

sational, or yellow journal would have gone to the length of your and the Nelson paper cable tow. I am not dictating, neither advising you as to business methods in connection with running a paper, thinking that you are competent enough to do so, yet, permit me to express my astonishment over the fact that you did not try in the least to ascertain from this side, either direct or through some channel of your own choosing, whether or not these accusations were true; especially when you proceed to destroy a man's honorable standing and all that which is nearest and dearest to any man's heart—outside that portion of beings not confined behind prison walls.

"Be assured that I will do all within my power to bring home to you the truth contained in this letter."

In reply to Mr. Rosendale's communication we have informed him that we shall of course be very happy to do all in our power to make amends for any injury done him by our comment on the letter of which he is alleged to be the author published in the *Nelson Daily News*, provided he, Mr. Rosendale, can satisfy us that the conclusions at which we arrived, and the conclusions at which any one after reading the letter in question would arrive, touching the questionable-ness of his methods, are incorrect. To do that it will be necessary for him to prove that he was not the author of the letter to the Roseland broker, and that it was not dispatched at his instance, or with his knowledge and consent.

The report of the Tyee Copper Company, Ltd., for the year ending April 30th, 1904, is eminently satisfactory, and the company is again to be congratulated on the success of its efforts. The Tyee is a promising mine; but there have been other good mines in the Province from which equally good results have not been obtained. Even good mines require good business management. During the year it has been demonstrated that the Tyee, instead of having several small ore-bodies, as was at one time supposed, has one large body of ore traversing the entire length. At the Ladysmith smelter 56,050 tons of ore were treated, producing 5,454 tons of copper matte, valued at, less refining charges, \$678,836. The company's profits on the year's operations were stated in the summary report of the directors to have been £25,390, out of which the directors recommend the payment of a second 5 per cent. dividend, thus making 10 per cent. paid during the year. But this statement is extremely misleading, though easily enough explained. Thus in addition to the earnings of £25,390, the large sum of £22,125 was placed to reserve, £9,500 was expended out of revenues upon mine and smelter betterments, £3,900 was written off for depreciation, and these and other items increase the actual earnings of the company during the year to over £65,000 or rather more than 30 per cent. on the issued capital. At the recent annual meeting some of the shareholders present objected to the manner in which the accounts had been set forth, criticizing in particular the large sums written off for depreciation. We can understand the feelings of these gentlemen, who doubtless anticipated that the

value of their share holdings would have been appreciated had the directors pursued a less conservative course. But after all the function of a Board of Directors is not to influence stock market quotations, and we have nothing but the highest praise for the business like and prudent policy that is being followed in the present instance. Shareholders should meanwhile not forget that the undertaking in which they are embarked is still young, that the future of the mine, in which there is but a year and a half's supply of ore at present developed, is not assured beyond that period, and they should then recognize that far from there being reason for complaint in the manner in which earnings have been apportioned, those responsible for the financing of the company have displayed commendable judgment. Had the same policy been followed by other mining companies, both British and Canadian, operating in the Province during the past ten years, the industry would now be in a very different position.

In a circular letter issued to the members of the Executive Committee of the Provincial Mining Association, the president, Mr. John Keen, makes the following statements: " . . . The Government are indisposed to aid us in our endeavours to clear the Mining Acts of such ambiguities as have been by the courts declared to exist therein. The Government have gone so far as to declare that it is not their policy to even amend the mining Laws by legislative enactment to meet isolated cases which may be brought before the courts of the Province, thereby showing that legislative errors must be rectified by the courts rather than by the Legislature. In the Kootenays, this Executive action has caused considerable discontent and unrest, and this has, in its turn, caused capital to be indifferent about our resources; for the protection given to those who would develop these resources is of too doubtful a character to encourage the development and exploitation of our mineral wealth and the permanent investment of capital. In other words, the Government say—in effect—'pay your fees for the licences, but go to the courts to obtain the property we licensed you to acquire; and, at the same time, please understand that we do not guarantee quiet enjoyment of the title.' " In some quarters these statements have been stigmatized as "too strong," "too sweeping," or if true, then injudicious. They are either true or untrue. If true, then the truth should be proclaimed without reservations, or fear or favour. That has always been the policy the *MINING RECORD* has endeavoured to follow at any rate. The evidence on which these charges—for they amount to charges,—is based, is seemingly both direct and indirect. The Government has certainly displayed no disposition to act on the recommendations, good, bad or indifferent, of the Provincial Mining Association. On the contrary, a direct refusal has been given to the request that remedial legislation be introduced to correct a peculiarly pernicious instance of bad law-making. If the mining industry were in a more prosperous condition these relatively small matters would