

Arizona Mining Lightly Taxed

by JOSEPH ZASHIN

ALONG one of the hiking trails in Sabino Canyon is a small, abandoned mine. Here, not many years ago, a few men hacked away into the mountain side and down into the earth to attempt to extract copper ore. Working with picks and meager equipment, it must have been back-breaking and heart-breaking in the scanty rewards.

In contrast, south of Tucson are several new, huge open-pit mines. We visited one of these remarkable examples of technological progress and came away much impressed. With initiative and intelligence, men have tackled the vast earth-moving operations, using equipment of great capacity and ingenuity. One gulp of a giant crane will pick up more ore than days of the old toil with pick and shovel. One truck will carry from 80 to 125 tons in a load.

The tour bus takes you down into the bowels of the open pit. Here you gaze at a square mile or more being gouged out to an ultimate depth of perhaps 1600 feet, in successive terraces of 50 feet in height. You realize how bountiful is old Mother Earth and how remarkably advanced are the methods to make this yield available for the greatly expanded needs of our time. You have to take off your hat—the tin helmet you wear on the tour—to Mother Earth and to the men of the mines.

You salute the gains in mine prospecting. In methods that have moved mining from burrowing in the depths of the earth to the removal of the overburden for open-pit operation. Extractive progress makes it possible to work ore content as low as one-half of one percent—10 pounds of copper from a ton of ore. Investors do not hesitate to advance a hundred millions of dollars for such projects.

There is disappointment in only one important aspect. The archaic attitude,

as outdated as the pick and shovel, still applies to mine taxation. There is a degrading unenlightenment in the determination not to allow a fair share of the return from this vast natural resource to go to the needs of the people. And this could be had, over and above the costs of production in labor, supplies and equipment. Over the cost of minimizing unsightliness, dust, pollution and changes in topography and drainage for future land use. Over the return to investors and the encouragement of profits to spur continued initiative.

Figures on mine assessments and total tax payments to the state, counties, school districts, etc. are woefully inadequate—so low as to be shocking and to make you wonder what manner of public officials will tolerate these and still be considered public servants. Through confusing and constant humbuggery over formulae and valuation adjustments, the end result in tax payments continues to be downright inequitable and dishonest.

So the State of Arizona goes on in its inimitable impoverished way. Progress is diminished, as it is always short of funds for public needs such as salaries for education, police, health, firemen and clerks. There is never enough in capital outlays for roads, institutions, schools and hospitals.

To get the moneys needed we tax the pants off the homeowner. When he goes to buy another pair of pants or a loaf of bread or milk or aspirin, he gets hit for sales tax, to which add the tax on gas for getting about, and the endless seen and unseen taxes.

It could all be so much more just if the mine operators would have the same enlightenment towards taxes as they have toward the task of extracting ore from the resources of our Mother Earth.