

MINING.

OUR COAL INDUSTRY.

To the Editor of the Critic:—

Sir,—I do not intend to be drawn into a controversy upon the operations of the National Policy—at all events, not in the columns of your excellent paper. It is quite evident that the writer of your Mining Notes is a believer in the National Policy, and has ample confidence in the ultimate success of the attempt to build up a healthy and profitable trade between Nova Scotia and the Upper Provinces. This is a point of radical difference between us. It is quite enough for the present for me to reiterate my settled conviction that this is an impracticable and losing game. The results of experience, so far, are on my side. Here we may let the matter rest.

But I am compelled to ask the use of your columns for a brief space, for the purpose of contradicting and disproving a charge made against the present Local Government. You suggest that I should induce my colleagues to repeal the obnoxious legislation of the Session of 1885, which places new burdens on proprietors of coal mines. No such oppressive legislation was passed in 1885, nor last Session. According to the Statute, the Royalties were fixed at nine and seven-tenths cents per ton on round coal. It had been fixed at sixpence, or ten cents; but the change to Canada currency in 1871 reduced it to nine and seven-tenths cents. The coal leases expressly stipulated that until the expiry of the leases in 1886, no change should be made in the amount of Royalties charged.

But, in the development of the trade, some mines found it advantageous to sell their coal according to the run of the mine, without screening to separate the round coal from the slack. There was no alternative, therefore, but to charge Royalty on the whole amount sold, at the regular rates upon round coal. This was considered oppressive, and injurious to the trade. In order to remedy this defect, the Government submitted to the Legislature a measure in the Session of 1885, fixing the Royalty on the whole amount of coal taken from the mine at *seven and a half cents per ton*. There was surely nothing oppressive about this. But in order that there should be no complaint that the terms of the leases were in the slightest degree changed, the Act expressly provides that no Mining Company shall be bound to accept the Act, but all may have the option of paying according to the original scale.

I think, therefore, you will see there was not a pretense of foundation for the imputation that the Government imposed any new burdens of any kind upon the Coal Mining industry. On the contrary, recognizing the altered conditions of the trade, they promptly introduced measures to meet the conveniences of those more particularly affected.

I am not aware that the present or any other Provincial Government have ever intimated any intention of increasing the Royalty on coal. The Government are most friendly disposed to the industry, and most anxious to promote its prosperity. I would be delighted to see this system of collecting Royalties abolished. But you will, perhaps, permit me to say, that this can only become a practical question, when the Federal Government put at the disposal of the Local administration a sum sufficient to carry on the affairs of the Province with efficiency. A few years ago, the Sister Province of New Brunswick was augmenting her Local revenues by the imposition of a stumpage tax. The amount collected was, if I remember accurately, only a little over \$60,000 the last year. This was felt to be oppressive to the lumbering industry, and the tax was commuted by the Dominion Government at \$150,000 a year for all time to come.

The Coal Royalties of Nova Scotia yield a much larger revenue, and while the stumpage dues were a diminishing source of income, the Coal Royalties of Nova Scotia are increasing, and we hope will expand much more. If the Federal administration were justified in commuting the stumpage tax of New Brunswick on such handsome terms, possibly some one will point out some reason why they would not be equally justified in giving the same measure of relief to the coal industry of Nova Scotia on terms as liberal to this Province.

Halifax, Sept. 20th, 1886.

J. W. LONGLEY.

PHOSPHATE INDUSTRY.—The phosphate industry of Ontario is steadily increasing in importance, and the outlook has been greatly improved by the last report of Mr. Hotchkiss, United States Consul for the district of Ottawa. He has opened the eyes of the American consumers to the fact that the phosphate imported from Germany and other parts of Europe was simply the crude Canadian phosphate, mixed with the poorer phosphate of those countries, and prepared by means of sulphuric acid; then shipped to the United States, and sold at a cheaper rate than the Canadian phosphate could be bought at. The Americans now find that they can import the crude Canadian phosphate, and treat it with the sulphuric acid largely produced there, and thereby get a cheaper article than they can import from Germany. The result has been a great revival of the Canadian phosphate trade, and orders are flowing in at a rate that proves the industry is bound to assume immense proportions.

The probabilities are that there are large deposits of phosphates in Nova Scotia. The Inspector of Mines, in his last Report (page 5) says:—"Future researches will probably disclose other valuable minerals; thus the Precambrian rocks of Cape Breton, like their counterparts in Quebec and Ontario, may yield phosphates, plumbago, asbestos, etc., in addition to the iron and copper ores already known to exist in them."

Cape Breton offers a tempting field to the prospector, and we may be called on any day to chronicle the fact that rich stores of phosphates have been found in that locality.

PROSPECTS BRIGHTENING.—The gold mining outlook grows brighter and brighter every day. New finds are frequently reported, and best of all the

capital to develop them is at once forthcoming. The find at Malaga Lake in Queens County is likely to prove one of the richest in the Province, but unfortunately it seems destined to undergo the same trials as the famous Salmon River mine. Rival claimants are in the field, and as the property is undoubtedly very rich, a settlement will hardly be reached without an appeal to the courts. Under the system at present in vogue of taking up mining claims, it is the easiest thing in the world to put in a bogus application and force properties into litigation. No capitalist will look at a mining property in the title to which there is the slightest suspicion of a flaw, and, taking advantage of this, unprincipled men make a contest on the most frivolous pretext and often succeed, where the real owner is anxious to sell, in forcing a compromise and getting an entirely unmerited share of the mine. This business has been reduced almost to a science, and if not put a stop to in some way, is bound to do immense harm to the gold mining industry. We do not know that these remarks apply to the Malaga Lake contest, as we are not familiar with the points at issue, but we do know that similar tactics have succeeded in numerous other cases.

A radical cure must be found for the evil, and we would almost favor making it a penal offense to put in a bogus claim to a mine. In most cases it is simply an attempt to extort money through false pretenses, and should be punished accordingly. A party contesting should be obliged not only to furnish security for costs in case he failed in the suit, but also security for any damage that the owner incurred through the contest. This alone would prevent any but *bona fide* claims being raised. Time is everything to a mine owner, and any disputes should be adjudicated upon at once, and it might be well to have them referred to a mixed board of Arbitrators, composed of mining experts and Judges of the Supreme Court, where decisions in all cases should be final. When the Mining Association is organized, this subject should be one of the first to demand attention. It is an easy matter to drive capital away from a country, but a most difficult matter to restore confidence where it has once been lost. Outside of this one cloud of litigation, the mining horizon is clear. The capitalists now investing their money in this Province are also practical miners, and are not to be made the dupes of dishonest men. The day of the cunning mine manipulator has gone by and the best proof of the value of the gold mining industry in Nova Scotia lies in the fact that mines are now bought and sold solely on their merits.

At Crows Nest Mr. McKenzie is continuing his work on the slate lead, which is showing well, and has opened a new lead about 75 feet south, which shows gold freely.

At Goldenville, Mr. Williams has succeeded in bottoming the old German pit on the New York property, and the appearance of the bottom of the shaft is encouraging.

Mr. Jas. A. Fraser, M. P. P., is working in the Pactolus ground, and is driving to the east. It is considered that a large body of good ore lies before the face of the levels.

A little work is being done on the Mundic lead on the old Wellington property, but the general aspect of this once flourishing district is very dull.

The Salmon River mines continue busy as usual, and about seventy men are employed in mining quartz and milling it in the big crusher, which keeps thirty-eight stamps going steadily.

On Wednesday afternoon of last week, fire was discovered in one of the engine buildings at Albert Mines, Albert Co., and in a short time five buildings were destroyed by the flames, namely: The engine house, with two engines in it, one blacksmith shop, the carpenter shop, a dwelling and storehouse. In the latter building there were 8,000 cedar shingles, other lumber, sleds, punge, and a lot of tools destroyed. There was no insurance on the buildings, and the loss cannot be correctly estimated until Capt. Henry Calhoun returns from St. John. The loss of these buildings makes the mines look rather forsaken, and it is generally believed that their destruction is due to the act of an incendiary, as yet unknown.

The "Blockhouse Gold Field" has gained some notoriety. During the past week quite a number of gentlemen have been prospecting and found good sights. We understand that about 150 acres have been taken up in this district. Mr. Foster of Halifax was in the Bay last week and made Messrs. Millett & Co., a good offer for their claim. Good specimens were found on this property last week, but the best specimens found yet are from the property owned by Jos. A. Mills.—*Lunenburg Progress*.

GOLD.—A company has been formed at Brooklyn to work the lead recently discovered on the Stoutly property at Point Pleasant, and it is reported that the parties interested are sanguine that their labors will be crowned with success.—*Liverpool Advance*.

Have you struck a lead.

Mining stock is booming.

Look out for Prospectors.

The woods are alive with them.

The boulders are getting a shaking.—*Liverpool Times*.

MAHON BAY—SPONDO GOLD PROPERTY.—We are glad to correct an error in regard to this property, which occurred in THE CRITIC of the 3rd September. One of the original owners writes us that the property was not lost to them, but still remains in their possession. We had been informed that the original owners had been a day too late in taking up their property, and we are very glad to find that the report was untrue. The lead is over eleven feet in width, and from reports of the yield of the quartz, tested in Yarmouth, it should prove one of the richest mines in the Province.