

the gold state of the Union in the proportion of 10 to 1.

He urges in that report that "Gold is the life-blood of society. It is the measure of all wealth and the medium of all exchanges. Its abundance is of vital never-ending importance, and that state which has the most perfect system of the richest and most prosperous, for it commands the labor, the products and the wealth of others. Again, where all other industries compete within themselves and against each other in the struggle to become wealthy and lessen individual rewards as they grow, the gold, silver and metal mining industries stand by themselves as those which in their extension increase individual rewards not alone of their followers, but of the followers of all other industries. They are the only industries that are not competing producers, but, on the contrary, are competing consumers for all the others."

"Consider the disturbance in our affairs caused by a flow of fifty millions of dollars of gold from New York to Europe last spring, distributing and unsettling values and making money hard to get. Consider if we had ten millions more coming out of the earth every year to meet just such drains, would not we be more assured of our prosperity, and would not each industry feel the assurance that a loss of \$10,000,000 a year would give and insure?"

It was estimated at that time that in consequence of the hydraulic mines of the state, being practically closed down that a loss of \$10,000,000 a year was entailed.

Mr. Hobson's estimate of the values contained in the auriferous gravels was given as follows:

Yuba, American and Bear Rivers	\$432,678,000
Southern rivers	20,000,000
Upper Sacramento	60,000,000
Feather River	20,000,000
Total	\$532,678,000

These figures are interesting when it is considered that the expert who estimated these as the available wealth of alluvial deposits in California places the riches of British Columbia ten times as high as these.

In reaching this conclusion Mr. Hobson was not making a haphazard guess at the question. In 1892 he had visited Cariboo and Cassiar at the invitation of several officials of the C. P. R. to investigate those sections of the country as a field for deep placer mining. His estimate of the resources was gained then.

The Cariboo Hydraulic Mining Co. afford an example of what extensive hydraulic mining would mean in that country. Manager Hobson gives the following figures as to the expenditure made by that company in eleven years: In equipment \$1,900,000 had been invested. They had uncovered \$1,077,000 in gold, all of which had been put back in developing the property. The Horseshoe Company, controlled by the same parties, had expended \$350,000 in opening and equipping, and \$150,000 had been uncovered.

Some idea of the importance of these mining operations is shown by the summary of supplies purchased by the Cariboo Consolidated Company. These were annually about as follows: 100,000 pounds; turnip, 20,000 pounds; carrots, 10,000 pounds; beans, 50,000; flour, 30,000 pounds; oats, 60,000; bran, 10,000 pounds; hay, 70,000 pounds; corn, 25,000 pounds; butter, 3,000 pounds; pork, 14,000 pounds; buttermilk, 3,500 pounds.

The annual wages amounted to from \$60,000 to \$70,000. The expense for steamers had amounted to from \$25,000 to \$35,000. For the same reason, including hardware purchased in Victoria and Vancouver, to \$60,000. For expenses from \$30,000 to \$50,000 had been spent.

THE CALIFORNIA ASSOCIATION.

The California Mining Association, upon which the provincial organization was modeled in no small degree, was brought into existence in the fall of 1891. Among those most instrumental in its initiation were J. B. Hobson, Hon. George H. Nelson, who is now lieutenant-governor of California, and D. W. Lusk, of the Placer County Bank.

The meeting was held at Auburn and was attended by the delegates to the annual convention of the association in San Francisco. At that meeting over 100 delegates were present. The scheme was received as enthusiastically as it has been welcomed by the people of British Columbia. A permanent organization was effected, which has ever since been an active factor in the mining life of that state.

Among other things the California association was instrumental in persuading the state legislature to provide the state mining bureau, which has done much to advance the interests of the industry.

If secured the passage of the Caminetti act, under which over four hundred licenses have been granted, permitting mines to work which otherwise would have remained idle.

It has secured an appropriation of \$500,000 from the Federal and State government to build dams to hold back debris in the Yuba river, and prevent the inundation of the valleys and the cities adjacent thereto. In this way hydraulic mining, which had been outlawed by the courts, was rehabilitated and a great increase made in the gold production of the state.

If protested against and prevented the patenting of millions of acres of land to the land-grant railroads, until the character of the land can be determined by an impartial jury. Thus were millions of acres retained for the miner which would otherwise have passed into the hands of corporations.

The association collected and installed comprehensive mineral exhibits on the occasions of three great expositions. The California Midwinter International Exposition, 1894-4; the Golden Jubilee Mining Fair in 1898, and the Paris Exposition, 1900. The first two were directly in charge of the agents of the association, and were the means of directing vast amounts of capital to this state, and reviving the mining industry, which at that time was in a very stagnant condition. The Paris Exposition was encouraged and stimulated by the association, inasmuch as the state appropriation was raised \$10,000 by the efforts of its officers, to aid the miners.

The association has had 9,000 members in the past, each paying \$1 a year membership. Its officers and committees have

worked untiringly and incessantly for the benefit of the industry, and all for public-spirited reasons, as not one of the officers or committees ever received a dollar for his services until two years ago, when a salary was voted to the secretary. It is for this reason that the California Miners' Association earned the support and endorsement of every miner and mining man in California.

In 1890 the members of the American Institute of Mining Engineers were brought to California, and at that time a volume, "California Mines and Minerals," was published. This effort of the association has been the means of directing the investment of a large amount of capital in California, in several instances the investment being made by the others.

CHINESE CHEAP LABOR.



KAFPIR LOAFER: "GREAT SOOT T. BAASS, RATHER THAN THAT FULL WORK!"

(Mr. Chamberlain's speech on Chinese Immigration has already aroused the so-called "working man" in the Transvaal.)

—Pall Mall Gazette.

THEY ENDORSED SANDON PROPOSALS

MINING MEN DO NOT SHIRK A FAIR TAX

Committee Appointed by Provincial Association to Consider Disputes Between Capital and Labor.

Important Declaration by Col. Prior—Result of Convention's Deliberations To Day.

Knotty Question of Excluding Labor Problems From Business of Meetings Fully Discussed.

(From Friday's Daily.)

Yesterday afternoon the Provincial Mining Association upon assembling at 3 o'clock took up the question of the silver-lead industry. The resolutions adopted by those attending the Sandon convention were unanimously endorsed. The convention also put itself on record, upon a motion introduced by S. S. Taylor, K. C., of Nelson, as not being opposed to a fair system of taxation being enforced in connection with the mining industry. This was done in order that the resolution favoring the abolition of the 2 per cent. tax might not be construed as an expression of a desire on the part of the mining interests of the province to avoid fair taxation. Smith Curtis, M. P. R., followed this with a resolution favoring the imposition of a tax upon the profits of the mines, which was carried by a large majority.

A committee of ten, consisting of five representatives of labor and five of capital, was assigned the duty of devising the means of settling disputes between labor and capital. The committee, it was recognized, had an arduous task before them.

Another motion to urge upon Sir Wilfrid Laurier the advisability of creating a portfolio of mines in the Federal cabinet was laid over for discussion this morning.

The business of the convention was otherwise taken up with matters relating to the organization of the association and the transaction of the business of the convention.

Upon resuming business yesterday afternoon the resolution respecting the silver-lead question was first taken up upon the following resolution, moved by T. Dunn, Vancouver:

Resolved, That this convention, assembled at Victoria, B. C., on the 28th of February, and endorsed by the silver-lead miners at Sandon on the 10th of December, 1902, and that a copy of this resolution be telegraphed to the Dominion ministers at Ottawa.

Resolution.

1. Whereas the silver-lead industry of British Columbia, notwithstanding the usual richness of the ore, the proved continuity of the veins, and the favorable conditions of mining in the province, is, and for some time has been, in a declining condition, which, if not ameliorated, will end in total stagnation; and 2. Whereas the silver-lead industry of the United States and the duty there in the adjoining state of Idaho, are, and for years have been, enjoying great prosperity, due to a protective tariff concerning the home market; and 3. Whereas the silver-lead mining industry has been for some years of national importance, and unless allowed to decline, will result in a much greater degree of importance, benefiting by its increasing expenditures the trade and advancement of both Eastern and Western Canada; and 4. Whereas our domestic market for the

through the officers of the association. It has published and spread broadcast over the entire English-speaking world, literature advertising the great mineral wealth of the state. It has secured the passage of many amendments to mining laws, and the enactment of laws benefiting the mineral industry, and has used its influence to prevent the enactment of laws detrimental to the industry. It was the first organization in the United States to urge the creation of a department of mines and mining, with a secretary who shall be a member of the President's cabinet, and it proposes to urge this matter until the department is established.

It was the first to bring the light and agitate the great questions of the conservation and storage of flood waters.

Dr. Sinclair, Rossland, held that if business was to be undone in this way they would accomplish nothing. Opposition should be brought up when the question was before the chamber. The convention would stultify itself if this motion was carried. The Mining Association would look to the interests of all. If the mining interests were to be oppressed, the association would not put its foot down on it. It was the duty to protect the mining interests in this province.

Mayor Burrell, Grand Forks, supported the resolution, and was opposed to the motion of Dr. Sinclair. (Applause.) This resolution was intended to show that no attempt was to be made to shift the burden upon any one else.

D. W. Higgins, Victoria, said in voting for the resolution, this morning he thought he was voicing the sentiments of the citizens of Victoria. He agreed with the resolution which showed that the mining interests were prepared to take their part in supplying the revenues of the province. The mining men were, he believed, the readiest contributors to the revenues of the province. He supported the resolution. Victoria was fast becoming a mining center. It was the centre of a rich mining country. The province required a steady investment of capital. It must be shown to capitalists that they could get returns for their investment. Their interests should be protected, however.

A. C. Galt, K. C., Rossland, said that he did not think any mine owners believed that in asking the repeal of the 2 per cent. tax they were seeking to avoid taxation. (Hear, hear.) The mining men, independent of the 2 per cent. tax, paid heavily to the revenue. As an instance of this with a population like they had in Rossland, where the city depends altogether upon the few mines, all the taxes paid came indirectly from the mines. Even if no substitute were provided for the 2 per cent. tax, the mines would indirectly be still heavily taxed. There would be no privileged class created in this way.

Cries of "Question." Smith Curtis, M. P. R., rose to speak. Mr. Curtis persisted in his attempt to be heard, but the chairman called his attention to the fact that he was running against the will of the meeting. The vote being taken the motion carried.

E. A. Hazen, Rossland, moved the following resolution:

That it is desirable, in view of the great and increasing importance of the mining industry in Canada, that a separate portfolio of mines be established at Ottawa, in order to assist in promoting the development of the mining resources of the Dominion, and that copies of this resolution be forwarded to the government, and members of the Senate and Commons, representing this province, with the request that they give their support to this proposal.

In supporting the resolution he urged that it would be to the permanent benefit of British Columbia and Canada as a whole if such a portfolio was created.

M. Higgins seconded the motion. C. H. Lugin and H. Smith moved that the consideration of the resolution should be postponed until the members of the association could be present. Mr. Smith might think over the matter. Dr. Sinclair held that the people had been knocking at the door of the Dominion House for years for their rights. The province asked that it be given a fairer share of the revenues contributed to the Dominion finances.

Capt. Livingston Thompson rose to a point of order urging that Mr. Lugin's motion be voted upon.

The motion carried, and the debate was postponed.

Smith Curtis and F. W. Rolt, Rossland, moved the following resolution:

That, in the event of the repeal of the 2 per cent. mineral tax, this convention suggests and endorses as a proper basis for the taxation of the silver-lead industry, a tax to be levied upon the profits or dividends paid to the owners of such mines.

In supporting the resolution, Smith Curtis said that he was not sure that the legislature would not like to know what the association would suggest in place of the 2 per cent. tax. This proposal of his would be a fair tax, and would apply even to the tax on the output of the mines for the first few years was really a tax upon capital. The profits went into the pockets of the owners, and it was that went back into the mines it was for the purpose of making the profits greater in the future. Therefore the government would reap benefit from the later years. The government was not short of revenue. In the southeastern portions of the country were vast areas of coal and petroleum. If these were developed the income would be sufficient to meet all needs. The principle of the resolution embodied the only correct basis for taxation of the mines.

The resolution carried by a very large majority.

Senator Reed, for the committee on constitution and by-laws, asked to be allowed until 11 o'clock to-day before making a report.

On motion of J. W. Bolden, Victoria, and Mr. Hamersley, the following resolution was introduced:

That a committee of ten be appointed to consider the best method of settling disputes between capital and labor, and report.

Mr. Galt held that the committee on constitution and by-laws might deal with this subject, and the matter might be dealt with by the committee.

The resolution, after some little discussion, was carried, and the following committee was appointed: Representing labor—J. W. Bolden, Victoria; Britton Duke, Rossland; Wm. Brownlee, K. C.; H. H. Dixon, Victoria; and Mr. Emery. Representing capital—W. A. Gannoe, Greenwood, J. H. Brownlee, Atlin; Clive Phillips-Wolley, Saanich; W. S. Dwyer, New Denver; and J. H. Tonkin, Fernie.

Upon the appointment of the committee the chairman pointed out to them in the gravest manner the importance of their duty. He concluded by stating: "If you do your work well your names will go down to posterity as benefactors to mining laws, and the enactment of laws benefiting the mineral industry, and the Lord help you."

On motion of F. Richards, Vancouver, a resolution was passed appointing a committee to consider resolutions affecting the quartz miners.

On motion of Messrs. Galt and Taylor the motion was rescinded, it being pointed out that such a committee took the work out of the hands of the committee on resolutions.

Mr. Higgins asked that Mr. Malkin, of the chamber of mines, should address the meeting.

Mr. Malkin, representing the Central Canada Chamber of Mines, urged upon those present the importance of the chamber which he represented. He had been a member of the Johannesburg Chamber of Mines, and had seen the work done by that organization which had the confidence of the stock exchanges in all the capital cities of Europe. He advised the government along lines which would be in sympathy with the Central Canada Chamber of Mines.

Upon opening this morning the Provincial Mining Association received from the resolution committee the report that the following resolutions be considered:

Resolved, That the collection by the government of dues in respect of timber and mineral claims for mining purposes should be discontinued.

Resolved, That the code signals for mine hoists be repealed.

That the Boiler Inspection Act is productive of great hardship, and that the legislature be urged to amend the same as follows:

To reduce the present excessive fees levied in force, by which the owners of mines and mineral claims were exempt from dues for timber of their mineral claims. The government had simply to instruct their collectors not to collect dues from the owners of mineral claims, which might conflict with this.

Mr. Hodge held there were grievances in connection with this. He did not think there could be much opposition to the resolution.

Mr. McKinnon also spoke in favor of the resolution. He explained to the farming interests that the mining men were not opposed to paying fair and reasonable taxes. In the interior there would be no farming were it not for the mining interests.

Judge Townsend, Rossland, held that in instances mines had had their timber sold right off their claims, and when required, there was no time for use.

J. B. Hobson showed that no hydraulic miner had to pay dues for the removal of every stick of timber. An hydraulic miner could not work without clearing the land. In Cariboo, where they burned timber on the land they did not pay anything, but if they used it for making sluice boxes or any other uses they were taxed. It was unfair therefore.

A. L. Belyea, replying to C. Phillips-Wolley said that the farmer had not to pay for the wood cut by him on his own farm. Would that be fair? (A voice: "He does pay.")

Mr. Belyea contended that if he did it was wrong, and the farmer should be relieved from this as well as the miner. (Applause.)

Jos. Hunter, M. P. R., urged that in keeping with that resolution a miner might as well go to the public lands and take timber for his own use. Cries of "No."

The chairman suggested that the resolution relate to "upon his mines and mineral claims" so as to avoid misunderstanding.

The first resolution was finally adopted in the following:

Resolved, That the collection by the government of dues in respect of timber and mineral claims for mining purposes should be discontinued.

Judge Townsend introduced a motion to do away with the code of mine signals.

Mr. Seaman, Rossland, held that the code of signals in force was the safeguard of the workmen. It meant that every engineer would have his own code, and in case of changes some poor workman would pay for the mistake with his life. A uniform code of signals existed for ships. Would they have let the every master adopt his own rules?

W. H. Davidson, Soan, said the working miner had enough to contend with. The continual changes in the codes were a constant danger.

E. B. Kirby, in seconding the resolution, said that the signal code was adopted about two years ago. It had caused a great deal of trouble to those who were used to the old code, and it had incurred in the running of railway trains. The mining companies were anxious to avoid every accident in the mines. It was a question of a heavy loss of money to them. The trouble with the mining signal code was that a code could not be prepared which did not work danger in some of those mines.

The government had the right to aid in the protection of the employees. The government should have taken the list of accidents and after finding the cause thereof, legislate along these lines. There were few cases of accident occurring from mine signals. He did not know of one accident which could have been averted by a uniform system. Signal bells might mislead a stroke, the engineer might not hear them, but the absence of a code had never caused an accident. The code now in force was cumbersome, and did not apply to many of the mines using it. He was not interested in impairing the safety of the mines. Had he any object in view in killing men? What was suited to a large mine was unsuited to a small one. He favored abolishing the code, but if they did not abolish it he thought it was a question of the government after calling in experts.

H. Henderson, Phoenix, appeared for the working miner. It was the lives of the workmen which were at stake, he said, in this matter.

Mr. Seaman in explanation urged that if this code was a bother, as Mr. Kirby said it was, they wanted more bother. Happily only one instance of a heavy accident had taken place in the upper country. That was due to the fact that a man in charge was not fit to run a mine, and was killed by a falling rock.

The mover, Judge Townsend, explained that amendments were to be proposed to the code.

Frank Richards, Vancouver, favored the repeal of the labor law on this point. J. B. Hobson, as a miner of thirty

years' experience, held that a code of signals was necessary in order to protect the lives of miners. If this code was not perfect a more perfect one should be made to protect the men who risked their lives below ground.

A. B. Howse, Kaslo Lake, said that Mr. McBride, ex-minister of mines, had told him that that law was framed after the most careful consideration. Thirteen thousand copies of the draft code was sent to unions, etc. The only amendment proposed was that of E. B. Kirby himself.

Mr. Gannoe held that lives should be regarded as sacred.

Mr. Kirby explained that the signal code had been adopted against his advice, and that every effort had been made by himself and the British Columbia mine owners against it. This had been fully explained in a newspaper controversy.

Britton Duke, Rossland, said that the reason why the mine owners were against a code of signals was because they wished to expedite work. But life should not be risked in order to expedite matters. He advocated leaving the code alone, unless a substitute were given them.

Smith Curtis, M. P. R., moved in amendment, seconded by F. W. Rolt, Rossland, the following:

That the government be urged to immediately obtain all necessary information and advice from both miners and mine owners to amend the code of mine signals so as to make it as perfect and safe as possible.

Mr. Rolt contended that as there was considerable difference of opinions, it was desirable that justice should be done to all.

The mover and seconder agreeing that the original motion be withdrawn, the meeting granted leave and the amendment was carried as a substantive resolution.

The meeting then adjourned to meet again at 2:30 this afternoon.

The convention has now decided to hold two sittings each day until the conclusion of the convention. The morning sitting will open at 9 o'clock and another one will be held at 8 o'clock in the evening. This will leave the afternoon free for committees to get in their work.

The chairman has been presented with a gavel, consisting of an eight pound sledge hammer given by one of the delegates from the upper country.

The placer mining committee worked until near midnight last evening, and have been busy again to-day getting their demands ready for the convention. The list of recommendations is a long one.

The reception committee in this city, representing the citizens and the local mining association, are contemplating taking the delegates for a drive around by Oak Bay and Dallas road to-morrow.

A resolution will be presented to the convention urging that as the Alaska boundary question is one of great importance to this province, that it be urged that British Columbia be represented at the meeting of the commission dealing with it.

Vancouver delegates are trying to arrange to have delegates allowed to stop off in that city for a few days on their way home.

(From Saturday's Daily.)

The Provincial Mining Association has proved to the public mind that it is here to transact business. Yesterday afternoon the convention occupied the great part of the time in a discussion of the constitution as brought in by the committee appointed for that purpose.

In that connection the knotty question of how far the association should go in dealing with questions affecting labor came up, and was very fairly discussed by the members present. In Chairman Keen, of Kaslo, the convention has a most presiding officer, who has all along kept the members well down to business, and materially assisted in the dispatch of work.

Upon assembling in the afternoon an invitation was extended to the citizens of Victoria to attend the meetings of the convention.

The resolution respecting boiler inspectors was carried. The room of the committee on resolutions, was, on motion, after some little discussion, referred back to the committee again for consideration.

On motion of A. C. Galt, Rossland, and Mr. Loveridge, Atlin, the following resolution was introduced as recommended by the committee:

"That owners of Crown granted mineral claims sold for taxes should have the same rights of redemption for six months as is accorded to all other owners of Crown granted or other lands in the province."

It was suggested that six months time was not long enough for this right of redemption to be open.

M. Lumberger, Grand Forks, thought six months was long enough for any man to redeem his property.

Harry Smith, Duncan, held that they had wasted a lot of time in needless discussion of a subject which had been time was long enough in which to redeem property. No one should be allowed longer time, and thus keep capital out of the country.

The motion was carried.

The resolution relating to free miners' certificates was introduced by C. H. Lugin and F. Richards. It was as follows:

"Resolved, that it is the opinion of this convention that the law relating to free miners' certificates should be amended, so their failure to keep up a free miner's certificate should not work forfeiture of rights required under it."

Mr. Lugin said he had introduced this resolution at the suggestion of several of the members of the association who were not delegates. The question was simply one to protect the interests of the prospector.

Mr. Skinner, Atlin, asked what would be the use of getting a free miner's license if this was carried.

The chairman explained that in the state of Washington a sliding scale was arranged by which companies' licenses were issued at a cost of \$10 if taken out on the 30th of June, and increased payment demanded if not taken out until later. A fine was thus imposed.

H. Mortimer-Lamb suggested that amendments be asked to the Mineral Act, so that failure to carry out the regulations should not work forfeiture of mineral property. It was only the failure to pay the penalty for failure to carry out the regulations. Many men in good faith lost their property by a carelessness of an agent. The mining recorder should

be made responsible for the loss of revenue by such a motion. They had had an example of that error yesterday, when a motion favoring the abolition of the 2 per cent. tax had been altered in the afternoon.

Dr. Sinclair thought the government should be left to devise a remedy. They were here to give the mining industry. The government should make how the losses could be made up. He appreciated the difficulty of the government in doing so.

Clive Phillips-Wolley pointed out that the farmers would not stand for any increase in taxes. It was understood that the convention was called to tell the politicians what they ought to do. It was not fair to ask for the removal of taxes, and not give the advantage of their experience to the legislators in the way of providing a substitute.

A. C. Galt held that the resolution was before the committee to give the government no right to collect stumpage dues on mineral claims. The government had no right to the dues collected according to law. The resolution simply jogged the attention of the government to the illegality of their actions. They were not asking the removal of a tax.

A. S. Emery, Victoria, contended that the resolution would allow the indiscriminate use of timber on mineral claims, and, therefore, he would oppose it. The royalty paid upon timber was unfairly applied.

C. C. Flumherfelt contended that a clause existed in the laws which gave the government the right to levy the tax upon the timber. That had been demonstrated to him by the commissioner of lands and works. He had been forced to take dues upon timber which had not been used by him, but only to clear the land. The minister had no alternative in the matter.

Mr. Galt explained that a time-honored law was in force, by which the owners of mines and mineral claims were exempt from dues for timber of their mineral claims. The government had simply to instruct their collectors not to collect dues from the owners of mineral claims, which might conflict with this.

Mr. Hodge held there were grievances in connection with this. He did not think there could be much opposition to the resolution.

Mr. McKinnon also spoke in favor of the resolution. He explained to the farming interests that the mining men were not opposed to paying fair and reasonable taxes. In the interior there would be no farming were it not for the mining interests.