THE CORBIN SCHEME.

Shall American Towns and Smelters Monopolize Business From the Boundary Country?

Board of Trade Hear Arguments on This Question and Adjourn Debate Until To-day.

Sixty-five members of the British Columbia Board of Trade—an unusually large percentage—attended the special meeting of that body held yesterday under the chairmanship of President G. A. Kirk to discuss the advisability or otherwise of the board supporting the Corbin application for a Dominion charter for a railway from the United States side of the boundary line into the Kettle River valley, and tapping the wonderfully rich mining district known generally as the Boundary Creek counary. This charter, it will be remembered, was sought last year and refused, the board at that time expressing disapproval of the project, as not in the best interests of Canada or of British Columbia. Yesterday's business crystallized into a resolution in the direction of negativing the action of 1898, with an amendment affirming the stand taken last year, and citing in the preamble numerous reasons for the course then adopted. The case of the charter applicants was very fully and effectively presented by Mr. E. V. Bodwell, who has long acted as solicitor for Mr. Corbin, and is therefore closely in touch with all the facts bearing upon the question; while Messrs. D. R. Ker, Joshua Davies and C. H. Lugrin spoke with force and directness in opposition to the charter application and in support of the amendment. It was all but six o'clock when Mr. Lugrin resumed his seat, and as the list of speakers was even then far from exhausted, it was deemed wise to adjourn the debate until to-day at three o'clock. The motion for the continuation was made by Mr. W. H. Ellis, seconded by Mr. J. H. Todd, and generally approved as affording opportunity for those present to digest the arguments pro and con adduced by the four speakers of the afternoon.

In introducing the business of the day, President Kirk traced the history of the Kettle River railway project from its tion, which was promptly transmitted to board, reading from the minute book as to the action recorded. The council of the board, after hearing the request of the railway promoters for an endorsation of their application, had referred the matter to the special committee on railways, of which Hon. B. W. Pearse was chairman, and this committee in their report at a subsequent council meeting, had said:

"Your committee beg to report that in their opinion the granting of a charter to Mr. Corbin to run a railway into the Kettle River country, from near Fort Sheppard, would, by diverting trade to the south of the boundary, be highly detrimental to the interests of the province, and that this should also be at once brought under the notice of the chairman of the railway committee of the house."

This expression of opinion was concurred in by the council on the 25th of February, 1898, and a telegram was sent to Ottawa, opposing the application for charter. On February 26 this telegram was supplemented by a letter to Hon. A. G. Blair, minister of railways, to the following effect:

"The attention of this board has been directed to the application now before the Dominion parliament for a charter for a railway, being a continuation of the Red Mountain line, running west, parallel with and a few miles north of the boundary. This board is of opinion that the granting of such a charter will be highly detrimental to British Columbia and Canada generally, for such a line would simply tap a country very rich in minerals, making the natural outlet for the same the United States, where it is probable the smelting would be done. The smelting industry is only next in importance to the mining, and should be conserved to Canada. This board has therefore telegraphed to you, urging that the charter be refused. The exact wording of the board's telegram is as follows: 'This board resolved granting of charter Corbin's extension Red Mountain railway highly detrimental to British Columbia interests simply outlet for our ores to be smelted in the United States.'"

And again, on March 2, a second letter was sent Hon. Mr. Blair, as follows:

"When writing to you on the 26th ult., with reference to the application for a charter for the extension of the Red Mountain railway, I omitted to state that this board had placed before it letters from residents of the Boundary country strongly advocating the granting of the charter which this board opposes. The letters in general were from real estate men, and the only reason advanced for the granting of the charter was that the building of the proposed railway would create a boom in the country and enable the writers to dispose of property, which is becoming a serious burden to the holders; no other reason was cited, and this board decided that the object of a railway should be something more than the above, and instructed me to telegraph you its resolution opposing the granting of a charter to Mr. Corbin."

The Vancouver Board of Trade at about the same time discussed the question of the Corbin charter in all its bearings, the result of their deliberations being incorporated in the following resolution, which was promptly transmitted to Ottawa:

"Whereas a bill has been introduced into the house by Hewitt Bostock, M.P., for a railway from Marcus to run into the Kettle River country of the district of Yale and while this board deems it of the first importance that a railway should be constructed at the earliest possible time into that district, it would strongly urge on the federal government the desirability of granting a charter and assistance to a line running east and west through Canada in preference to one running to the American boundary, provided that there is no delay in proceeding with construction."

Here the matter had rested, the application having been refused by the Dominion, until the Victoria members were on the eve of departure for Ottawa to discharge their sessional duties, when they asked for instructions as to the course they should pursue on the application being renewed this year. The present meeting was for the purpose of ascertaining the feeling of the board in order that Messrs. Prior and Earle might proceed in accordance with the opinion of the majority of the city's business men.

"To open the ball," as he expressed it, Mr. A. G. McCandless moved that the resolution of the council passed on February 25 last be rescinded, this resolution finding a seconder in Mr. C. E. Renouf. Neither the mover nor the seconder thought fit to elaborate the matter of the resolution, and the first speaker was therefore

MR. E. V. BODWELL.

As he had occasion, both professionally and as a citizen of Victoria, to consider this matter very thoroughly, and to gather all possible information in connection with it, and feeling it to be a subject deeply and directly concerning the entire province of British Columbia, and the city of Victoria particularly, Mr. Bodwell felt that it was his duty, as well as a privilege, to attend the present meeting and lay before it all the information bearing on the case, with such reasons as appeared to him sound authority for the adoption of such a resolution as had been proposed. Of course, he quite anticipated that all that he might say or do would be characterized as done or said in the capacity of paid solicitor for Mr. Corbin. He was Mr. Corbin's solicitor, it was quite true; but at the same time he hoped that this meeting would give him credit also for some little sincerity in the matter. It was, as he had said, true that he had supported the application for the charter last year, as Mr. Corbin's solicitor, and that he had appeared before the railway committee at Ottawa and done all in his power to advance the application that had been placed in his professional charge, but he would not have done so had there been no other reason than that of a retainer; he would not have advocated the granting of the charter in question as he had, if he had not conscientously believed that the carrying out of the project in the manner proposed would be of great benefit to British Columbia, and to Victoria city more particularly. Nor in such an event would he be at the present meeting, as a member of the board of trade, and as a citizen of Victoria, whose entire interests were identified with the prosperity of this city and province, were he actuated solely by the fact that he had served Mr. Corbin in the capacity of solicitor. In connection with the case at issue, he noted that grave misconceptions of the facts existed. To set these right he might be pardoned if he trespassed longer upon the time of the meeting than he would otherwise. To illustrate how grave a lack of correct information on the subject existed, he might point to an editorial in the Colonist of the morning (reprinted from March 2), in which the following passage occurred:

"It is simply a project intended for no other purpose than to draw away from British Columbia the trade that will be developed largely because of the construction of railways within the province. The Corbin railway, as it is called, is a Washington enterprise, having both its termini in that state."

This view was utterly and entirely incorrect. The road as it was projected started at Northport, in the state of Washington, and went to Cascade City, across the boundary line, crossed the boundary line again at Carson City, and then followed the Kettle river northward into the Boundary Creek district, where it terminated. This assuredly did not bring both termini in the state of Washington. Again another editorial in the same paper said:

"The facts of the case are that there is an important mine in the state of Washington at what is called Republic. It is a producing mine. It is without railway communication. Speaking in regard to the probability of his constructing a railway to Republic as a branch of the Great Northern, President Hill of that road said to the editor of the Seattle Times a few weeks ago, and the editor printed the statement in his paper, that there was not enough business at Republic to warrant the construction of a railway to that point, because there would be no ore to haul away, and the passenger and merchandise business would not be sufficient to keep a railway going. If a railway is to be built from Marcus, in the state of Washington, to Republic, in the state of Washington, it must be so located as to secure the hauling of ore, or no one will put up the money. We are told that Mr. Corbin is a very public-spirited gentleman, and simply wants permission to build railways without asking for a subsidy; but in this connection with the Boundary country, which he asks parliament to give him, is his subsidy. With this he can go to the money market and finance the railway. Without it he can not. That is to say, the board of trade is to be asked to-day to lend its aid to hand over to the Corbin project the haulage of the Boundary Creek ores in order that he may be able to induce financiers to put up the money to build a railway from Marcus to Republic. This will be a development railway for a portion of the state of Washington, and its construction will be made possible by what is equivalent to a direct bonus from the province of British Columbia."

But here again the Colonist was wrong. The road was not to be built from Marcus to Republic; nor from Northport to Cascade City. It was another mis-statement of fact, indicating a grievous misapprehension of the subject. There were several mines forming a group at Republic, and if this contemplated Kettle River road were built, it was quite probable that a branch line would be run down to Republic; this did not by any means indicate that the road would be continued to Marcus or Spokane. Indeed it was far more to be anticipated that the ores of the Republic camp would find their way to British Columbia for treatment.

They were of such a character that they required to be mixed with the same fluxes as the ores of the Boundary Creek camp, and hence if the branch to Republic were built on the completion of this present projected road, it was to be expected that a great part of the Republic ores would be sent to British Columbia for smelting. There was, he would say positively, and with a full knowledge of Mr. Corbin's plans, absolutely no such scheme in view as building a road from Republic to Marcus or anywhere else, to take the ores of the Boundary country south—although as he had said, Mr. Corbin did contemplate a branch down Curlew creek to the Republic camp, and the hauling of the Republic ores north for treatment.

Proceeding, Mr. Bodwell referred to Mr. Corbin's past railway enterprises in the Kootenay country and the benefit that they had been in the development of that district, the Red Mountain road from Northport to Rossland having been built without any bonus whatever, while the Nelson & Fort Sheppard received a land grant from the provincial authorities. It was unnecessary for him to recite the benefits that had accrued to the Kootenay country, and indirectly to all British Columbia through these several roads, and Mr. Corbin now aimed to create still another avenue of service in the development of the mineral areas of Southern British Columbia.

The ore of the Boundary country was as a general rule low grade—not so valuable as the ore of the Kootenay, but in infinitely greater bodies. And in this connection the fact should not be lost sight of that the development of a low grade ore district was infinitely more advantageous to a country generally than that of a high grade ore district. More men had necessarily to be employed, and more money was thus expended for supplies. The miner was everywhere known as a good spender, and his average earning of $800 per year was almost always spent at once. The result was a favorable distribution, a large population, and the prosperity of all business interests.

But the ore of the Boundary country, being low grade, could not possibly be developed as it should be and in a manner profitable to the claim owners and beneficial to the country, unless cheap transportation was first obtained, for the introduction of machinery and the bringing in of supplies. Otherwise it was only possible for the highest grade ore propositions to be opened up.

And herein lay the danger to the country of allowing it to be controlled by one railway company. They found a better profit naturally in hauling limited quantity of freight at a high rate than in handling large quantities at a low figure, and without the incentive of competition they would assuredly make a rate that would only permit the operation of those mines that could pay good freight and still make money out of their ores.

And as to the Boundary Creek country particularly it was certain that if a road did not go in from the south, the C. P. R. would continue to control. They now had all the passes through the Rocky mountains, and although running rights were accorded other lines through the Crow's Nest Pass, the concession was of more value theoretically than actually. The Canadian Pacific railway had last year bought the Columbia & Western charter from Mr. Heinze, so that they would have a secondary main line running through the country from the Crow's Nest Pass. The Grand Trunk railway, the Canadian Pacific railway's great national rival, could not build into the country through either the Kicking Horse or the Crow's Nest Pass, nor could any other company build in from the Coast, for the Canadian Pacific railway would effectually tie up their system at one end.

The Corbin system was the Grand Trunk railway's foothold in Kootenay, and herein alone was the opportunity of obtaining competition, without which there could not be low rates.

As to the cry that had been raised that the construction of Mr. Corbin's roads had been for the purpose of diverting trade to Spokane at the expense of Canada, it might be said that originally the people of Kootenay went to Spokane for a considerable portion of their supplies, because it was home to them, and in the second place because the Americans were the only ones who had learned at that time the necessities of the country, and were prepared to supply them.

That day had passed, however, and at present Canadians were doing 90 per cent. of the Kootenay trade. In support of this statement he quoted the collector of customs at Rossland and the secretary of the board of trade of that city. Their statements were obtained a year ago, but the assurance was had that the proportions of the trade had not changed materially at the intervening period. At the present time he was authoritatively informed that of all the goods going into Rossland over the Spokane & Northern, 620,000 pounds in three months was Canadian goods in bond.

Nine out of every ten cars hauled over that road to Nelson and Rossland were Canadian cars in bond, and this was easily understood, for the Grand Trunkently passed to the Northern Pacific railway's competitor in the East, had its own line to Chicago, with a running arrangement thence to St. Paul. And at St. Paul the cars in bond were conveniently passed to hte Northern Pacific railway, which delivered them in turn to the Corbin road at Spokane, Grand Trunk freight going in this manner to Nelson and Rossland.

If the American articles were to go in the fact of this road not being built would not keep them out. The Canadian Pacific railway would, indeed, be found quite ready and willing to handle all the business of this class offering. The Canadian Pacific railway had now its agents in every part of the United States who were alert and on the lookout for freights for Canada; the Canadian Pacific railway owned in its own name over 2,000 miles of road in the United States for which business had to be made; and if there were shipments of American goods to come into British Columbia the Canadian Pacific railway would be found ready and eager to deliver.

The final argument against this projected Kettle River railway was that with it constructed British Columbia ores would be taken to an American smelter, to contribute to a foreign country at the expense of our own. This was a very easy thing to say—but the facts did not justify its being put forward. As in the case of American goods incoming, if British Columbia ores were to be more profitably treated across the line the Canadian Pacific railway would be found quite capable and willing to haul them to one or other of the American smelters—Northport, Omaha, Everett, Tacoma or Puebla. The Canadian Pacific railway was indeed hauling ore to the American smelters every day—it was business for it to do so. And if this projected road were not built, and it were found that the ores of the Boundary country would have to go to American smelters for treatment, the Canadian Pacific railway would be found on hand to haul the ore out of the province—but at a higher rate than if they had the competition proposed.

As for himself, he was quite confident that the Boundary Creek ores would be smelted at home in any event. Mr. Corbin did not want the hauling of ores out. There was no money in it in comparison with the money to be made in carrying general merchandise into a settled and prosperous country, and it was therefore to Mr. Corbin's interest to build up communities in the Boundary country and have the ores treated there so that he could do his share of the carrying in of goods to those communities. In considering the question of ore treatment, it would have to be remembered that the ores of Kootenay could not be considered in comparison with those of the Boundary country. The former were very silicious, and for their smelting lime and iron fluxes were a first necessity, so that the ore had to be hauled to the lime and iron, or vice versa—the iron and lime must be brought to the ore.

The Boundary Creek ores, on the contrary, are self-fluxing, carrying in themselves all the lime and iron necessary for their treatment. Wood and water were also plentiful in the Boundary country, so that the only requisite to make smelting profitable at Greenwood or Grand Forks appeared to be coke, which at present cost $11 per ton. Taking the cost of coke requisite for the smelting of one ton of ore in comparison with the cost of the coke for treating a ton of ore at Northport and it would be found that there was an advantage of 85 cents in favor of home smelting. Thus one mine producing 100 tons of ore a day by having its output smelted at home would save $30,000 a year. Besides the greater part of these ores would not stand out shipment, showing an average value of $18.75 per ton, or a smelter value of $13.36. The cheapest smelting rate was that offered by the Canadian Pacific railway smelter at Trail ($7.50) and allowing $1.00 for freight, a profit of $4.86 on the ton was left the mine operator on the average value ore. If this same ore were sent to the other side of the line it would easily be seen that no money at all would be left the mine owner, and he could not operate.

So excellent an authority as Mr. Hedley, manager of the Hall Mines, at Nelson, was to be cited for the assertion that ores could be treated as cheaply at Boundary as anywhere else in America, and under these circumstances what man was going to send his ores out to be treated at Northport or any other American smelter—particularly as he could build a 300 ton smelter to handle his own ores at a cost of about $75,000?

The argument that the Corbin road would haul to the smelter over the line had been very effectually disposed of when the matter was before the railway committee last year, and he (Mr. Bodwell) had in Mr. Corbin's behalf offered to submit a regulation—which would be put in the charter applied for this year—granting the Governor-General-in-council power to fix the rate to be charged for the hauling of ore outward. They might very easily make theis rate prohibitive, so that the matter was thus effectually disposed of at once.

But the ore would not be hauled out—for economic reasons it would be smelted on the spot.

It had been stated that Mr. Corbin owned a large interest in the Northport smelter—this he denied. Mr. Corbin had not a dollar invested in this smelter. It had been said that he built the Red Mountain railway as a feeder for this smelter—this, too, he denied. And that this Kettle River railway was for the same purpose.

As to the location of the Northport smelter: The Le Roi people were casting about for a location, and found that the only place in the province offering suitable conditions were Rossland, Trail and Waneta. Water could not be obtained at Rossland in sufficient quantity; Trail had to import limestone for fluxing at a cost of $3 per ton, afterwards reduced to $2, while Northport had an abundant supply close at hand and which could be delivered at the smelter at 25 cents a ton.

Concluding, Mr. Bodwell read a series of letters on the subject of this smelter location, and continued that the Northport smelter was not a custom smelter now, and in any event that it was the property of British capitalists although located in the United States. He pronounced Mr. Corbin's projects the greatest factor in the making of Rossland, and thought that the road now proposed would give British Columbia and Victoria an impetus that they could not otherwise obtain, obviating monopolistic control of the Kootenay and Boundary Creek countries by the Canadian Pacific railway with which working freight rates could not possibly be obtained.

MR. D. R. KER.

Mr. D. R. Ker, in replying first to Mr. Bodwell, expressed the fear that that gentleman was in the unhappy position of the little boy who told a lie, and repeated that lie so many times that he finally came to believe it as gospel truth himself. Mr. Bodwell had been so long the advocate and special pleader for Mr. Corbin that he could not look upon any project with which that gentleman was identified in an entirely unprejudiced manner. He had, however, made out the best case that could be offered for the Corbin application, while of course neglecting to say anything of how the Boundary country was at the present time being looked after by the construction of the Columbia & Western railway—now being pushed to Cascade City by large forces of men working both day and night.

To build the Columbia & Western over this backbone of the country entailed very much greater expense than was involved in the Corbin plan, the latter costing something like $18,000 per mile, while the road for making the mines tributary to Canada instead of her rival to the south would cost $28,000 or $30,000 a mile—so that it would be seen the land grant in this case cut a very insignificant figure. There was no doubt whatever in his mind that Mr. Corbin's object in this project was to tap the Republic camp, which was proving very rich and attractive; and if he could get in there and at the same time make the Boundary country also a feeder of his railway it would no doubt be a very good thing for him, as the line would be a cheap one to construct comparatively. It would be found, however, that the Columbia & Western met all the requirements of the country, while there was certainly nothing to prevent the Columbia & Western (or the Canadian Pacific railway—for it was really the same thing) from bringing the ores of the Republic camp for smelting on this side of the line.

The Columbia & Western was essentially a road for the benefit of the whole country, as it was eventually to be extended up to the Okanagan, to Penticton, to provide an outlet and profitable market for the farms of that valley, and make the Shuswap & Okanagan railway a complete and financial success, so that instead of a losing it would speedily become a paying line and the province save some $20,000 or $30,000 annually, while the coast at the same time gained a much closer and better connection with the mining country.

As to the necessity of competition in the preservation of legitimate freight rates—the government had already made provision for the regulation of all rates, so that this argument fell to the ground entirely. The Canadian Pacific railway would not as a matter of business policy antagonize or seek to antagonize all Canada, and if they did, the government could step in at any moment and apply the check.

Nor was it the intention of the C. P. R. to build railways alone for the development of the mining region in consideration. They had a very complete and admirable plan for a series of smelters throughout the country, to treat British Columbia ores at home, while he knew of still another smelter company with $600,000 in the treasury at the present time, prepared to give smelter facilities to the Boundary country at a very early date—this country being one in which smelters can be operated with the greatest advantage, more especially as the Crow's Nest line will enable coal or coke to be brought in cheaply.

Nor was the smelting industry standing still in British Columbia by any means. The smelters were now putting in lead stamps, and an immense trade with China in lead was opening up the ultimate proportions of which it would be hard to conjecture, British Columbia lead, home smelted, being carried to the Orient in our own Canadian steamers.

Again—looking at this railway question from a federal standpoint—the Dominion government at the present time was making a great effort to open up and settle the agricultural areas of the Northwest and Manitoba. A most advantageous market was found in this Boundary Creek mining region, directly to the south of which—over the lines—lies an agricultural district in the United States. With the road proposed by Mr. Corbin it would be unfair to expect our own farmers and those of Manitoba and the Northwest to compete with their American rivals closer at hand, while with the Canadian Pacific railway's several systems in operation the mining and the agricultural districts in question might very well be developed to be mutually supporting.

The great point for Victoria, however, appeared to him to be—how are we of Victoria to derive any benefit from this so-called competing line. In his own business he did not find low rates the result of competition. Go to the telephone to-day in Victoria and ask the Great Northern, the Northern Pacific or the Canadian Pacific railway for rates to some particular point, and what would be found? You would get the same rate from all. The belief that competition induced reduction of rates was very erroneous when applied in practice—it only induced combination. He knew whereof he spoke in this matter, for he was perhaps the heaviest shipper of any present.

Mr. Bodwell had endeavored to lead the meeting to believe that there was practically no American goods in the Kootenay country, yet statistics showed that the great bulk of the supplies for Rossland, Nelson and Kaslo came from American towns. The hauling of the British Columbia ores out for smelting to Northport or some other of the American towns meant what? Simply so much more in the pockets of the $65,000,000 American smelting trust that had recently been formed—depleting the mines of this province without any adequate advantage to its inhabitants.

He pointed in this connection to the experience of Ontario in lumbering. Ontario had made no efforts to safeguard its forests from American depredations, and as a result found now to its dismay that they had stumps alone left and hastened to put on an export duty now that the damage had been done. He thought British Columbia might learn from the experience of the sister province, and lock the door before—rather than after—the horse was stolen.

MR. JOSHUA DAVIES.

Mr. Davies, as last year, was found opposed to the granting of a charter to Mr. Corbin for his Kettle River railway project. He was opposed to it as a British Columbian of thirty-eight years' standing, and all whose interests were in the province; and he was opposed to it as one not interested in any railways, or merchandise that would be benefited through the carrying out of any of the particular projects under discussion. In order that he might not be guilty of repetition he had prepared for presentation at this meeting his views, which with permission, he would read. They were as follows:

"The notice of meeting of to-day was only received on Saturday afternoon so that there has been hardly sufficient time given for examining thoroughly into all the points which bear upon the object of this meeting as to the advisability of supporting an application for a charter from the Dominion government for a railway from a point in the United States into the Boundary country by the way of Kettle River valley.

"It must be distinctly shown wherein changed conditions warrant the board in nullifying the action of last year. It must always be considered that the action of the legislative assembly was in keeping with the report made by this board; that was, that no railway charter should be granted in the province of British Columbia, unless they had first the sanction of the legislature of the province.

"The legislation of this year would indicate that provincial rights would be insisted upon and the Dominion government should not grant a charter unless it was first brought before the legislative assembly of the province.

"The action of the board of aldermen, whose duties must be confined to local issues, was certainly mistaken upon their part, as it is doubtful whether any single member of that body knew enough about the Boundary country to intelligently discuss the subject. It is doubtful whether any of its members had ever visited the country under discussion; anyway they had no authority over the citizens of Victoria to intervene to give an opinion upon questions affecting enterprises outside the city of Victoria.

"Mr. Corbin has received much praise for his building of the Nelson & Fort Sheppard railway and the Red Mountain railway. Certainly he is entitled to some credit, but those railways were built entirely in the interests of the corporations that he represented. The Spokane Falls & Northern railway was built from Spokane to Marcus and was certainly not profitable until the lines were extended into British Columbia. In fact, the country through which that road ran was not sufficiently developed to give sufficient trade for the line and unless the roads were extended into the mining regions of the province to-day, that road would not pay.

"The building of the Nelson & Fort Sheppard railway was much assisted by the efforts of Victorians and possibly other British Columbians. The right of way was given free; its terminal points and way stations; its timber, the timber required for its construction were also given free, and besides which the road was subsidized by the province by the gift of 10,240 acres per mile over its 60 miles of road, aggregating over 600,000 acres. It was shown that there was not sufficient land on the Nelson & Fort Sheppard line to comply with the land grant and subsequently the government gave lands west of the Columbia river, termed lieu lands, which encircle the city of Rossland and covered a block of land extending from the east side of the Columbia river, westward for about 16 miles, a part of the country which the Nelson & Fort Sheppard did not touch.

"The Nelson & Fort Sheppard when completed and reached Nelson had a great carrying trade of goods into that country and its out-going freight comprised the rich lead ores from the Slocan.

Later on the Rossland camp was developed and large quantities of ore were being shipped to the American smelters.

"August F. Heinze built a smelter at Trail and a narrow gauge railway from that point to Rossland and had contracted for the smelting of 75,000 tons of the Le Roi ore. The smelting charges had been $13, put under contract the transportation from the mines and smelting ore was reduced to $11 per ton.

"It was on account of the Heinze enterprise that the Corbin management was forced to build the Red Mountain road and later the strong opposition of the railway company, combined with the Le Roi Mining Company, brought about the erection of a smelter at Northport. The fact that the Heinze smelter at Trail must lose the output of the Le Roi mine made it almost certain that the Heinze smelter would be a losing enterprise, and subsequently his railway and smelting interests were sold to the present corporation.

"I have ascertained that the last year's ore tonnage from the Rossland camp to Trail aggregated over 46,000 tons, the largest shipper being the War Eagle, amounting to upwards of 38,000 tons and the Le Roi furnishing 960 and all the other mines the remainder. The shipments to the Northport smelter from the Le Roi exceeded 67,000 tons and from all other mines about 1,300, the total tonnage to the United States smelters amounting to nearly 70,000, while to the Canadian smelter less than 47,000 tons. The total shipments of ore from Rossland during 1898 exceeded 115,000 tons, less than half of which found its way to Canadian smelters.

"I have been told that the pay roll at Trail amounted to nearly $120,000 for 1898 and other disbursements amounted to nearly $375,000 besides an expenditure for ore of $551,000, making a total disbursement of over $1,000,000. You will therefore readily see how necessary it is that the smelting of the ores of the country shall, if possible, be kept within the province.

"There was no necessity for building the smelter at Northport, ten miles below the boundary line; nor was there any necessity of the Red Mountain railway to have been built partly in the United States and partly in British Columbia for the reason that a better line grade could have been found within the province of British Columbia. The extension of a line from the United States point into the Boundary will only repeat what has been done in the Rossland camp.

"Our whole province from its eastern boundary as far west as Hope is found to be highly mineralized and we should do all we can to treat the mineral at some point in Canada. The smelter at Northport gives no opportunity for alien labor to be employed, nor does the United States permit an alien to build railways within their territory, but it must be an American company. The laws of British Columbia have been most favorable to the people of all countries while the laws of the United States have been enacted entirely for the interests of their own people.

"The smelting and refining of our minerals means profiting to the great labor market free to all, which would certainly add to the increase of our trade. The Canadian Pacific railway is built entirely within the Dominion and their success indicates our prosperity. We have had the Slocan and Rossland camps furnishing large tonnages of ore and we have the prospects of East Kootenay as well as the Boundary district becoming large shipping centres. The Slocan and East Kootenay are both furnishing ores whose base metal is lead, upon which the United States charges a duty of 1½c. per pound upon its lead contents and 2½c. per pound when the lead ores are treated in our smelters and the product shipped as bullion. Our principal market for the high grade ores are to the smelters of the United States; our miners are prevented in working the lower grade lead ores on account of the excessive duty and the poor fecilities that we have at present in treating the lead ores to a commercial product, there being no refinery in the Dominion, besides which the enormous capital invested in the smelting industry in the United States makes it impossible for any corporation unless backed by millions of dollars to compete for the business.

"The smelters at Nelson and Trail are often closed down for the reason of lack of ore. Both these camps produce ore with a copper base, which are free to enter the United States. Both these enterprises are not now in operation, the smelter at Nelson being forced to rely upon the output of their own mines, while the Trail smelter, which is also closed down, had to rely upon the output of the War Eagle, which at present is not shipping. The shipments of last week were quoted in our newspapers as 2,200 tons to the Northport smelter, and 58 tons to the Trail smelter.

"The building of the road now under discussion means merely to add to the facilities of the Northport smelter, to capture the larger quantities of copper ores, by reason of the mine being owned, more or less, by Americans, and further that probably the main object of the building of this line of railway along the Kettle River valley is for the purpose of reaching the Republic camp in the state of Washington, situate about 20 miles south of the boundary. It is doubtful whether our mines are sufficiently developed at present to be able to furnish 100 tons of ore per day.

"It is a well known fact that copper ores are most sought after and that the general use of copper is so marked that the price has reached, at present, a high figure.

"The first smelter erected in the province, located at Pilot Bay, paid $13.75 per ton for its coke—to-day coke from the Crow's Nest is landed at Nelson and Trail for $7.25 and coal at $5, and no doubt, if supplied under contract to smelters would be much less; freight rates being $2.25 as against $2 when the coke came from Rosslin.

"The road now being constructed from the Robson country, I am told, will be completed in the specified time and that over 92 per cent. of the grading is now completed. This road has been subsidized by and located within the province, and I am credibly informed, will have cost not less than $32,000 per mile. This line of road, no matter where it touches, will benefit some point which will furnish trade to our merchants, and it seems absurd that our people should consider for one moment the supporting of an application for a charter which will come in direct competition and whose efforts must be to our detriment in carrying and smelting ores out of the country, especially when every precaution has been taken by the Dominion government to prevent excessive freight charges.

"It is certainly of national importance that both our transportation and mineral interests, in all their different branches, should be conserved to the people of Canada and the stronger these corporations are the better able our people will be to make these enterprises of value.

"The action of the legislature this year demonstrates the fact that provincial interests should not only be protected but such projects of merely local concern should be first directed through our legislature. Upon these principles there ought not to be two opinions and the board should be careful not to stultify their action of last year by making any change.

"Canadian labor should be put upon an equality with American labor and we should demand a better position for the Canadian labor, especially when dealing with the manufacture of the natural products of Canada. Such conditions should be afforded Canadians to manufacture their own raw material at home and sell it in the American market instead of taking that raw material across the line and manufacturing it there—buying the finished product.

"A word upon the Northport smelter. It was pointed out, both to Mr. Corbin and the Le Roi management that the building of a smelter at Northport would be considered a menace to Canadian interests. The matter of erecting a smelter upon the Canadian side was fully gone into and at one time it appeared as though the Le Roi smelter would be located on the Canadian side. The Rossland Miner had advocated its being placed at a place called Sayward, where the best water power and shipping facilities could be had and where sufficient ground could be obtained as a gift. The only objection offered was the question whether lime rock could be obtained near at hand, and upon investigation it was ascertained such lime rock was upon the ground at a place called 'Fug' mine.

"The Northport smelter was looked upon as a political movement by the then management of the Le Roi mine, assisted by the Corbin interests, who owned the town of Northport.

"If the railway line, now projected, is built it will only be for the bringing of the copper ores of Boundary Creek to Northport. The cars returning will take American merchandise to the Boundary country."

The American imports to the three chief points of the Kootenay last year, he found, were:

Rossland	$457,930
Nelson	583,697
Kaslo	201,318
Total	$1,242,865

In concluding, Mr. Davies gave his attention to Mr. Bodwell's statement that the great bulk of the goods consumed in Kootenay—90 per cent.—were of Canadian production. It was officially stated that American goods to the value of $1,242,865 came into the Kootenay last year, which would make the Canadian goods something like $12,000,000. And how much of this twelve million dollars' worth of business had been done by the merchants of British Columbia? The best that could be said for the Corbin plan appeared to be that it would enable Eastern merchants to control the greater part of the trade of the British Columbia mining sections. He could not see that it was of advantage to Victorians to endorse this platform, and he accordingly offered the following as an amendment:

"Whereas in the opinion of this board it is the true policy of Canada to further such measures as will bring about the smelting and refining of Canadian ores within the Dominion, thereby building up Canadian towns, and furnishing markets for Canadian agricultural products and merchandise as well as labor for our own people; and whereas this board has already affirmed this principle in connection with the lead smelting industry; and whereas the evident object of the proposed Kettle River railway is identical with that of the Red Mountain railway, namely the carrying of ores out of the country to be smelted in the United States; and whereas such exportation of ores leads to a corresponding importation of merchandise, as is shown by the trade returns of Kootenay; and whereas the necessity for safeguarding Canadian interests in respect to smelting is emphasized by the recent formation of a smelter trust in the United States with a capital of $65,000,000; and whereas the Canadian Pacific Railway company is now constructing a line of railway from Robson to Penticton, touching all points proposed to be reached by the proposed Kettle River railway; and whereas the Dominion government has reserved the right to regulate and control freight rates and tolls on all Canadian Pacific lines leased, owned or controlled south of the main line in British Columbia, which power precludes all possibility of excessive rates; therefore be it resolved that this board is of opinion that parliament should not sanction the construction of any railway from the United States into the southern portion of British Columbia until our interior towns and smelting and refining centres have been firmly established and brought into close relation with the Canadian agricultural and commercial centres."

MR. C. H. LUGRIN.

Mr. Lugrin seconded the amendment offered by Mr. Davies, and in doing so paid a graceful compliment to Mr. Bodwell upon his admirable statement of the case for Mr. Corbin—a case which all would agree had been stated in the strongest possible manner. Indeed, coming after Mr. Bodwell in this matter all others would necessarily be at a considerable disadvantage, as he had, as he stated, had abundant opportunities to prepare his case, as Mr. Corbin's paid representative which others could not possibly enjoy.

Mr. Bodwell had prefaced his remarks by seeking to disassociate himself on the present occasion from Mr. Corbin—he had he said, come to this meeting as a citizen of Victoria having all his interests in this city and province, bound up with its progress and prosperity. This all would be quite prepared to believe, but the fact could not be lost sight of nevertheless—and he spoke as a lawyer himself—that it was a poor lawyer who was not prepared to subordinate all other interests to those of his client.

Unconsciously or not, Mr. Bodwell's views were bound to be colored by the interests of Mr. D. C. Corbin. Hence Mr. Bodwell, it was safe to say, had made the very most that it was possible to make of the case for Mr. Corbin—had made an excellent case—but after he had concluded, he (Mr. Lugrin) could at least understand quite well how it was that he had not got the charter applied for at Ottawa last year. For, colloquially speaking, his entire address might be described as special pleading. It was an argument through and through for a particular road—a particular privilege—not an enunciation of beneficial

Continued on Page Eight.

CARTER'S LITTLE LIVER PILLS.

CURE

Sick Headache and relieve all the troubles incident to a bilious state of the system, such as Dizziness, Nausea, Drowsiness, Distress after eating, Pain in the Side, &c. While their most remarkable success has been shown in curing

SICK

Headache, yet Carter's Little Liver Pills are equally valuable in Constipation, curing and preventing this annoying complaint, while they also correct all disorders of the stomach, stimulate the liver and regulate the bowels. Even if they only cured

HEAD

Ache they would be almost priceless to those who suffer from this distressing complaint; but fortunately their goodness does not end here, and those who once try them will find these little pills valuable in so many ways that they will not be willing to do without them. But after all sick head

ACHE

is the bane of so many lives that here is where we make our great boast. Our pills cure it while others do not.

Carter's Little Liver Pills are very small and very easy to take. One or two pills make a dose. They are strictly vegetable and do not gripe or purge, but by their gentle action please all who use them. In vials at 25 cents; five for $1. Sold by druggists everywhere, or sent by mail.

CARTER MEDICINE CO., New York.

Small Pill. Small Dose. Small Price.