

to the contract that is to be submitted to this parliament to-day. I feel perfectly convinced that we are taking a leap in the dark—that we are trading unsight unseen—both the railway and the mining lands. We know nothing of their value except from the report of Mr. Ogilvie, and the reports that come to us from people who have been mining there. What we do know is that it is an exceedingly rich country; that it is a country which has been unexplored; that it has been untouched yet by the hand of man, except in the last year or two; that it contains marvellous deposits of gold which for ages have been worn off the rocks by glacial action, frost and snow and have sunk to the bottom of its rivers and have lain there a rich deposit the extent of which is beyond our knowledge. We all know that the same excitement took place in the Cariboo district a great number of years ago—some thirty years ago—where in Williams Creek \$19,000,000 worth of gold was taken out in placer mining. That was just one creek that yielded that. The inaccessibility of the country, the difficulty of getting supplies, the cost of everything has evidently retarded the development of mining property in British Columbia from that day to this. We are all aware that where there is \$19,000,000 of placer gold worn off the rock and deposited in the streams of the Rocky Mountains, there must be a mother lode and quartz ledges which are capable of great development. Quartz mining can only be done by machinery, combination and the expenditure of a very large amount of capital. Placer mining, of course, can be resorted to by individuals and there are no very great difficulties to encounter.

Hon. Mr. MILLS—Quartz mining on an average takes 90 per cent to pay the cost of mining.

Hon. Mr. BOULTON—I quite agree with the hon. gentleman.

Hon. Mr. MILLS—There is only 10 per cent profit.

Hon. Mr. BOULTON—Ten per cent is a very good profit.

Hon. Mr. MILLS—One per cent of that would be royalty.

Hon. Mr. BOULTON—When you speak of 90 per cent, it all depends on the richness

of the ore, the expenditure for machinery and the value of the labour that is expended upon it.

Hon. Mr. MILLS—And the cost of getting machinery there.

Hon. Mr. BOULTON—The cost of placing the plant there, the labour upon it and the value of the quartz. Where those conditions vary the percentage may be larger than 90.

Hon. Mr. McCALLUM—The hon. Minister of Justice speaks of the average cost I suppose?

Hon. Mr. BOULTON—I suppose he is speaking of the present conditions.

Hon. Mr. MILLS—Yes; under very much more favourable conditions if you consider the location of the country.

Hon. Mr. BOULTON—I am not prepared to say what the percentage is. I can only say if 90 per cent is expended in extracting the gold, it is expended in the country and that the profit only goes out. The larger the expenditure in the country, the better it is. It is no argument against quartz mining.

Hon. Mr. MILLS—My hon. friend will see my statement was this. He says this company is over compensated. I am pointing out to him that 91 per cent, under ordinary circumstances, of what they receive is not theirs. It belongs to the public.

Hon. Mr. BOULTON—All I can say is if Mann & Mackenzie are going on the chance of making ten per cent on their speculation, they are not the men I take them for. Of course, we all know what South Africa, California and Australia have yielded. They yield largely both in quartz mining and placer mining, and the profits which have been derived from them have been enormous. There is \$53,000,000 a year in gold mined in the United States, \$43,000,000 in Australia and about the same quantity in South Africa per annum. These are the three chief countries in which gold is obtained. There is a small quantity from Russia and a small quantity from other countries. I have no doubt that that gold is obtained in those large quantities in those three countries owing to the great enterprise of the population that takes it out, the facilities which are afforded by the combining of capital and all those