Actual returns, same quotations—

1,000 pounds lead at $2.51	$25 10
Less 10 per cent...........................	2 51
	$22 59
Freight and treatment	24 00
Net loss per ton	$ 1 41

A net difference of $5.50, as above stated.

"Mr. J. L. Parker in a recently published article, makes some statements which need qualification. The smelters composing our western combination, not Trail and Nelson alone, did on January 1st, 1902, make a reduction of $4 from the $28 then charged. But that reduction, as Mr. Parker states, was not owing to the receipt of a bounty on the refining of lead. Everett, Selby and Nelson made the same reduction, but they received no bounty. The reduction was made in response to a demand from the miners, and a move on their part to smelt their own ore, if they got no redress. Several conditions attached to this quasi reduction; the zinc limit was reduced from 10 to 8 per cent., making the reduction only $3 on nearly all Slocan ores; the old rates were to have been put in force as the London market recovered. The time for settlement was put at 90 days after the receipt of the ore, thus forcing the producer to stand all market fluctuations. Other and more stringent conditions were to have been imposed on the 1st of January last (the manager of the Nelson smelter stating in his annual report that steps were being taken to extend the time for final settlement to six months) making the miner wait from June to December to know what he had accomplished in that month.

"The advent of the American Smelting & Refining Company has been cried down, but it made our little combination recede from its position, put the zinc limit back to 10 per cent., give us immediate settlement for our ores, and a $24 flat rate for a 50 per cent. lead ore, regardless of the price of lead on the London market."

In a letter to the MINING RECORD Mr. N. J. Cavanaugh writes:

"I send you herewith the different rates charged by the smelters for treating Slocan ores from 1896 to the present time. This, you will understand, is on an ore carrying better than 40 per cent. lead: 1896, $24; 1897, $22; 1898, $21.25; 1899, $18.50; 1900, $20 plus 70 cents per 100 pounds of lead in ore; 1901, $19 plus $1 per 100 pounds of lead in the ore; 1902, $15 plus $1 per 100 pounds of lead in the ore, zinc 8 per cent.; 1903, the same as 1902, zinc 10 per cent.

"Your third question can hardly be answered by saying "yes," or "no." Beyond a doubt there has been a combination, consisting of Trail, Nelson, Everett, and Selby since January 1st, 1900. They have all been offering the same rate; whether that rate is an equitable one, is another matter. In the matter of weights, and assays (as made) the treatment is fairly good, but it is to the methods of making those assays that the miner objects. We should be given the wet assay less 10 per cent. loss, but we get the fire assays less 10 per cent. (See Ed. *Engineering and Mining Journal* November 11th, 1902.)"

From Mr. S. S. Fowler, President of the British Columbia Mining Association and manager of the Enterprise, Whitewater and other mines:

"The best figures I can give are those pertaining to the Whitewater mine. Freight and treatment rates were as follows: 1896, $22.50; 1897, $18.75; 1898, $18.75; 1899, $20. These were charged by American smelters. Everett got most of this material, but some of it went to Great Falls. All ore which went to the States was paid for at the New York brokers price, which was always from 15 cents to 30 cents lower than the real price realized by the refiner, per 100 pounds of lead. He also got ahead of us by charging duty for 100 per cent. of the lead although for at least some of the lead he did not pay the duty, the lead being treated in bond. It is certain that little, if any, B. C. lead was consumed in the States after 1898, the American mines supplying all that could be consumed. Prior to 1st July, 1897, the U. S. duty was 3-4 cent per pound; afterwards and since then the duty has been 1 1-2 cents. In 1900 the settlements were made at the English market price less 70 cents per 100 pounds. Since then same market less $100 per 100 pounds.

"So far as I know we have never been charged higher rates than would be given by the American smelters. One price for one class of ore has been the rule which I have heard no breach of. Our dealings have been perfectly satisfactory with the smelters.

"I have given the *Daily News* here an article, rather hastily written, showing just how we would have come out under the arrangement formerly prevailing and that now prevailing. We actually do better under the present rates and English market less the one dollar per 100."

Mr. Fowler's letter in the *Daily News* contained the following statements:

"It seems to be the impression of some, in discussing the rate question, that a smelting rate can be arrived at like a milling or manufacturing rate, but this of course is very wide of the mark. With the same prices for wages and material, and with equally well equipped plants and able metallurgical supervision, the cost of smelting one assortment of ores may be double what it would be with another * * * I certainly hope for lower rates in the near future, with the increasing development of mines supplying larger quantities of ore, and a more nearly self-fluxing combination than is the case at present.

"Mr. Cavanaugh shows that he is under an evident misapprehension, which has naturally led to a belief that the smelting rates could be materially reduced without giving the smelters and railways a smaller earning than they had some years ago. That is due to Mr. Cavanaugh's not knowing, apparently, that the lead from ore bought in Canada was not used for domestic consumption in the United States, for the American mines have been, for several years past, supplying the domestic lead for the United States. The foreign lead was smelted and refined in bond, and 90