

The Canadian Miner.

ISSUED ONCE A WEEK

AND

Devoted to the interests of Miners, and all kinds of Mining; to the popularizing of Mining as a great National Industry; and to the protection of investors in Mining Companies.

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A PREGNANT SITUATION.

THE position taken by us in our issue of the 16th inst., in regard to the mining policy of Ontario has thus far met with no adverse criticism. The article setting forth our suggestions as to royalties has been copied in full, and we assume that either some of our contemporaries under whose notice it has come are non-committal, being uncertain of what the Ontario Government may be prepared to do in view of the possibly most tremendous development the Province has ever known in wealth, or find the suggestions too novel and apparently unobjectionable to say much about them off-hand. The matter, however, should not be made a party one. In the face of the opportunities now rising before us, the interests of the party in power and the party out should not be, to any true Ontarion, of any moment, so far as our mining policy is concerned. The Opposition have had no policy on the subject, and the Government has had to shape legislation as best it could from the laws of other lands, and without experience in the matter. We do not think the Opposition can make any capital out of the Government's future course on mining, unless the Government makes very serious mistakes, and the Government is by no means a slow Government, and is, we believe, quite as anxious as the Opposition, indeed, more so, to secure legislation that will encourage the new giant of industry growing up to colossal stature amid our "hills, rock-ribbed and ancient as the sun." Just how to feed the awful boy is their puzzle. He is moody and determined. Candy won't do for him, and apron strings snap like paper cords. He has the blood of many a city and town and village in his veins, and healthy blood too, with a dash of foreign strain mixed with it. He is likely to take in considerably more of the foreign by way of inoculation, in a measure the like of which Ontario has never seen before. That is, if he doesn't get discouraged, and lie down and wilt a little by his northern streams.

Feed him; feed him; feed him substantially. If there are narrow cranks amongst the other boys, give them candy, they are not in need of more; they are not hurt, and cannot, be by the growls of the new giant youngster; in fact he will put heaps of money in their pockets before he has reached his teens. Justice he stickles for, and, by the way, he would work harder for a little loan now and then to keep up his muscular development. His growth should not be impeded either by blind partyism, or contracted views as to his clothing and diet or what in the future he is to be. He is a genuine giant—not a mere ten foot one—and can digest anything from bank notes to quartz, but is very squeamish when his temper is "riled," and liable, in consequence thereof, to spells of prolonged sickness and to what doctors know as "arrested development." He will get out of these infantile troubles when a little older; the boy hasn't his teeth yet, except a fang or two, with which he can bite.

But to leave metaphor, however plain and easily understood, the mining industry requires:

Laws granting as speedy and cheap incorporation of companies as public interest can admit of.

Laws that will give the simplest and most inexpensive methods of staking claims.

Laws that will tend to keep wealthy individuals or big syndicates or companies from controlling mineral lands and holding them on speculation against the development others might make.

The abolition of the present royalty, and in its place the substitution of a tax on the income of all mines, beyond cost of producing refined metal, wear and tear of machinery and a reasonable dividend—say 10 per cent.—on the actual capital or its equivalent invested in such mines. Beyond this encouraging exemption, which is much needed at present, as our fields are new—a tax of a tenth or more on each 1 per cent. would return a revenue to the Province without burdening mines that pay inadequately.

Reports to the Government from all mines on product, working expenses, capital paid up, etc., and the right of inspection of the books of such mines, whether they are those of an individual, a syndicate or a company.

Simpler laws and better ones as to the regulation of mines with a view to the protection of life, limb and health, and some change in laws regarding inspectorships which would not leave a mine company at the mercy of an inspector who is both prosecutor and judge, and whose whim, or individual or political interest, may make him incompetent to deal impartially in administering mining laws.

These are some of the most important points connected with our mining laws, and they require the consideration of the Legislature and of the public at large. We hope that our politicians, regardless of their views on other matters, will grasp the chance to do patriotic work in furthering the new industry so unexpectedly opened to Ontarions, and so full of immense promise to the prosperity of the country.

DEVICES IN SELLING STOCKS.

THE putting of the price of mining stocks up without a cause which will bear inspection and approval by investors and by the general public is a dubious proceeding. Sometimes the earliest value put upon the stock may be due to a mistake on the part of a company's directors. They may have underestimated the value of their property—which it is hardly likely that many directors do—or they may have misjudged the investing public. But a good deal of the advancing of stocks without good reason given to the public, to which these companies appeal for subscriptions, savors much of mere financial exploitation, not of legitimate mining business.

If stock offered at 10 cents on the dollar is advanced to 15 cents without demonstration of actual work having been done and results shown that prove the stock worth more than the original price, there is occasion for much caution on the part of the investing public. There should be, at least, something that has increased the assets of the mining company before a "raise" in the value of stock is announced, that is, unless a blunder has been made by undervaluation in the first place. We suspect that blunder to have been made in a few cases in stocks offered. We more than suspect mere exploitation in other cases—just a little of that humbug which, as Barnum has said, is "the greatest source of satisfaction to the greatest number of American people." But we are surprised to see respectable business men, men supposed to be of the highest integrity and of thorough acquaintance with sound business methods, apparently endorsing some of the schemes that thus mislead the public. Men who have not the least practical knowledge of mining matters cannot be too careful when asking the general public, which also is unacquainted with mining, to invest its money. Ignorance cannot, when shrewd business men are concerned, be accepted as an excuse for morally illegitimate appeals, for good business men ought to be able to gauge their ignorance as well as they do their knowledge.

We are investigating some cases of the kind we refer to, and suspect some of the apparent inconsistencies to be quite innocent, however inadvisable they may be. But others have a less innocent look. We may have something to say more about the matter later on, but shall take care not to injure legitimate concerns, even if slight mistakes have been made, in our wish to benefit the investing public. In the meantime we have this to say: the raising of stocks without due cause announced to the public is not a good policy, either in a new or an old mining country.

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We think that many, perhaps an overwhelming majority, of the mining companies incorporated in Canada are, in intention, bona fide concerns, having, or believing they have, properties sufficiently rich and of sufficient continuity to yield good returns from paying ore. We do not think that development has been made sufficiently in perhaps the majority of cases to really estimate the value of them.