secretary of the institute, made arrangements some months ago for our meeting at this time and place, I am sure he could not have anticipated the fact that we would have the opportunity and pleasure that we are now enjoying in this association. It is evident that Mr. Bell reckoned better than he knew, and while we are here, we should take advantage of this auspicious occasion to tell our visitors something of the marvellous resources of British Columbia.

We, as mining engineers, with more or less experience in the mining regions elsewhere in the world, but at present, for the most part, engaged in exploiting the mineral deposits of this province, know something of its comparative merits as a mineral field. Mining men and engineers who have examined and studied the formation of the Rocky mountains lying within this province and the Yukon Territory to the north, are unanimous in their belief that this section of the Rocky mountains now constitutes one of the greatest undeveloped mining fields in the world. A knowledge of this fact cannot fail to be valuable as well as interesting to the English public and you, the journalists who are present, have the opportunity of placing before your readers this information. We hope you will avail yourselves of this opportunity and that our English friends will take advantage of the information you give them.

"As you have just now completed your trip of 4000 miles from the Atlantic to the Pacific coast, within the Dominion, you realize for the first time in your lives, if you have never made the trip before, the vast extent of this country and the varied and marvellous resources it contains. INCALCULABLE POSSIBILITIES.

"Through your respective papers you can tell the readers that east of the Rocky mountains you saw wealthy and growing cities, navigable rivers, immense forests and a thousand miles of wheat fields. You can tell that at the cities of this province, on the Pacific coast, from which you are now returning, you saw harbors where all the fleets in the world might anchor with safety; harbors to which the commerce of the Orient must come, and cities which are destined to rival the commercial centers of the world. You can describe the mountains and mountain scenery that dwarfs in insignificance that of the European Alps. You can describe for your readers the riotous extravagance mentioned of the Dominion in general, and this province in particular, but when you have told this, the more important half will still remain to be told. To complete the description of the Dominion, you must point out the incalculable possibilities of the undeveloped mineral resources of this province. It would be impossible to convey an adequate idea of these resources unless the attempt should be preface with some account of the mineral products of the Rocky mountains elsewhere on the continent.

"A GLANCE INTO HISTORY. "Shortly after the discovery of America, at the end of the 15th century, the Spaniards began to mine gold and silver in Bolivia, Peru, Central America and Mexico, and the flow of the precious and useful metals which followed enriched the world. History tells us that when America was discovered the total metallic money in Europe—then the world—only amounted to \$250,000,000. These were the dark ages. Any age would be dark with only \$250,000,000 of metallic money with which to do the world's business. "Mining began at this time in the Rocky mountains within the countries discovered and dominated by the Spaniards, continued for 250 years, during which time untold billions of metallic money were added to the world's wealth. Population increased and people became more and more prosperous. Arts, sciences and inventions advanced by leaps and bounds, and commerce with hitherto unknown regions of the world was profitably carried on. Civilization advanced more rapidly than at

any previous time in the world's history, and this was due mainly to the civilizing influence of the rapidly increased stock of metallic money; nearly every penny of which was mined in the Rocky mountains and shipped to Europe.

"Then the discovery of gold in California was made. That was about 50 years ago, or about 250 years after mining had commenced in the countries named. Before the discovery of the California gold fields, it was generally believed that the precious metals only existed in that portion of the Rocky mountains found in Mexico and Central and South America. Notwithstanding this belief, however, after the discovery of gold in California, the systematic prospecting and development of that portion of the Rocky mountains which runs through the territory of the United States was begun and since that time the production of metals in this section of the Rocky mountains, originally supposed to be barren, has increased to such an extent that at present, as you all know, the United States is the greatest metal producing country in the world. The marvellous wealth of that country, where at this time the private fortunes of many of its citizens exceed the sum of money that existed in all Europe when America was discovered, is mainly due to the seemingly inexhaustible streams of gold, silver, lead, copper, iron and coal that flow from that section of the Rocky mountains that was, up to 50 years ago, considered barren.

"The opportunities offered in the mining and associated industries of that country to better men's conditions and give profitable employment to their energies have drawn upon the best of the brain and brains of the world. This energy, together with the judiciously directed investment of capital, have brought that country up to its present prosperous condition and made American mining practices recognized as the best in the world. As I have said, this increase of prosperity is mainly, if not entirely, due to the vast quantity of money metals mined from the Rocky mountains in the United States where the production goes on increasing from year to year.

"Until a few years ago it was generally believed that the Rocky mountains ceased to be metal bearing at the international line dividing Canada from the United States. This impression, however, like that of fifty years ago concerning the Rocky mountains in the United States has been dissipated by practical and scientific explorations. "A few years ago an exodus of miners came from the south across the international boundary line into this province and demonstrated in a very practical and substantial manner by the discovery of large deposits of gold, silver, copper and lead ores, that the international boundary did not affect geological formations or mineral deposits. About the same time a similar influx of miners came into the Yukon Territory from Alaska, and discovered the phenomenal deposits of gold that have made the Klondike famous. Since the scientific explorations have led to the conviction beyond all question that the Rocky mountains whether running through South America, Mexico, United States or British Columbia are characterized by practically similar deposits of the metals mentioned.

### GREATER THAN THE UNITED STATES.

"The United States contains within its territory about 1000 miles in length of the Rocky mountains, while a greater length, nearly 1300 miles of this same range of mountains lie within Canada. Of these 1300 miles of mountains a length of 800 miles by an average breadth of 500 miles or an area of 400,000 square miles lie within the province of British Columbia. This vast mountain territory, with the exception of certain comparatively small areas towards its southern boundaries may be said to be entirely unexplored. This may seem strange, since there is no geological reason why every mile of their length should not contain as much of the precious and useful metals as any corresponding length of the same range passing through the countries to the south of us. And since the geological conditions are practically the same in the Rocky mountains, no matter what countries they run through, the mineral productions should be approximately the same in equal areas of these mountains, other conditions being equal. This beautiful weather must prove to your complete satisfaction that the climatic conditions are favorable.

"But what are the facts? This will be answered by the metal productions of the United States and Canada for the last calendar year:

United States—	Gold, 4,000,000 ounces.
	Silver, 60,000,000 ounces.
	Copper, 300,000 short tons.
	Lead, 270,000 short tons.

(Continued on Page 6.)

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anner, and consequence, as if each of defined the objects and independent

PROVEMENTS.

alm, situate in Division of West here located: Ad- about one-half ernational boun- Northport road. N. F. Townsend, Edmondson, free B 56835, intend, ate hereof, to ap- order for a certi- ca, for the pur- own grant of the

notice that action, et commenced of such certificate

of August, A. D. TOWNSEND.

## NEWS

Northport of the at that place of some 14 sum- winters, who was on a hunting ex- went out after in the hills in the tport got tangled his went off, shoot- The boy will re-

DUSE— to be addressed conservative lead- on Monday night the opera house, may be mentioned as leased for the Lindley Dramatic rangement of dates d to by the opera by Mr. Lindley's plays on Tuesday, rday nights in- originally arranged.

ELECTION— ers' Union held its of officers yester- hall. The election, ted, proved to be a made chiefly note- extremely large east yesterday is the largest ever election. One of was for the election tary, F. E. Wood- was pitted against has long been con- sistory of the union side was re-elected, small majority, the 2 for Woodstock, the The election of a vice-president was rts of the election try G. Seaman, pre- cess, vice-president; financial secretary; reording secretary; easurer; John Rich, chard, warden. The tive board was laid a elected yesterday the first Wednesday

## STAL RATES.

(Special to The Miner.)

C, Sept. 9.—A Times C.—The regulations postage rates to and Atlin have been re- ture rates of postage parts of Canada shall and Atlin. The party and party will arrive row and will leave the 12th, arriving there will leave the same t. On the 16th they deen's ranch, where over night, starting the 18th inst. The party 18th inst. On the 19th, and Sept. 20th. The at- rick minister of morrow for Winnipeg Coast.

## LE WEATHER.

orking Day and Night Manitoba.

Sept. 8.—The weather ain today and by to- of the crop of Manicent in the Territories shing is in progress all be more general if sur- d be secured for the t is turning out for the acre and the price cents. On the Mennon- wheat averages from 20 ound Roland and Elm- 35; around Melita Portage plains from 25 from 30 to 35. bushels of wheat were rman resident threshed bats off 14 acres Satur-

## AND SUICIDE.

and Killed Annie Miller then Suicides. Sept. 9.—F. Gobell, a work, shot and killed at the home of her poklyn today and then No cause for the act is