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In concluding this report I desire respectfully to bring to the attention of Your Excellency in Council a matter of serious significance and importance which was disclosed during the course of the inquiry under the present commission. In the investigation of the different losses, a claim was made for \$600 by each of two opium manufacturers on account of loss of business for six days, their places of manufacture having been closed for that length of time in consequence of the riots. I was somewhat surprised at the presentation of claims for losses in such a business. There does not appear, however, to be any existing legislation prohibiting the importation of crude opium, or its manufacture in Canada, and the only restraint upon the manufacture of that article in the city of Vancouver is the municipal regulation requiring the taking out of a license and the payment therefor of a fee of \$500 before the manufacture can be carried on within the city limits.

In ascertaining the basis on which the above losses should be computed, I went somewhat fully into the nature and extent of the business of the two concerns on behalf of which claims were presented. I also personally inspected the premises and saw the process by which the manufacture of opium is carried on. In the case of one of these establishments it was stated by the proprietor that he had been engaged in the business for a period of ten years, and was employing, at the time of the riot, ten persons; that his gross receipts from this source alone for the year 1907, totalled \$180,000; that his wage bill for the month amounted to \$485; and that his estimated net profit, for the year 1907, was \$20,000. This was after deducting \$5,820 for wages, \$1,080 for rent, and \$500 for license fee. In the case of the other concern, the proprietor stated that while keping a small store, his main business was that of carrying on the manufacture of opium, in which he had been engaged for a period of twenty-one years; that he was employing, at the time of the riot, nineteen persons; that his gross receipts totalled between \$170,000 and \$180,000 for the year 1907; that his wage bill for the month amounted to \$1,525; and that his estimated net profit for the year 1907 was \$15,000, after deducting \$18,300, wages, \$1,800 for rent, and \$500 for license fee.

Both manufacturers stated that they sold to white people as well as to Chinese and other Orientals; that the opium was consumed in different parts of the Dominion; and that, in addition to their own factories, there were three or four other opium factories in the city of Victoria and one in New Westminster, all of which were doing an extensive business.

Regarding it as an anomaly that the Government of Canada should, under any circumstances, be held bound to make good pecuniary losses in an industry so inimical to our national welfare, and having regard to the discretion given me by my commission, I feel it my duty respectfully to submit that the operations of the opium industry in Canada should receive the immediate attention of the parliament of the Dominion, and of the several legislatures ,with a view to the enactment of such measures as will render impossible, save in so far as may be necessary for medicinal purposes, the continuance of such an industry within the confines of the Dominion, and as will assist in the eradication of an evil which is not only a source of human degradation but a destructive factor in national life. This industry, I believe, has taken root and has developed in an insidious manner without the knowledge of the people of this country. Its baneful influences are too well known to require comment. The present would seem an opportune time for the government of Canada and the governments