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### MARSMAN OPERATING COSTS

A comparison of operating costs of mining companies is difficult to make with accuracy, because (1) no two mining operations are exactly alike, and (2) accounting systems vary considerably. In the case of the Marsman-managed companies, however, a uniform accounting system is used, and by taking into account the various significant factors, comparisons of interest can be made.

A study of costs of Philippine mining companies as a whole (made from annual reports and balance sheets) brings out the gratifying fact that the Marsman-managed lode properties (Itogon, Suyoc, United Paracale, and San Mauricio) spend less per ton of ore handled than the average mine in the Islands. For 1936 the average cost per ton of all lode properties in the Philippines was ₱14.86, while the average cost for the Marsman companies was ₱13.80; for 1937, the Marsman figure was ₱13.51, while that of all of the mines was ₱14.53. This comparison emphasizes the economy of centralized management as effected by Marsman and Company.

The mine production tax at three of the mines jumped substantially with the going into effect of the new Mining Law. At Itogon, this tax was ₱.37 per ton in 1936 and ₱.53 per ton in 1937. At Suyoc the 1936 figure was ₱.19 and that for 1937 was ₱.47. United Paracale paid ₱.55 per ton for this tax in 1937, as compared to ₱.16 in 1936.

How do the costs of Philippine mining companies compare with those of similar operations elsewhere in the world? Conditions vary so much that a comparison that really means anything is almost impossible. For example: costs at Empire Star, United States mine which handled 244,473 tons in 1936, were ₱16.94 per ton; those at Carson Hill, which treated 284,928 tons, were ₱3.68; costs at Itogon, for 1937, during which the plant handled 261,396 tons, were ₱8.11 (all figures exclusive of depreciation, depletion, and taxes). Mining men who visit Philippine plants, and who study cost sheets, say that mining is carried on as economically here as anywhere else in the world.