

The Porcupine Advance

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CEMETERY BOARD NEEDED

Last week The Advance published a letter asking the pertinent question: "Why has there not been a cemetery board appointed for the Timmins cemetery?" This week there is another letter from another citizen asking the same question. Some time ago it was understood that the council intended to do something about the matter, but as in so many other questions the mayor shows his proficiency for stalling off any action that does not promise in some way or another to benefit him personally. Why blame it all on the mayor? Of course, the council has responsibility in such matters equal to that of the mayor but unfortunately they do not appear to fully grasp this fact and so are constantly euchred into doing what the mayor desires, or not doing something that he wishes to be left undone.

For years past the condition of the cemetery has been a decided discredit to a town like this—a friendly, humane, kindly people. The present mayor previous to his election had much fault to find with councils of the past for neglecting the cemetery. "Were he to be elected," so the record ran, "there would be a great change in this as in all other matters." The change, however, has yet to come. The town authorities have been shamed into some few moves for cemetery improvement. For instance, there is the fencing of the property. But like the matter of taxes, the change is more apparent than real. In the matter of taxes, the only thing that keeps the taxes from being the highest in the history of the town is the use of such devices as taxes on signs, coal chutes and whatnot, under the specious name of licenses. The rate of taxes, in reality, is higher than the tax bill shows. For further tax bills are sent out later for signs and coal chutes and so forth. While the fence has been put around the cemetery, the gates have been open, and cars and cattle have played havoc with the cemetery grounds. The fact that the Legion plots are creditable and decorous, is only an added condemnation of the general treatment of the cemetery. As the writer of the letter in this issue points out, the Legion plots are orderly and pleasing only because the local Legion spent considerable money recently in making them so. If there were an active cemetery board here, all the plots would be maintained in similar fashion to those of the Legion. There is every reason to believe that all societies, organizations and individuals would co-operate with a cemetery board, and that the cemetery would soon be a beauty spot, befitting the regard in which the civilized people of Timmins hold those who have passed on.

For years past efforts have been made from year to year to do something to turn the cemetery from a cattle pasture, a berry patch, an unsightly tangle of disorder, into a place of beauty in keeping with respect for the dead. The Oddfellows, the Rebekahs, the I.O.E., the Legion, the Horticultural Society, and other organizations and individuals have tried their best to make the cemetery more in keeping with the thoughts of Timmins for the beloved dead. It is true that something has been accomplished by this effort. Yet, in one way, this special effort has increased the general appearance of unworthiness. For instance, the very air of order and care shown by the Legion plots make the unkempt graves seem all the more disorderly and improper. At the same time all the societies and other organizations have been handicapped in their efforts by the fact that no general plan of beautification or care was possible. In recent years it has been felt that the only solution of the problem was the formation of a cemetery board. This has worked out very satisfactorily in other municipalities. With the co-operation of the town, the Horticultural Society, and the various organizations concerned, the financing of the work should be comparatively easy. A general plan for beautification and care could be adopted. Provision could be made for protection of the burial grounds from vandals and thieves. The berry patches could be removed. Cattle could be debarred from use of the grounds. Order and decorum could be maintained, and the Timmins cemetery turned into a beauty spot—an honour to the dead and a comfort to the living. The people naturally look to the council for leadership and action in the matter. In any event, in respect to the dead, and in justice to the living, the Timmins cemetery should be made a little more in keeping with the real kindly, chivalrous disposition of the people of the town and district.

NEED FOR ACTION

Some months ago Premier Hepburn gave due notice that the railway north of Abitibi Canyon might be abandoned. Since then, nothing further has been heard of the matter. It was stated that a committee or commission was to investigate all the possibilities of the country north of Cochrane before the proposed drastic measure was

actually put into effect. It is not known whether this committee or commission is at present at work, but certainly there has been little in the way of direct protest against so serious a blow to the North. It may be that the people in the North are so concerned about getting paved highways and other immediate benefits for themselves that they are ready to sacrifice the far North for the apparent advantage of the moment. Before the Temiskaming and Northern Ontario Railway was extended north of Cochrane there was an organized propaganda in its behalf. This propaganda was centred in Cochrane, but every newspaper in the North and all the boards of trade of the North were soon active agents for the idea of building the extension North. Where are all these propagandists now? The Advance still believes, as it said months ago, that Cochrane should give leadership now to protect the railway extension, just as it did years ago in the matter of having it built. The Advance did expect at the least that The Northland Post should have much to say in support of the country north of Cochrane. There was a time when its columns were filled with references to the mineral and other resources of the country between Cochrane and James Bay. Instead of submitting proof that the railway extension is needed and will eventually pay its way and profit the whole country, The Northland Post recently has been wasting its time and effort in futile attacks on the management of the Temiskaming and Northern Ontario Railway. It accuses the T. & N. O. management of discrimination against the town of Cochrane, though there is no imaginable reason why Mr. Cavanagh who seems particularly friendly to any and every part of the large territory served by the railway should feel any ill will to Cochrane. No doubt, if the silence continues in the matter of the territory north of Cochrane, and the railway extension north of Abitibi Canyon is abandoned, The Post will cite it as another case of ill-will against Cochrane. The fact, however, is that Cochrane will itself be to blame for the abandonment of the line, by withholding from publicity at the present time the large array of facts and beliefs in regard to the possibilities of the country to the far North.

Cochrane has an array of facts and data that should result in the maintenance of the railway extension. These facts and data were sufficient to induce a former government to build the line. Rightly presented, they should be enough to throw the scales in favour of further trial of the country north of Cochrane before abandoning a railway line that cost many millions and many lives to build and that will prove invaluable in the opening up of the resources of the country.

In case, however, that Cochrane maintains its silence in the matter, the question should not be allowed to go by default. The Northern Ontario Associated Boards of Trade should take a hand in the matter and present a case to the provincial government. There should be no abandonment of any part of the T. & N. O. Under the present skilful management the railway is not only giving excellent service to the North, but it is also doing well financially—well enough that the extension to Moosonee can be maintained, at least in restricted way.

JAPANESE POLITE AGAIN

The politeness of the Japanese was a proverb in the world until the present trouble with China. It has been impossible to think of a nation as particularly polite when it makes war upon a neighbour without declaring war, bombs defenceless towns and cities from the air, and follows a general policy of frightfulness. That sort of thing is not done in the best families of nations. The civilized world views it as most impolite. The truculent attitude of Japan recently to other nations was equally out of keeping with the idea of politeness and gracious manners. When a United States ambassador had his face slapped by a Japanese soldier, when British boats were wantonly fired upon by Japanese war vessels, and when Japan in ugly tones told the world to stand back and keep its nose out of Japanese affairs, the Japanese legend of politeness faded still further. But Japan appears to show a tendency to return to some of its former politeness. At the present moment there is no loud talking or boasting or threats of savagery from Japan, though it claims to have been attacked by Russia on the Manchurian border. Japan is taking it all in very orthodox polite Japanese fashion. The trouble on the Manchurian border has been so serious for Japan that it has lost much of its recent truculence. To meet the danger from Russia, Japan has found it necessary to withdraw troops from North China. Following the withdrawal of troops the Chinese irregulars have taken advantage of the situation to recapture some of the territory held by the Japanese, and the Japanese seem to be unable to do much about it, except return to their proverbial politeness. It is only a few short months since the Japanese were rolling forth all sorts of impolite threats against Russia. One of the impolite things claimed by Japan was that one big reason for entering China in warlike way, without declaring war, was to save China from communism. To-day, however, Japan is too polite again to attempt to save Russia from communism, or, indeed, to wage war, without declaring war. The world is impressed, indeed, with the Japanese politeness to Russia at the present moment. There is hope that Japan may yet return to some of its old-time politeness to China, provided the Rus-

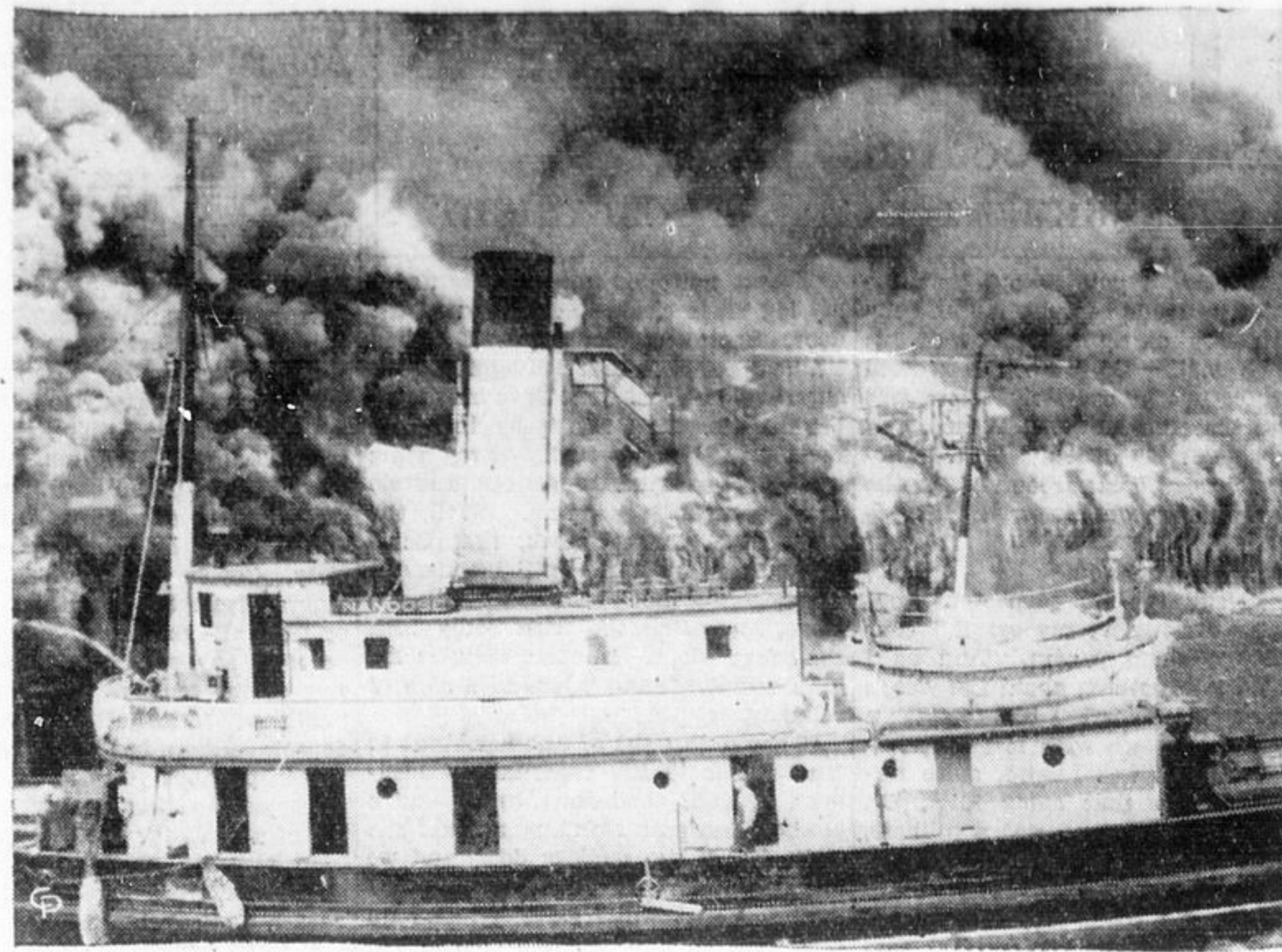
sians cause the withdrawal of enough Japanese troops from China to give the Chinese irregulars a more even chance with the invaders. Should Russia press harshly upon Japanese troops in the far Eastern war zone and the Chinese irregulars win back enough territory at the cost of Japanese lives, there may be little left for Japan but a return to that politeness and good manners for which the little nation was once famous.

GRAVEL AND SAND—AND PLACER

Labour Day this year will be on Monday, Sept. 5th. Then Thanksgiving Day is proclaimed for Monday, Oct. 10th. Even Christmas Day (falling on a Sunday this year) will be observed on Monday, Dec. 26th. Those who love the Monday holidays that give long weekends should be satisfied this year. Then next year, no doubt, the year will start out with the observance of New Year's Day on a Monday. Why not accommodate all the lovers of Monday as a holiday by having a regular Monday holiday once a month the year round? Twisting anniversaries to have them observed on Mondays does not meet the needs; it simply loses the identity of the holiday and confuses the purpose for which it is observed.

Instead of taxes on signs and coal chutes how would it be to raise a little taxation by higher

\$1,500,000 FIRE SWEEPS VANCOUVER'S WATERFRONT



Vancouver's waterfront was turned into a raging inferno by a fire which wiped out one pier, injured five firemen and did \$1,500,000 damage. All available fire-fighting equipment was pressed into service before the fire was brought under control. The fire tug Nanosee is shown here vainly attempting to stem the flames with its firelines.

Return of Capital Seems to Be Taxed

Case of Magnet Lake Mine Contradicts Finance Minister's Interpretation of New Section

(From Northern Miner)

The mining industry has no intention of permitting the Federal Government's latest attack on its progress to remain unchallenged.

At least one company will contest the validity of the Department of National Revenue's attempt to enter the capital gains taxation field and if necessary will carry its appeal to the Privy Council.

The universal protest aroused by the passage of Amendment 32-B, permitting the Minister of National Revenue to place an arbitrary valuation for income tax purposes on shares distributed by a company or syndicate was reflected this week in a deluge of letters and telephone calls from company executives and individuals connected with the mining industry. From every quarter The Northern Miner has received congratulations and good wishes in its fight to save the industry from what appears to be the first stages of a general movement for taxation of capital gains.

Far from explaining Amendment 32-B, Hon. J. L. Ilsley has merely aggravated the impression of the amendment by insisting that the principle of income tax legislation has not been changed and that capital gains taxation has not been introduced.

Take the specific case over which an appeal is pending. Magnet Lake Gold Mines was incorporated in March, 1934, with an authorized capital of 3,000,000 shares at \$1 each. In May the company acquired from Oro Plata Mining Company Limited and other vendors 14 claims in the Little Long Lac area together with an option on 12 claims and \$17,500 cash, in consideration for which 1,000,000 shares of capital stock was issued. Subsequently the option on the 12 claims was exercised for 300,000 shares and the diamond drilling program was started to explore the company's properties. The exploration campaign disclosed some interesting mineralization in the neighbourhood of the boundary between Magnet Lake Gold Mines property and its neighbour, Wells Long Lac Mines Limited. The work also disclosed that in order to economically develop the mineralized zone, a consolidation of the two properties would be necessary. Some of the work on the Magnet Lake claims was definitely non-productive except to prove that certain sections of the property had no economic value.

In April, 1936, negotiations were con-

cluded for a merger of the Magnet Lake and the adjoining Wells Long Lac property. A new company, Magnet Consolidated Mines (1936) Limited, was formed with an authorized capital of 3,000,000 shares of \$1 each to acquire the adjoining properties. Besides its mining claims, Magnet Lake transferred mining equipment to the value of \$2000 and cash amounting to \$20,000 and received 750,000 treasury shares of Magnet Consolidated Mines (1936) Ltd., all escrowed and subject to dealing or sale only on order of the Ontario Securities Commission. Early in 1937, when the brokers handling the finances of Magnet Consolidated defaulted on their options, the property was closed down and the shares of Magnet Consolidated became practically valueless and unsaleable.

The property remained closed until October, 1937, when the directors of Magnet Consolidated were able to enlist the interest and financial assistance of Northern Empire Mines Company which has since brought the property to the production stage. Subsequently, in May, 1937, Magnet Lake, having received assurance that no further obstacles would be placed in the way of its Magnet Consolidated shares from escrow, approved by-laws for the voluntary winding up and for the distribution of its Magnet Consolidated stock among its shareholders.

Appealing Assessment

The company is now appealing an assessment by the income tax department dated June 27th, 1938, covering a tax of \$12,783 for the year 1937. Ground for the appeal is that inasmuch as the company has operated solely as a mining company and that it enjoyed no income whatever as a mining company within the meaning of the Income War Tax Act, that the 750,000 shares of Magnet Consolidated it received represented the original capital of its shareholders in a reorganized corporate form. The company submits in its appeal that the assessment is a levy upon capital appreciation.

Following the instance quoted last week where it was pointed out that Northern Canada Mining Corporation is being assessed for adjustment of income for 1936 on "profits on shares received in consideration of claims turned over to Nordarm Long Lac Gold Mines Limited" whereas there was an actual loss on the shares represented by these claims, The Magnet Lake case is another instance of the unfairness of the present income tax amendment. From the point of view of mining, the amendment has extremely serious implications and, if persisted in by the government, means that the whole system of financing new enterprises, which have been found peculiarly suitable to Canadian conditions, will have to be changed. It further upsets confidence of mining capital in the good intentions of the government towards the

More than One Hinge Needed for the Door

Apt. Reply by J. P. Bickell to Article in Stock Exchange Bulletin.

In the last Monthly Bulletin of the Toronto Stock Exchange, J. S. McLean, President of Canada Packers, contributed an article in which he said: "Canadian prosperity hinges upon the welfare of Agriculture." To that allegation a most interesting reply has been contributed by President J. P. Bickell of McIntyre Porcupine Gold Mines for publication in the current Bulletin. It is as follows:

"While I have no disposition to find fault with Mr. McLean's observation, I would point out that a nation's economy, like a door, never swings safely on one hinge. The supply of food is its primary industry, and agriculture possesses high virtue, but experience these past several years compels us to recognize that once a country has fed itself, it may not, with confidence, look forward to profits by feeding other people. This issue is by no means solely economic; it is largely social; it is highly political.

"The land is the breeding ground of nations; and in these Chauvinistic days the great industrial nations of Europe have turned to revive the productivity of their countryside. As a consequence, diversity of economic effort for the nations (including Canada) is not merely desirable; it is essential. We may dislike the politics of Moscow, Berlin and Rome, but we ought to take from them at least this one lesson: the strength of a country lies in the co-operation of its several sources of productivity in one national economy.

"With the northern half of a great continent, Canada ought to be a great nation. But the time has gone by when we may 'save our face' and go on talking about 'the great undeveloped resources' of our country. We are only 11,000,000 people who possess about one-sixteenth of the world's surface. Yet, according to Mr. Dunning's last Budget speech, 1,038,000 of those Canadians in April, 1938, were living on the funds of the State.

"And so I come to the country's mineral resources. The contribution of the mines to our economic life offers a vivid illustration of the unpredictable nature of modern economy. When the very bottom seemed to drop out of the demand for the products of the field, fisheries, forest and factory, in 1931, even the boldest forecaster could not have predicted that the mines would save the day.

development of new fields and towards the prospector.

assessment of vacant land held until the people who build up a town and use signs and coal chutes make the property valuable and it can be sold then to other people to be taxed for signs and coal chutes.

Last year the town council had a new building by-law prepared. It was generally considered that the old building by-law at least needed clarifying and amending. There was also the belief that a more stringent and comprehensive by-law would make for the greater safety and benefit of the town. But apparently the old by-law is still in force. The new by-law is still being amended and considered. What is the idea? The general opinion will be that the more stringent by-law is being held back until such time as certain additions and new buildings can be erected.

The Northern News last week apologizes for giving the wrong number to a house charged in Kirkland Lake police court with illegal traffic. The Northern News might well apologize for such an error. There is nothing more confusing and annoying for patrons to remember the street and house number of a favourite place, only to have the newspaper give another number.

The question still remains is there one building by-law for mayors and another for ex-mayors?



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"Almost without exception, the great debtor nations are the agricultural countries, and Canada is not an exception to the rule. When other sources of foreign payment dried up, it was the export of mineral products that substantially took care of our promises to pay abroad and preserved the country's credit among the nations of the world.

"The part played by Canada's mines during the years of depression is not to be described in the space, at my command, but I may indicate it with a few figures. A country's prosperity is measurable by its distribution of wages. On the first impact of depression, the mines suffered severely, and the pay-rolls of Ontario's mines dropped from \$27,636,000 in 1930 to \$20,185,000 in 1932.

"And then came a recovery which shortly developed into spectacular progress, as became apparent from the following table of wage distribution:

Payroll of Ontario's Mining Industry	
Year	Payroll
1933	\$21,215,000
1934	31,534,000
1935	32,338,000
1936	43,184,000
1937	43,500,000

"The interpretation of the figures must be left in other hands. But before I conclude, I want to stress an often overlooked phase of the industry. Mining, like agriculture, is subject to the vagaries of old Mother Nature. The farmer never knows what nature will provide in moisture; the mines seldom know far ahead where nature has concealed her supplies of the precious ore. Sir Josiah Stamp has told us that over the years the world's food is supplied without profit to the farmer; and the old adage runs that more money goes into the rocks than ever comes out in the form of ore.

"Enterprise is dependent upon the expectation of profit. When the State, by taxation, or labour by inordinate demands for wages, destroys the expectation of profit, then enterprise withers and eventually dies. I shall not stress the matter save to observe in conclusion that while our mines have made a remarkable contribution to our country's economic life, even a strong hinge may be ruined by undue strain."

Globe and Mail:—At Montreal, Japanese tennis players eliminated Canada's contenders in the Davis Cup competition. Evidently all the Japs are not at the war.

Smiles:—"I expect your father was much upset over your sister's elopement." "Rather, we thought it was never going to come off."

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North Bay

Select Boarding and Day School for Girls under the efficient direction of the Sisters of St. Joseph will re-open on Tuesday, September 6, and combining the Spirit of the North with the Culture of the South will offer Tuition in Preparatory, Collegiate (including Bilingual) Commercial in all branches, Water Colours and Oils, Household Economics, Music (vocal and instrumental, individual and Group Teaching; Theory, Orchestra) according to the Curriculum of the Toronto Conservatory of Music for which the College is Local Examination Centre. Campus of Thirty-five acres extending along the Lake front affords Healthful Recreation, Swimming, Boating, Riding, Skating, Skiing, Field Athletics, all under supervision of trained Specialists.

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