ers were built, notably at Pilot Bay, Golden and Revelstoke, but none of them seemed to be a success. Various rates for freight and treatment (this term includes all charges for freight, smelting, refining and marketing) were paid during those first years, but the general tendency was a downward trend of rates; until the year 1899, when the prevailing rate (all charges included, except deductions for loss in smelting) was $18.50 per dry ton.

"During the years 1898 and 1899, the Hall Mines smelter added a lead stack to its equipment, and the Trail smelter, which had been acquired by the C. P. R. did the same. The only prices quoted for lead ores was the New York quotations, less the duty. Freight and treatment rates (I am sorry to say I am unable to state what proportion was for freight and what for treatment) offered by all concerns buying lead ores were very close to the figures given. No matter how close to the mines the smelter may have been located, or how far distant, Omaha, Selby, Kansas City, Everett, Aurora, Trail or Nelson. All made the same charge. In 1899 the 'smelter trust'—so called—was formed. 'The trust,' for reasons best known to themselves, did not enter the market for Canadian lead ores. Shortly after the formation of 'the trust' and just prior to January 1st, 1900, a meeting of the western 'independent' smelters, viz., Everett, Selby, Trail and Nelson, was held at the Hotel Ryan, St. Paul, Minnesota, where an agreement was made, to purchase to a limited amount, the product of the Kootenay lead mines. The smelter purchasing the ore reserved the right to divert the whole, or any part of that ore, to any other smelter; the two railways operating in the district to share equally in any tonnage from common points. At this St. Paul meeting it was decided to change the basis of settlement for Canadian ores to the London market quotations; the miner was told that he could not get the full London price less treatment charge, as cost of freight to London must be borne; that a deduction of 70 cents per 100 pounds of lead in the ore would be made to meet this new charge. The rate for freight and treatment was fixed at $20 per 'dry' ton. The average price for lead in London, for the year 1899, less 70 cents per 100 pounds, is equal to the average New York price for the same period, less the duty of $1.50 per 100 pounds. At the first of the year 1901 (London prices having risen) a further charge of 30 cents per 100 pounds of lead was made, and the treatment rate reduced to $19 per dry ton, once more equalizing the two markets quoted. What then are the facts? We are forced to sell to a trust equally as potent as the American Smelting & Refining Co. The territory is apportioned, and if one smelter made a bid for our ore it was useless to go to one of the others. If your output became too great for any one to handle, or if they had a stock of lead ore on hand, we were ordered to ship to another. We were told that we were selling on the London market, but we were in reality getting the New York price. Had this parity of prices been maintained, all would have been well; but when London prices went down there was no corresponding decrease in the rates charged, and there never has been a return to the rates charged in 1899. I maintain that as good a freight rate can be had via steamer from Vancouver, Seattle, or San Francisco to London, as can be had from any of the points named via all rail to New York. If we were selling on the London market we should get the full London market price less the rates charged before the formation of the smelting trusts; and in the fact that we do not get those rates lies the overcharge of which the miner complains.

"Assuming that the average ore of this district carries 50 per cent. of lead (although many mines ship a 60 and 65 per cent. ore) and that I am correct as to freights, the Kootenay lead miner paid during the year 1900 for freight and treatment $26.30 per dry ton; for 1901, $28 per dry ton; and for 1902, $24 per dry ton, which rate is still in vogue. If $18.50 performed certain work in 1899 it should do as well or better to-day. In 1899 we paid freight to New York; to-day we are supposed to pay freight to London. Apply the simple rule of three, and any schoolboy will easily prove that we are mulcted by the difference in rates charged in 1899 and those charged for the same work at the present time.

"Nor is this all. The average London price for lead in the years 1901 and 1902 was very close to $2.45 per 100 pounds. Taking 1902 for example: The lead miner received $1.45 per 100 pounds; add the United States duty of $1.50 per 100 pounds for lead in ore and we have the actual cost of Canadian lead smelted in the United States. The average price of New York lead for the same period was $4.05, leaving a very nice margin for that portion of the western 'independent smelters' on the other side of the line; and allowing the home 'independents' to ship their lead to the States, pay the extra duty ($2.12 1-2 per 100 pounds) for lead in pigs, with a margin in their favour of 47 1-2 cents per 100 pounds, plus what they save in freight by shipping no waste material.

"The first year our markets were changed, *i.e.*, 1900, we paid $7.80 more per ton for freight and treatment than in the previous year; for 1901 we paid $9.50 more, and for 1902 up to the present we are paying $5.50 more per dry ton. This rate of difference increasing with the percentage of lead in the ore. On a 60 per cent. lead ore the relative differences, for the same years, being $9.06, $11.30 and $7.30 per dry ton.

"To put the matter in another way: If we were receiving the full London price for our lead, with a freight and treatment rate on a basis of the rates charged in 1899; for one ton of 50 per cent. lead ore we would get the following:

1,000 pounds lead at £12 12s. 6d., being $2.51 per 100 pounds	$25 10
Less 10 per cent. (loss in smelting)	2 51
	$22 59
Freight and treatment	18 50
Net price per ton	$ 4 09