

Japanese labourers, and for the same reason that Chinese were excluded, it thus became necessary that further protection should be afforded white miners against Japanese competition. It has, moreover, been demonstrated that Mongolians in coal mines endanger the safety of the white miner. Very serious accidents have occurred at Wellington and Nanaimo wherein the loss of life was very considerable and these accidents were attributed in part to Mongolian carelessness, and in consequence the two superintendents of coal mines in the Province at that time voluntarily agreed not to again employ Chinese under ground at Wellington and Nanaimo, an agreement which has been strictly adhered to by the Nanaimo Company and up to recent years by the Wellington Company, but in other mines on Vancouver Island Chinese have of late years been largely employed. The second section of the amended act compels coal owners to weigh the coal sent out of the mine by the coal miners before putting it over a screen. This practice is not followed at the Union Coal Company's mines, but all the other mines place the gross weight of coal to the credit of the miner, making any deductions in accordance with an arrangement in force between the company and the miners. The Union Company by this unfair system gain all possible advantage at the miner's expense; for when the coal is soft a large percentage passes through the screen and the miner is only paid for what remains, the company profiting from the sale of the small broken coal for the mining of which they are put to no expense.

It is further provided that a collieries inspector must hold a mining engineer's certificate. Under the former provision the Minister of Mines could appoint any fit person, and it was consequently possible that this important and responsible position might be held by a not thoroughly qualified person.

It is rather amusing to contrast two articles, both referring to the War Eagle mine, which appeared this month, the one in the *Canadian Mining Review*, the other in the *Toronto Globe*. The writer of the article in the *Globe* is that exceedingly optimistic individual, Mr. P. A. O'Farrell. The *Mining Review*, on the other hand, is a little inclined to be ultra-conservative. Its criticisms have not, however, so far as we are aware, been successfully controverted.

THE MINING REVIEW.

"In the manager's report we can find only six lines devoted to 'Ore Reserves,' the substance of which is that the aggregate tonnage in sight is 100,000 tons, of a total gross value of \$1,700,000, or a total net value of only \$625,000, since the total cost of extraction and treatment (according to Mr. Hastings' figures) is \$10.75 per ton. That the present market value of a mine showing only \$625,000 net should be \$5,600,000 seemed to us so contradictory that we read and re-read, figured and re-figured, only to end, as above said, with a feeling of great and unmixed surprise. * * * Referring to details of the report, we note, in President Gooderham's address, that charges for transportation were reduced during the year

MR. P. A. O'FARRELL.

"Two French-Canadians—Joe Morris and Joe Bourgeois—were the discoverers of the War Eagle. * * * But could those two weary wanderers in their fondest hopes or dreams imagine that when they placed the stakes on those mountain fissures they had really found the hiding-places of the greatest golden treasures the world had ever yet seen? Could they dream that they had found gold mines that would enrich the Dominion and the world? They had found something that was destined to make vast fortunes for many, and that was also destined to lead others to renown and glory. Under Mr. J. B. Hastings, the War Eagle has developed into one of the great gold mines of the world. It is worth \$5,000,000.

some \$3.50 to \$4 per ton, but on examining the tabulated figures in the General Manager's report, we find the difference put at \$2.46 only. Moreover, we are surprised to find a difference of only 84 cents per ton between the net values per ton received for ore shipped during 1897, when the Directors announced that charges were so high it was expedient to stop ore shipments, and the values received in 1898, when the policy is one of pushing shipments. It is doubtful whether a smelting proposition, whose policy is dictated by a margin of only 84 cents a ton, can long remain 'gratifying' to shareholders who have gone into it as an investment. Taking into consideration the reduction in charges (\$2.46 if we believe Mr. Hastings, \$3.50 if we believe Mr. Gooderham), it becomes evident that the grade of ore shipped during the period when the stock was ruling about \$2.90 was some \$3.30 to \$4.34 per ton lower than when the stock was ruling at 80 cents; again a matter of surprise! The financial statement calls for little comment; it is significant to note that but for the sale of 100,000 shares of treasury stock, which brought into the exchequer some \$270,000, there would have been no 1½ per cent. dividends and no profit balance of \$85,747. The item of \$10,000 for remuneration of Directors, we should think, required some explanation to the shareholders; the work of the Board must have been very heavy to justify such remuneration; and the item of 'Interest and Exchange' \$8,439.93 is also very heavy, but is accounted for, we suppose, by the interest on loan from Geo. Gooderham; why this loan was not paid off with the first receipts, and why a dividend was declared and paid, with this loan account still standing, are questions an English company would have to answer satisfactorily."

It has not more than probably \$2,000,000 in sight above its lowest work level, but then the vein shows such strength and generous deposits of ore that I believe that below the 700-foot level there will be found ore bodies that it will take twenty years to mine, and that during that twenty years it can pay \$500,000 a year in dividends. This is a bold statement, but while it cannot be verified, it is the belief of those old prophets of the hills, the old miners who have worked in the deep level mines of California. Hitherto this company has been at enormous expense in opening up this mine and making those vast improvements. I have no interest in the War Eagle as a stock exchange proposition, and I do not care one green gooseberry whether its stock barometer goes up or down; but I will state what we all here believe, that the War Eagle will, inside of twenty years, pay \$10,000,000 in dividends. That is, it can and will pay \$500,000 a year in dividends."

The placing of the stock of the Payne Mining Company, Limited, of the Slocan, on the Eastern Canadian market first reveals to the public the real profit earnings of the undertaking. These have been to date \$1,000,000, of which no less than \$450,000 have been earned since April last, while there are apparently ample moneys in hand to pay a further dividend of \$50,000. The company, as organized in April, 1897, has now a capital stock of \$2,500,000, representing a million shares of \$2.50 each, and these shares stand at a goodly premium of between 70 and 80 cents on their par values. At this rate the present average dividends show profits of over 18 per cent. per annum. The dividend returns of the Payne mine show also that it has legitimately earned its credit for being the largest profit-earner to date among the precious metal mines of the Province, although a silver-