Tuesday, January 1, 1907.

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r Children
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D CORD DRESSES, front
made of fine tucked silk
h, straps over shoulder,
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ce, each dress $3.75
N'S BROWN PLUSH
double breasted, large
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.....$2.50
UE CLOTH COAT made
p cape trimmed with
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CORDUROY VELVET
made with deep rolling
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f to match, two rows of
rls, buttons down front.
value $1.75. Sale price
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g, serviceable Waists.
leasing.
USTRE WAIST, front
fine pin tucks, wide box
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Regular value $2.50.
e, each waist $1.00
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RE HOSE, full fash-
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only. Regular value
price, per pair.....35c
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price, per pair....25c
S RIBBED CASH-
NISH HOSE, sizes 6½
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pair.....25c

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price to please you.
EDS SUITINGS, 54
pieces only, splendid
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CORSET WAIST,
child from eight to
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from one to six
hite and grey. Regu-
50c. Sale price, each
.....25c

artment
Cushion Tops for
only, regular values
price, each cushion
.....25c

The Semi-Weekly Colonist.

VOL. XLVIII., NO. 107 — VICTORIA, B. C., FRIDAY, JANUARY 4, 1907. — FORTY-EIGHTH YEAR.

LIBERAL REVOLT GAINS STRENGTH

Ald. J. Stuart Yates Tells Why He Broke Away From Party, and How Some Others Feel About the Ottawa Interference

The revolt which was inaugurated at a meeting of the Young Liberal club last Friday evening continues to grow in strength, and the public pronouncements of R. T. Elliott, James L. Murray and C. J. V. Spratt are receiving the endorsation of many independent Liberals. This condition of affairs is creating a marked spirit of unrest among the Victoria supporters of J. A. Macdonald, K. C., and, generally, is accepted, from the Liberal viewpoint, as an ominous augury of the result of the pending elections.

Because of the obnoxious introduction, of the Ottawa Liberal machine into the provincial campaign Ald. J. Stuart Yates, is another member of the executive of the Young Liberal club, who has declared himself out of the party, and in sympathy with the McBride government. He is one of the pioneer Liberals of Victoria, but hereafter, he has announced he will be independent.

In an interview last evening Ald. Yates said it had been asserted that those who had withdrawn from the club mentioned were doing so because of their failure to obtain what they considered a fair share of government patronage. As far as he personally was concerned he could deny such a thing uncompromisingly. His retirement was prompted entirely by the belief that "machine" tactics were beginning to exercise too prominent a part in the politics of the province.

In Sympathy With Premier

In reference to the present situation, Ald. Yates took a stand in favor of the McBride government insofar as its general policy is concerned. Speaking of "better terms" and the stand taken by the premier at the recent interprovincial conference he expressed the belief that his proposal that the matter should be dealt with by arbitration was one which should have been accepted. He could not see how such a proposition could have been refused consideration. It was one which, in his mind, would commend itself to anyone wishing to give the west "a fair deal." He was in sympathy with the premier when he affirmed that it was not his wish to make "better terms" an issue in the forthcoming election.

Beneficial Legislation

Ald. Yates also said that the legislation of the McBride government prohibiting the export of logs had resulted in benefit to the whole province. Previous to this law being enacted large quantities of logs had been taken to the state of Washington and there manufactured into lumber. This had proved a source of great profit to the Americans and was practically of no benefit to British Columbia. Now if an American manufacturer wanted to make lumber out of British Columbia timber he was forced to establish his mill within this province and give its people the benefit of his operations. Already the effect was being felt, particularly in Victoria. New mills were being established, others were mooted and, in fact, the general condition had improved to a marked extent. Ald. Yates strongly endorsed what the government had done to bring about such a gratifying movement. "Anything" he said "which tends to encourage the establishment of factories should receive the strongest possible commendation of the general public."

Strong Feeling Prevails

Speaking of the revolt of a wing of the Young Liberal club, Ald. Yates said that, although only four names had been mentioned, they did not convey an adequate idea of the strong feeling which prevailed. While only R. T. Elliott, J. Murray, C. S. V. Spratt, and himself had publicly announced their withdrawal from the party there probably were between thirty and forty others who had just as deeprooted a resentment against the method in which affairs were being managed. There was no doubt that the relations between the majority of the Young Liberal club and the other local supporters of the party were very much strained. This was the outcome of an apparent disinclination on the part of the leaders of the party at Ottawa and in British Columbia to recognize the organization. Some time ago, he explained, it had been decided that the parent Victoria Liberal association and the new club should be represented by two distinct committees, having two members each, whose duty it should be to supervise the distribution of governmental patronage. Those who had been returned to the Dominion House had agreed to recognize these committees and to refer all matters, along the line mentioned, to them. But when it came to the fine point, the Young Liberal club's appointees were overlooked. Naturally this had resulted in dissatisfaction. This was not the only reason for the pronounced dissension. Many of the members objected to the intrusion of the Ottawa "machine" in the endeavor to influence the pending election.

NO DECISION

An organization meeting of the executive of the Victoria Liberal association was held in Pioneer hall last evening. Those present were unable to decide upon a date for their nominating convention.

CONFIDENT OF VICTORY

A. E. McPhillips, K.C., Sizes Up the General Outlook

The Liberal-Conservative standard-bearer for The Islands constituency, A. E. McPhillips, K. C., is confident of being returned in the forthcoming contest. He says that already much of the preliminary work has received his attention, and that the outlook is exceedingly bright. It is his intention, in the course of a few days, to visit the district and to make a personal canvass of the residents in company with a few of the members of the association which did him the honor of according him a unanimous nomination.

Not only does Mr. McPhillips believe his personal chances of receiving the endorsement of the electorate are bright, but he thinks that the possibilities of the return of the McBride government are exceedingly roseate.

In scanning the political horizon, he stated that it was full of promise to the Liberal-Conservatives. On Vancouver Island, for instance, the indications were that the present administration would be tendered a practically unanimous endorsation. In South Saanich, D. M. Eberts, K. C., was generally acknowledged to be almost a sure winner; in Esquimalt the same thing might be said of C. E. Pooley, K. C.; in Victoria there was dissension in the Liberal ranks, which spelled disaster to their hopes of carrying the constituency; in Alberta, William Manson, the new provincial secretary, was practically sure of receiving a large majority. It did not require enumeration of the conditions prevailing in the different districts to prove that Premier McBride and his colleagues were strongly in favor among the larger proportion of the electors everywhere.

Taking the Mainland, the unbiased observer, in sizing up the situation, would make the same prediction he had made in regard to the Island. In all sections, no matter how remote, it was found that the wise administration of the McBride government, during the three years it had controlled the destiny of British Columbia, had placed the populace in a contented and prosperous frame of mind. They did not wish a change at the present time, realizing that it might have a serious effect upon the extremely gratifying state of affairs.

Referring to the policy of the McBride government since it had been in power, he failed to see what the Liberals could find to effectually criticise. They could not complain of the conduct of the finance department, because when Hon. R. G. Tatlow had taken charge the country was in a bankrupt state; now its credit was good everywhere, and money was rolling into the treasury. They could not find fault with the timber regulations because the heavy royalty on the export of logs had resulted in the stimulation of the industry. They could not object to the conduct of the agricultural department, as, through the winning of the highest possible honors by British Columbia fruit in the Old Country and the wise distribution of large quantities of literature, the possibilities of the province had been very extensively advertised; and, as a direct result, the hitherto unsettled districts were being taken up and settled on, to huge orchards. They could not criticise the government's attitude in reference to railways, because it had been of a most impartial character. In reference to the Kaien Island matter, Mr. McPhillips thought that anything the Liberals might say would be of no account whatever, as the contract entered into with the Grand Trunk Pacific railway was one in favor of the province. The latter obtained a quarter share in what would prove, ultimately, one of the largest cities on the Pacific coast. In illustrating this point, he spoke of Vancouver, contending that if British Columbia had had a similar interest in that city at the time of its inception, the increase in the value of real estate since then would now enable the entire elimination of the debt of the province.

Altogether, Mr. McPhillips thought the Liberal-Conservatives should feel jubilant. He was firmly convinced that they entered the fight with every assurance of success.

LEAVE FOR MAINLAND

Premier McBride and Hon. R. G. Tatlow were to have left for the Mainland on Wednesday, but the steamer Charmer being delayed, they were unable to get away till Thursday. The former intends making a short tour of the lower Mainland, in which he will be accompanied by Hon. Mr. Tatlow. Afterwards he will continue to several of the interior constituencies, the minister of finance returning to Vancouver. The Premier's itinerary, as far as known, is as follows: Delta, Jan. 3; Cloverdale, afternoon of Jan. 4; Langley, evening of Jan. 4; Westminster Junction, Jan. 5.

CONSERVATIVE CONVENTION

The Liberal-Conservative association will hold its nominating convention next Monday evening at Institute hall. Those who wish to attend are reminded that they should obtain tickets from the secretary, Thomas Cashmore, or any member of the executive, whose names are: A. E. McPhillips, H. F. Bishop, J. W. Bolden, J. A. Douglas, L. Tait, W. Mable, J. H. Brown, J. E. Phillips, G. Penketh, G. H. Barnard, C. M. Cookson, H. Maynard, H. D. Helmcken, R. Ryan, E. A. Lewis, R. Eccles, H. B. Thompson, P. J. Riddell.

PULP CO. IS NOW ASSEMBLING PLANT

Canadian Pacific Sulphide Co. Has First Carload of Machinery at Swanson Bay.

Although very little has been made public recently regarding the operations of the Canadian Pacific Sulphide Pulp Co., Ltd., work has been progressing steadily. This corporation will be the first to engage in the manufacture of wood pulp in British Columbia.

"The company owns 83,000 acres of splendid timber lands in the vicinity of Swanson Bay," said J. M. Mackinnon, of Vancouver, the general manager, when seen at the Driard hotel yesterday. "It has a capital of £100,000, practically all held in Great Britain. Several of the shareholders are identified with the pulp industry there, including John Mackie, managing director of Davidson & Son, of Aberdeen, and Mr. Friedman, one of the largest importers of pulp into England. The consulting engineer is George F. Hardy, of New York, the best known expert in designing plants for the production of wood pulp.

"From 11,000 to 30,000 horse power can be developed from the waters of Swanson river, flowing into the bay of the same name. The mill will be built on the shore of this bay, the power mentioned used to obtain electrical energy for it.

"Already there is a carload of machinery on the ground, and five carloads more are in Vancouver awaiting shipment. At the beginning the output of the mill will be from forty to fifty tons a day, but this will be increased until a total of 100 tons is reached.

"We have no fear but that there is an ample market, principally in Japan, for the company's output. The pulp will be of the sulphide, or chemical, variety, made from spruce, hemlock and balsam.

"Though we are proceeding as rapidly as possible, I think it will be about a year before the manufacture of pulp is actually commenced, but that will be the earliest date on which this industry will be in operation in this province."

The company makes application in the current Gazette for foreshore areas in Swanson Bay and Kutze Inlet, to be used in connection with its business. Both these localities are in Granville channel, range 3, Coast district, a short distance south of Port Simpson.

TWO CARDINALS DIE AND OTHERS ARE ILL

Apoplexy Causes More Vacancies in the Sacred College at Rome

Rome, Dec. 29.—Cardinal Cavagnis and Cardinal Trepepi died this morning. Both succumbed to strokes of apoplexy.

The deaths of the cardinals have made a deep impression on the Pope.

Among the cardinals seriously ill at present are Martinelli Cassetta and Gennari. There are now sixteen vacancies in the Sacred College, which makes almost imperative the nomination of new cardinals at the next consistory.

G. C. S. LINDSAY HERE

Says All Danger of a Fuel Shortage Is Over

G. C. S. Lindsay, K. C., general manager of the Crow's Nest Pass Coal company, is in the city visiting his young son, who is suffering from an attack of typhoid fever.

Mr. Lindsay is well pleased with the settlement of the recent strike at Coal Creek, Michel and Morrissey mines, and states that the normal quantity of coal per day, about 4,000 tons, is being produced by the mines mentioned. This secures a sufficient supply for all the Kootenay smelters, and the mining industry is resuming operations on as extensive a scale as before the strike. Much new work is being taken in hand by the Crow's Nest Coal company, including the development of a new four-foot seam of cannel coal.

He states that conditions in the new provinces are again becoming normal, the shortage of fuel being rapidly overcome. The output of his mines, he says, is all required for British Columbia, and there was no chance of it being used in Alberta. As the Lethbridge strike was settled shortly after that at Fernie, Mr. Lindsay thinks all danger of a shortage is now over.

"CANADA FIRST"

Christmas Number of Magazine Has Interesting Contents

The special Christmas-New Year number of the Canada First Magazine is remarkable for the interest and variety of its contents, the number and beauty of its illustrations, and the extraordinary amount of good reading matter appealing to the taste of all sorts and conditions of men and women.

It contains no less than 160 pages, devoted to articles important to the welfare of our great and growing Dominion, and showing its marvelous progress in commerce, transportation, education and finance; while on other pages will be found no fewer than six of the most absorbing complete short stories it has ever been our pleasure to peruse.

Other articles are "An Empire in the making," indicating in picturesque language what Canadian heroes of peace are doing to open up the Northern and the best half of this continent: "A Great National Problem," drawing attention to the calamitous neglect of proper agriculture methods in the American West and what the same may entail to Canada unless checked.

There is also a splendid exclusive article by Dr. Albert Ham, Canada's great musical authority, besides a discussion of some of the chief topics of the day in lively language. Altogether, we must congratulate the publishers of "Canada First" on their success in getting out a truly great national magazine, great in its serious articles and great in its fiction. Price for special number, 15c, or $1.00 per year. Address 43 Scott street, Toronto.

MILLIONS NEED FOOD.

London, Dec. 28.—Nicholas Shihkoff, of the Samara Zemstov relief committee, who was one of the trustees of the American famine fund of February, 1891, has sent to London, accompanied by an appeal for funds, a terrible account of the present famine conditions in Russia. He says that two or three months must elapse before this year's famine entails its full intensity. "Fifteen years ago," said M. Shihkoff, "when the famine was less serious, we had $6,000,000; now we have only $500,000." M. Shihkoff estimates that about thirty million peasants will need assistance.

LETS RAISULI OUT

Tangier, Dec. 28.—It is reported here that a letter from the Sultan dismissing Raisuli from the governorship of the city will be read in the mosque today. Troops under the Moroccan minister of war yesterday marched to the residence of Raisuli's representative here and took over positions hitherto held by Raisuli's partisans, who departed without protest.

The European residents are becoming more confident regarding the situation.

TENEMENTS BURNED

New York, Jan. 2.—A dozen persons were injured, 40 families are homeless, 2,000 persons were driven temporarily from their homes, 50 horses were roasted to death and property valued at $200,000 was destroyed today in the worst early morning fire New York has seen in many months. One big tenement house at 427 West 53rd street and a large boarding stable were destroyed. Seven tenement houses were badly damaged.

Lack of adequate water pressure is said to have been largely responsible for the extent of the fire. Deputy Chief Binns, who had charge of the fire fighters, declares that for more than twenty minutes there could not be obtained from hydrants in the vicinity enough water to supply the boilers of the fire engines. Had not one of the big fire boats which drew its water supply from the Hudson river come to the rescue, the whole west side might have been swept, for even when the water came to the hydrants the pressure was light, and it became necessary to work the engines in pairs and triplets before enough steam could be obtained.

One of the worst features of the fire was the tremendous crowd which gathered in the streets around the burning district, and the attending disorder and lawlessness. So great was the crowd that all the police who had been called to the scene had their hands full in preserving anything like order in the streets, and for a time thieves were given almost a free hand to loot the burning buildings. There were many exciting chases over the roofs after thieves caught at work, but none of them were captured. A woman screamed that three negroes had tried to rob her. One negro was seen running away, and a group of white men gave chase, firing as they ran. After a chase of several blocks two detectives joined the pursuers, and they began to fire, not one of the shots reaching the mark, but the negroes finally gave up and were hustled away to a police station.

LABOR PARTY MEETING

Tonight the Labor party will hold its regular monthly meeting in Labor hall. Among the business to come up will be the receiving of reports of committees and arranging for definite aggressive work on behalf of the Labor candidates. Anyone wishing to join the party, or who is willing to work on behalf of the candidates, will be welcome to attend the meeting. Members of the unions who have not yet come in are asked to affiliate at once.

CAUSED HEAVY LOSS TO DAKOTA PEOPLE

Report of Investigating Committee on the Railway Car Shortage

Washington, Jan. 2.—The causes, but not the cure, of the car shortage in the Northwest and the consequent coal famine in North Dakota have been determined by the members of the interstate commerce commission who, participated in the recent hearings at Chicago and Minneapolis. Franklin Lane, who served as chairman of the investigation committee, filed his report with the full commission today, and sent it to President Roosevelt, who ordered the inquiry. He finds that it is a fair inference from all the testimony that the real cause of the coal scarcity in North Dakota was such an abundance of westbound traffic at the head of the lakes that cars were not available in the congested state of that terminal for carrying coal to North Dakota.

In his letter of transmission to the president, Mr. Lane says that the report will be followed in due course by the special recommendations of the commission as a whole as to whatever legislation, if any, may be deemed advisable. Referring to the report that the coal shortage was due to the presence of a trust or combination between dealers in coal who fixed prices in the Northwest and refused to sell to "outsiders" and "irregulars," the report says:

"The commission has gained indisputable proof of an agreement between coal dealers to maintain prices and to boycott all who do not so agree, but there is no evidence at all justifying the contention that this combination is chargeable with the coal shortage prevailing nor that the railroads were a party in any way to such a conspiracy."

Financial loss to a large percentage of the people of the Northwest is shown to have been caused by the failure of railroads to prepare for a large movement of grain. Mr. Lane shows that the railroads tapping the great grain belt of the Northwest seem to have been overwhelmed by this year's crop, although in fact the crop scarcely exceeded that of 1905, nor did it equal that of at least one other preceding year.

Of this situation the report says: "Fifty million bushels of grain as nearly as can be estimated, remain on the farms or in the country elevators of North Dakota. But 38 per cent of the crop has been shipped. The country or line elevators at a large number of country stations are full. Some of these reached their capacity as early as September and still contain the grain they then held. Thousands of bushels of wheat are lying at this time covered with snow in open bins built beside the railroad track. The farmer cannot sell because the country dealer cannot buy. The country dealer cannot buy because the country elevator is already full. The country elevator remains full because the railroad has not moved the grain from the country elevators to the terminal elevators. The terminal elevators at Duluth, Superior and Minneapolis, which act as great reservoirs for the line elevators, are almost empty, and at no time during the season have they been filled to more than one-third their capacity."

INJURED PASSENGERS IN CAR OVERTAKEN BY FLAMES

Thirty-five Deaths Caused by Collision on the Rock Island System

PINIONED MEN UNABLE TO ESCAPE

Disaster the Result of Disregarding Orders Which Were Sent by Train Despatcher

Topeka, Kas., Jan. 2.—Thirty-five persons, all Mexicans but three, were killed, 55 persons were injured, and the bodies of 30 Mexicans were incinerated today, in a head-on collision between two passenger trains of the Chicago, Rock Island & Pacific railroad, near Volland. The wreck occurred while both trains were running slowly on a curve in a cut where the grade was steep. All the killed were in the southbound train, except a tramp on the northbound train. He and a negro porter and a workman accompanying a gang of Mexican laborers, were the only Americans killed, so far as known, although a passenger says that a woman and child were burned in a tourist car.

There were 32 Mexicans and five Americans composing the gang of railroad workers, and they were in the smoking car of the southbound train.

Most of the injuries were due to the setting of the emergency brakes, which threw almost every passenger in the southbound train to the floor. The northbound train was running up grade. The Mexicans were pinioned under the seats and the doors were jammed so they could not get out. In the chair car also many passengers were held down by the seats. The train caught fire from the gas tanks, which were broken. The passengers in the rear car escaped in their night clothes and dressed in the mud beside the track. Then came cries for help among the Mexicans in the smoking car, and the people pinioned fast in the chair car. Every man and nearly every woman on the train tried to rescue the unfortunates, but the flames soon became too hot to permit of approach to the car.

The injured were removed from the chair car with less difficulty, and apparently all were rescued alive.

John Lynch, 19 years old, telegraph operator at Volland, who let the southbound train get by his station, where it was to pass the northbound train, made the following statement tonight before being taken to jail: "I had been awake all night and was sober. At about 4 o'clock this morning the despatcher gave me some orders. One was that the southbound train would meet two trains at Volland instead of at Alta Vista, as previously arranged. The southbound train headed into a switch and let one train pass, backed out of the switch and headed down the main line without waiting for the other train. I thought it was going to stop and take water as trains have been doing, but instead, it went by at about ten miles an hour. The southbound board was at "danger" according to the lever in the office, but the train did not stop, and I ran out with my lantern, but with two swings across the tracks it went out. I then ran to the pump house, grabbed the pumper's lantern, waved it a few times and it also went out. I also called the pumper, telling him what had happened. I went back and told the despatcher that the southbound train was by, and we waited to see if it was going to come back or hit the northbound train. I told the despatcher that I was coming to Topeka, and was trying to get there when arrested."

REACTIONARY LEAGUE PLANNED MURDER

Revelations Concerning Death of Hertzenstein Cause Sensation

St. Petersburg, Jan. 2.—The revelations of the secret committee of the constitutional democratic party as the result of its work in definitely tracing the murder of ex-Deputy Hertzenstein, who was assassinated near the Terrick, Finland, last July, to the reactionary league of the Russian people, the counter terrorist organization, published by the Reich today created a sensation.

The League, among whose leaders are Dr. Dubrevin, president of the union of Russian people, Count Konovitsiki, head of the organization known as "The True Russian People," Apraxine, and one of the princes Volkensky, is one of the legalized political parties which is preparing to participate actively in the coming elections.

The Reich says it has proofs that Yuchkevitch, assisted by Poloofseieff and another prominent conservative, organized the crime, furnished the murderers with revolvers and even selected the spot where they were to lie in wait for Professor Hertzenstein. Exact details of their identity of the actual murders of the professor have been furnished to the procurator general.

No arrests have yet been made, but investigation of the charges against the league have commenced at St. Petersburg and Moscow and in Finland.

NEW HAMPSHIRE GOVERNOR

Concord, N. H., Jan. 2.—The two branches of the legislature in joint session today elected Charles M. Floyd of Manchester (Republican), governor, on the first ballot.

ENGAGE IN FISHING ON A HUGE SCALE

Company Now Being Formed Here Plans to Ultimately Employ Five Thousand Men—Ample Capital Said to be Forthcoming

A company now being formed here has in view the establishment of a deep sea fishing industry, which will ultimately give employment to 5,000 persons, and support an additional population of 20,000 people in Victoria. The organizers have been busy, and while a large amount of stock has already been taken up locally, they will look to the East to subscribe a large amount, unless an early settlement of the pending negotiations with regard to pelagic sealing is made. In this event $200,000 at least, if not more, of the capital now locked up in the sealing industry is promised for the development of the deep sea fisheries of British Columbia and the Behring sea, many of the promoters of the company under formation having large sums invested in the former concern.

It is proposed to make use both of sail and steam-driven vessels in the work. The companies in operation from Puget Sound use a fleet of schooners in cod-fishing, and steamers for halibut. It is probable that the same course would be followed here. The plan includes the outfitting of a fleet of cod-fishing vessels, which would go to the big cod banks off Portlock Point and the Behring sea. Stations would be established on the Queen Charlotte Islands, the schooners making a base there, while fast transfer steamers might be operated from Victoria to these stations to bring the catches home and take supplies north for the various vessels. This method of transferring the catch was used in the earlier days of the pelagic sealing business until the use of transfer steamers was prohibited.

With the establishment of the steamship service between Victoria and Mexico, the promoters of the deep sea fishing industry look to securing a large market. In Mexico and Central America, whose markets can be reached easily by way of Salina Cruz, there are large Catholic communities, who would consume a considerable amount of fish, thus ensuring a large sale.

Some years ago steps were taken in Victoria for the exploitation of the halibut and cod-fishing industries tributary to Victoria. The company, which had the steamer Thistle in the halibut-fishing trade at that time, failed because sufficient capital could not be secured, but it had paved the way for the establishment of the New England Fishing company, which is now engaged in the business, with headquarters at Vancouver. The company then engaged here was compelled to relinquish the use of the steamer Thistle, for that vessel being a Canadian bottom, a duty was collected on the fish sent into the United States. Therefore the United States steamer Edith was chartered and was operated out of Victoria. Shortage of the necessary capital wherewith to properly carry on the business compelled the company finally to abandon the industry, which was taken up with success by the New England Fish company.

An estimate has been made by practical men that within five or six years at least 5,000 men would be employed in deep sea fishing, after the company under organization, is ready to engage in business. With an average of three dependent persons to each of the employees, the organizers say their industry will have the effect of increasing the population of Victoria by 20,000 people.

On the Atlantic coast, it is pointed out, there are cities with as large a population as the city of Victoria which are dependent on no other industry than that of deep sea fishing, and their opportunities are not greater than those tributary to Victoria. The banks of British Columbia in the North Pacific are practically virgin fields, while those of the North Atlantic are becoming depleted as a result of centuries of fishing. It will not be long before the greatest number of consumers in the United States will have to look to the North Pacific for their fish supply.

As far back as 1898 the negotiations concerning pelagic sealing were practically completed. The United States came to an agreement on the basis then offered by Canada through the Imperial government for the settlement of the question. It was provided in this agreement that the sum of $500,000 was to be given in compensation to those whose property would be rendered valueless by the decision arrived at. If the government saw the wisdom of concluding the arrangement then agreed to, a large portion of this money would be diverted to what many consider a safer investment—deep sea fishing.

It is known that the American and Imperial governments are very anxious to conclude the settlement of the sealing question. The stumbling block in the way of early settlement is the Canadian government. The interests the people of the Dominion have in sealing are in the West, and the government is using the matter as a lever to force concessions in other questions between Canada and the United States which apply to the Atlantic coast of Canada.

It is stated that the industry of deep sea fishing would result in very large sums being spent in Victoria; in fact, it is stated by fishermen who have considered the subject, that in this manner a greater impetus would be given to local commerce than by pelagic sealing even in its most prosperous days. The outfitting and provisioning of vessels, equipment, lines, hooks, and salt, would stimulate trade, and the operations of the fishermen would entail the establishment here of a cold-storage industry.

WM. O'BRIEN MAKES SERIOUS ACCUSATIONS

Alleges That Redmondite Members Dealt Wrongfully With Funds

London, Jan. 2.—The allegations of financial wrongdoing on the part of Redmondite members of the Irish party in Cork on Dec. 31 by William O'Brien promises to become of serious importance. The Irish People, the organ of William O'Brien, publishes an editorial today declaring that the records of the alleged wrongful financial methods of Redmondites, the revelation of which was threatened by Mr. O'Brien in his speech at Cork, must be produced before an Irish jury, and that this jury shall hear the whole story, including a recital of the disposition of the immense sums obtained from the United States and Australia, which the paper avers were obtained under false pretenses and which enable the bosses of the party to defy the people.

RUSSIAN BUDGET

St. Petersburg, Jan. 2.—The preliminary budget estimates prepared by the minister of finance for the first six months of 1907, commencing January 14, provide $523,415,000 for regular expenditures, an increase of $18,896,000 compared with the semi-annual expenditures for the same period of 1906. The greater part of the increase will be absorbed in the payment of interest on the big loan of 1906, which increased the total of the interest charges from $11,098,000 to $94,730,000.

HALIFAX DOCKYARD

Control Taken Over by the Dominion Authorities

Halifax, Jan. 2.—New Year's day marked the passing of the last vestige of Imperial control at Halifax, when the naval dockyard passed into the hands of the Canadian government. Owing to the downpour of rain the historic ceremonies were robbed of spectacular interests. The formal transfer of the dockyard occurred at noon, when the officers and crew of the cruiser Canada saluted the blue ensign as it was hoisted to the masthead.

Col. Gourdeau, deputy minister of marine; Col. Anderson, chief engineer of the department, and Commander Spain were present, formally taking over the yard on behalf of the department.

Col. Gourdeau, Col. Anderson and Commander Spain will today begin an inspection of the whole yard and buildings, and this inspection will take some days to complete, probably until the end of the week. The dockyards will be used exclusively as a base of the marine department, but will still be available for British warships which visit this port.

MORE CANDIDATES PLACED IN THE FIELD

Vancouver Liberals Choose a Ticket—Conservatives of Nelson

Vancouver, Jan. 2.—The Liberals in convention this evening nominated W. W. B. McInnes, R. P. McLennan, Judge Henderson, J. W. DeB. Farris, and T. F. Neelands. Mr. McInnes was nominated on the strength of his promise that he would run wherever he was asked to. Judge Henderson will have to resign his judgship to run. R. P. McLennan is head of the well known hardware firm of McLennan, McFeely & Co., Mr. Farris is city prosecutor, and Mr. Neeland is an ex-mayor and a former Conservative. It is not thought likely that Judge Henderson will run.

The Conservatives held their primaries this evening, and will nominate candidates tomorrow. A few dissident Conservatives held a meeting of their own. There were only about a dozen present, and it fizzled out, with no action being taken, though the leaders say they will call another meeting for Friday night.

Nelson Nominations

Nelson, B. C., Jan. 2.—Party nominations tonight resulted in the selection of John A. Kirkpatrick by a convention of Conservative delegates, and the ratification of Dr. Hall by an open Liberal meeting of about 80 persons.

Mr. Kirkpatrick is a pioneer merchant of Nelson, coming here in 1892, and is now interested in mining. He was four times alderman, heading the poll. His nomination, he being a Progressive, or old-time supporter of John Houston, was made by Houston's opponents, thus healing the split in the Conservative ranks. Mr. Kirkpatrick is popular and is considered to stand a good chance of succeeding Houston.

J. A. McDonald, leader of the opposition, will address a public meeting tomorrow. The Socialists will nominate a candidate, probably Frank Phillips, president of the British Columbia District, Western Federation of Miners, on Friday night.

Opposition Leader

Rossland, Jan. 2.—J. A. Macdonald, leader of the opposition, was nominated for Rossland riding at the party convention here tonight. In accepting at a subsequent public meeting, Mr. Macdonald appealed to Liberals and organized labor to rally to his standard. It was the "Labor-Liberal vote," as he characterized it, which had elected him three years ago. It is his intention to leave here tomorrow on a tour of the province, visiting the coast and leading points in the interior.