

up and doing in order to keep pace with the times, and as a consequence, we hear of new lines being projected, and others being built, to tap our rich mines.

Capital is coming into the country in larger sums than most people have any idea of. Foreign syndicates are sending expert engineers to report upon the various mines, as well as on the general outlook in the Province, with the view of making investments. We hear of a number of such experts on the way or about to start for this country.

All this mean that the season of 1896 will be a memorable one in the history of the Province, and the prospects are that, where a little over \$2,000,000 were taken from our mines during 1895, the output this year will exceed \$10,000,000, from Kootenay alone.

The Provincial Government has been severely criticized in some quarters in regard to their proposed mineral assessment tax. It is well that measures of this kind, which have an important bearing on the development of the country, should be fully discussed beforehand by the parties most interested. In this way the Government may be warned of possible mistakes, and induced to rectify them in time. But there is no necessity to go off at half cock, and abuse the authorities before the measure is passed.

Bills are frequently so amended and altered after being introduced, that when passed, the semblance to the original draft is almost entirely lost. This will probably be the case with the Mineral Assessment Tax Bill, now before the Provincial Legislature.

The chief objection to the measure, so far as the tax on minerals is concerned, seems to lie in the fact that it proposes to levy a tax of 2 per cent. on the value of the ore on the dump, or, as it is described, on the premises. It is held that this will not only be unfair but that it will retard the development of the mines. It is also held that such a mode of levying the tax will give rise to much trouble and will result in fraud being practiced. We must confess that there seems to be much truth in these contentions.

It seems to us the better way would be to tax the net returns from the smelter and in order to secure accuracy, they should be made out under oath. Where ore is sent to foreign smelters, the mine owners could be called upon to swear to the actual returns received by them, and in the case of hydraulic companies the returns could be also made under oath.

Objection is raised also to the proposed rate—two per cent. being declared excessive. On this point we can only say that the Government should be most careful to avoid anything like excessive taxation on our mining

industries at this stage in their history. It would be much better for them to err on the safe side at the commencement. True, it is much harder to increase than to diminish a tax but the fact that mining is in its infancy in this province should have some weight with the Government at the present time.

We have grave fears that the levying of an assessment on the ore will give rise to much trouble and will be a most expensive means of collecting the tax. The simpler the method the better it will be for the government and the parties taxed. The placing of a value on the ore is likely at any time to be a subject of dispute and to cause friction between the assessor and the assessed. Besides, this manner of levying the tax will be expensive and will reduce the actual revenue received by the government.

It appears to us that it would be better to reduce the rate of taxation to such an extent that it could be levied on the smelter returns. We understand that some of the mining companies object to any examination of their books and accounts by the Government for the purpose of ascertaining the cost of production. The necessity for this would be done away with by levying a tax on the smelter returns, less, if necessary, the cost of freight on the ore and the smelter charges. Lower the rate of taxation so as to levy it on the actual returns, and there ceases to be any necessity for prying into the private business of mine owners.

On the other hand, if it is thought necessary to deduct the cost of production from the returns, the only way to be just to all parties is to have the statement of cost made under oath. We cannot see how any arbitrary rule for a uniform rate of cost can be made to work equitably.

Any mine producing less than a certain amount to be fixed by the act should not be assessed, and in this way parties developing their claims would not be retarded in their efforts.

We offer these suggestions for we believe that the Government will do what is right in this matter, as we are not of those who think that the authorities are indifferent to the success of the mining interests. On the contrary we have reason to think that they take an earnest and lively interest in the encouragement of mining. They are doing what they can in the way of roads, etc., and the establishment of the Mining Bureau under Professor Carlyle shows that they have the welfare of the mining industry at heart.

The tax proposed by the Government does not strike at the poor man, or at non-producing mines or claims, and we do not think that mine owners who are receiving returns from their properties, will object to contribute fairly to the general revenue of the Province.