

munerative treatment rate. The advantage is therefore mutual, and both the Rossland and Boundary mining sections are to be congratulated upon this opening up of business relations in a direction that may reasonably be expected to lead to reciprocal development; on the one hand tending to increase ore production; and on the other to enlarge smelting operations.

One of the directors, a Mr. Allan MacLean, of London, of the Kootenay & Velvet Rossland companies, in an interview the other day expressed himself of the opinion that the reason the Rossland mines had not heretofore paid dividends was not so much due to the fact that the companies were over-capitalized, as that costs of production were unduly great. The suggestion here made was that the miner was paid too high a wage, and further, that freight and treatment charges were exorbitant. It is very difficult to either affirm or deny a general statement of this nature, but at any rate it may be unhesitatingly asserted that so far as mining costs go, the cost of mining Rossland ores compare most favourably with the costs of mining similar ores under similar conditions in any other country in the world; and it has time and again been shown that it is cheaper to employ intelligent labour at what might seem to be a high rate of wage than to employ so-called cheap labour, which is rarely intelligent. Again, if the investment of British capital in our mines is dependent on the lowering of wages as now paid, or on the employment of "cheap labour" in the mines, it is easy enough to predict that British Columbia will not be developed by British capital. It is quite possible, however, that there is still room for freight reductions, while every year almost has witnessed the lowering of treatment costs, and by the introduction of concentration methods the minimum should soon be attained. There is no doubt about it that the Rossland mines are over-capitalized, and they were over-capitalized in this way, that too high a price was paid for them, and they also were expected to line their promoters' pockets at the same time. Suppose, for example, a fair price had been paid for the Le Roi when it was taken over by the B. A. C.; that it had been capitalized at its present nominal capital, and that the difference had been set apart for development purposes. What would have been the result? Instead of getting six or seven hundred thousand dollars in the hole, and then having to get out again, the Le Roi to-day would have paid its shareholders very nearly a hundred per cent., and that notwithstanding "excessive cost of production, freight and treatment."

A recent issue of the *Lead and Zinc News*, of St. Louis, contained the following: "Zinc producers in the Kootenay District of British Columbia are likely to encounter trouble in securing a market which will provide any great returns for their zinc product. Shippers of zinc from this district will be compelled to come into contact with the zinc product of Leadville, which has a market advantage in freight rates and which will naturally be given the preference over the British Columbia ores on that account, all other considerations being equal. The present freight rate on zinc from British Columbia is almost prohibitive, being \$11, against \$3.50 per ton from Leadville to the Kansas gas belt smelters. Until some market concessions can be secured from the railroads of British Columbia the competition of the Colorado ores are likely to prove a very formidable factor in a competitive market. The sooner that the zinc producers of the Kootenay realize this fact and take steps to secure the needed concessions, which will be of advantage to the railroads through the increased tonnage that such concessions would insure, the sooner they will be able to increase their shipments. Zinc can be and is economically produced in that district, but will have little market value until existing conditions are improved."

These comments, however, lose point when it is stated that it is impossible to make comparison between the zinc ores produced in Colorado and those of British Columbia. It is very common, for example, for the Colorado ores to carry an iron contents of from 10 to 15 per cent. and consequently these ores require, before they can be successfully treated in the retorts, to be mixed with the higher grade product from Joplin. British Columbia ores, on the contrary, rarely contain more than from 5 to 6 per cent. iron, while their silver contents is generally also much higher than the zinc ores of Colorado. That we can successfully mine and export zinc-bearing ores in British Columbia is furthermore shown by the last annual report of the Payne Mining Company, in which the statement is made that during the year a thousand tons of ore, carrying from 43 to 45 per cent. zinc values was shipped from the mine to Iola, Kansas, upon which the net profit was eight dollars per ton. The freight rates on these ores to the States are certainly somewhat heavy, though not exorbitant, and it is doubtful whether the railroad companies could afford to greatly reduce the present charges; but the day is not far distant when the zinc ores of the Province will be made into spelter in British Columbia.