

to be foredoomed to extinction, but there is yet another and very grave error, the election to the council of so many legal gentlemen and others, whose only interest in mines is that of proprietors. This was the prime cause from which the other disastrous consequences have emanated. It lay in the power of the Association to have avoided these latter misfortunes, but they did not. We venture to predict that had a certain chemist, by the name of J. L.—ns—n W—lls, been one of the Council, their present sad position would have been avoided—at all events, we may be sure that it would never have been pointed out in the parcel of meaningless verbosity under consideration.

The Halifax *Critic* is at present in that delightful position known as "sitting on the fence," with regard to the question of reciprocity in coal, inclining one ear to the parties most interested, the colliery owners, while the other is open, with great impartiality, to the voice of the charmer on the New England coast. It reproduced an article recently from the Boston *Transcript*, which proved conclusively, to its own satisfaction, that Nova Scotia coal can be landed on the wharf at Boston for \$2 per ton at a profit. It argues thus, regarding a supposed undeveloped coal property in Cape Breton, lying on tide water: The thickness of the average seam is such that a very large quantity is easily accessible. Consequently the cost of production on account of freedom from water, easy methods of ventilation, and the fact that the labor is mainly for mining coal, but little expense being otherwise incurred, is very light, at the outside, fifty cents per ton. Then for transportation, a sea-going tug and two barges of 1,500 tons capacity are assumed, which could make three trips a month for nine months in the year. The expenses for maintaining this line would not be over \$200 per day, which for nine months would be \$54,000 for transporting 81,000 tons, giving a net freight of about 67½c. per ton. Add to this, as a sinking fund to cover all other expenses, 50c. per ton, which would give \$1.77½ as the net cost of Nova Scotia run of mine coal landed on the Boston wharves, and leaving a profit of 22½c. per ton if sold at \$2 per ton.

To this Mr. J. R. Lithgow, Secretary of the Glace Bay Mining Company, an authority on the subject, responds as follows:

In your last issue you publish an article from the Boston *Transcript* which is designed to show that Cape Breton run of mine coal can be shipped and freighted to Boston for \$1.77½ per ton, and so leave a profit, at \$2 delivered, of 22½ cents. The cost of the coal f. o. b. ship is reckoned at 50 cents and the freight at \$1.22½. Now I will admit that with a colliery able to ship 1,000 tons a day and such a sea-going tug as could tow two 1,500 ton coal barges from Cape Breton to Boston in three days, discharge and return in four days, so as to make three trips per month, and keep that up during nine months in the year, as the *Transcript* calculates, the freight should not exceed the *Transcript's* figure, \$1.22½ per ton, but it is nonsense putting the cost of coal at 50 cents per ton f. o. b. The mere cutting and filling and the royalty of 7½c. payable to the Province comes to about 50 cents. Then there is the cost of underground hauling to hoisting place; the hoisting, weighing, dumping into waggons, carriage to shipping pier, expense of shipping; ventilating, pumping, usually day and night, to keep pit free from water; the whole requiring a host of drivers for two or three dozen horses—manager, engineers, blacksmiths, sub-managers, firemen, and others. Then, there is the cost of pit-props by the thousand, pit-rails by

the mile, hay and oats, &c., for the horses, oils, grease for the waggons, hoisting ropes, picks, shovels, besides the endless supplies for repairs to houses, railway, piers, shutes, &c. The Poor and County Rates and School Taxes are also quite an item. Then there is the expense of head office including pay of directors and clerks. A very moderate estimate of the cost of all these when the output is about 100,000 tons, is 50c. per ton, making with cutting and royalty a dollar per ton, as the cost of Cape Breton run of mine coal f. o. b. Now suppose we value a colliery capable of shipping 100,000 tons a year at \$300,000, what percentage thereon would be a fair return for interest, risk, depreciation, and capital yearly parted with in the coals shipped? Say ten per cent. Well, ten per cent. on \$300,000 is \$30,000, which is equal to 30 cents per ton on 100,000 tons, which added to \$1.00 per ton, cost of coal shipped, makes \$1.30 as the price a ton of run of mine should net to give a moderate return to the mine proprietors. Few mines in this Province would make simple interest on their cost at that net price. What sheer nonsense then to figure on fifty cents per ton, f. o. b. ! As for reciprocity, I agree with what a letter, received this morning from a well informed New York merchant says: "We have no faith whatever in the sincerity of the discussion that has taken place upon this subject here; we believe it to be merely for political purposes, and will result in nothing excepting giving the public some desirable information upon the general subject of domestic and provincial coals."

This effectually disposes of the *Transcript's* arguments, and of the advantages of reciprocity to Nova Scotia collieries at the same time.

Dr. C. Killing, of Amsterdam, is of opinion that the effects of the Quebec Mining Law will be felt far beyond the confines of the province, in its deterring influence on foreign capital. As to the European capitalists represented by himself, the mere fact of a tax being imposed in Quebec will disincline them to invest money in Ontario mineral properties, as they are of course unacquainted with the precise distinctions between the political governance of the provinces, and are naturally disposed to believe that what has been done in one will soon be copied by others.

Phosphate mining seems to have been marked out by short-sighted governments for extinction by the imposition of heavy taxes. In the Province of Quebec, foreign capital has already been driven away, and the industry will soon be at a standstill; in Peru the mines will for the most part be idle for the next ten years, under the impost placed by Chili; and now South Carolina is added to the list by a measure as arbitrary as either. An act has been passed providing for a commission to take charge of the phosphate mining industry. This will consist of the Governor, the Attorney-General, the Controller-General, and two citizens who will be appointed by the executive, who will assume charge of all river phosphate mining in the navigable streams of the State, with power to collect from all mines a royalty not to exceed \$2 per ton on all rock mined. The present royalty is \$1 per ton, and the companies say that any heavier tax will be ruination. The act gives the commissioners extraordinary powers, authorizing them in case deposits are molested or mined illegally, "in the name and on the behalf of the State of South Carolina to take such measures or proceedings as they may be advised are proper to enjoin and terminate such molestation, interference or obstruction, and place the State, through its agents the said Board of Phosphate Commissioners, or anyone under them authorized, in absolute and peaceable possession and occupation of the same." With such unlimited powers, the commissioners can ruin the industry, if so disposed,

and as the three state officers are antagonistic to the existing regulations, it is feared that they may do so. The trouble in Peru and South Carolina would be Quebec's opportunity, were it not for the mining law, but as it is that Province is no better off than either of the others.

Knowing the general interest that is taken in the matter of White's Asbestos Company—which, by the way, is now being voluntarily wound up—we have published elsewhere a full *resume* of the transactions at the last general meeting and also of the proceedings in the company's suit against Mr. Hoare, one of the shareholders, referred to in our last issue. This trial was a revelation of the monstrous frauds not unfrequently practised upon the innocent investors by company promoters, and may perhaps do something towards impressing the necessity for caution upon the minds of the too-confiding British public. Company schemes cannot be too carefully scrutinized and investigated by intending investors, for many of them are nothing but legalized swindling organizations, which not only rob those who put their trust in them but cast discredit upon genuine enterprises.

At the second annual meeting of the Edison General Electric Company, held in New York lately, statistics were presented showing that the profits from October 31, 1889, to October 31 1890, not including those of the Edison Electric Light Company, were \$2,098,116, which with amounts carried forward as surplus, \$679,401, and interest accounts \$4,740, make a total of \$2,782,257. Expenses, including dividends paid, \$665,314, and amount charged against cost of acquisition of capital stocks of various sub-companies, whose business has been consolidated into this company, together with \$206,679 for general expenses, leave a surplus to be carried forward of \$1,195,553. The report states that the company has about 6,000 employes on its pay rolls and that the transactions of the past year represented an aggregate of \$10,000,000. According to the official record there were in operation on November 1, 1890, within the territory of the United States and the Dominion of Canada, large and small Edison stations representing an aggregate capacity of 1,371,000 lamps.

A teacher at the Ricker Classical Institute took a number of his pupils recently to the electric light station in Houlton, Me., to give them some practical instruction in the science of electric lighting. The professor took his place close to the armature, and to better explain its workings to the class about him, he held a common door-key in his hand. At a certain stage of the exercises the key came in contact with the armature, the magnetic power was too great to break the connection and in a few moments the insulation was torn off and the electric generator burned out. As a result of the experiment, the town will be in darkness until a new armature arrives.