

"The policy of the government with regard to mining has been to leave that industry severely alone so far as amendments to the present very satisfactory acts are concerned. This attitude on the part of the mines department has been to give increased confidence to investors that their investments and interests will not be interfered with or rendered unstable by legislation which was in former years changed from year to year, which, as a consequence, frequently left the mine owner in a very uncertain state as to his rights. The mining industry is in a very prosperous condition, and the output this year remains much larger than before."

"There was only one act of special comment, which may be regarded as affecting mining interests, and that was the loan authorized by the legislature to assist in establishing an experimental plant at Nelson for the purpose of treating zinc-lead ores. This was heartily approved of by both the government and opposition members. In view of the possibilities of treating this class of ore, in case the experiment proves successful, it will be many times worth what it will cost the government, although we do not expect to take much risk in that respect.

#### **Coal Tax Act.**

There is another measure which, though it affects the mining industry, is really more a matter of finance. I refer to the bill abolishing all royalties on coal and placing a straight tax of 10 cents per ton on coal and 15 cents per ton on coke. This will substantially increase the revenue without incurring any hardships on the coal operators, and will fairly apportion the incidence of taxation. The royalty which is imposed, for instance, on the Crow's Nest Pass mines could not by law be imposed on the old Vancouver Island mines, as there were operated before the royalty came in force. Now all mines are on the same basis.

"I must not forget to refer to the change authorized by the act amending the constitution to be made in the department of lands and works. This important office is to be divided, and a minister appointed to take charge of lands, and another of public works. This has been found necessary owing to the tremendous increase of work under both these branches of the service, particulars of which I gave when the bill was under discussion.

#### **Timber Industry.**

"With reference to the legislation in regard to questions connected with the lands and works department, the course in placing a reserve on the timber lands of the province; the decision

to investigate carefully the conditions which exist affecting the timber industry for the purpose of framing sound, permanent, policy; the cautious but wise amendments introduced by Mr. Fulton to the Land act, and the move in the direction of effective legislation with respect to irrigation and public control of water rights, were all decidedly in the public interests.

"The discussion of labor resolutions and legislation occupied an unusually large amount of time as before remarked. Incidentally, a number of the measures, both public and private, involved labor interests, and in each case care was taken to conserve them as far as possible. On the whole, I do not think that labor has any reason to complain of the action of the legislature, or of the government, with respect to matters in which it is specially interested. The policy of the government in this respect has been to act fairly to both capital and labor, and in that course I am quite sure the greatest measure of justice will be done and the largest public benefit ensured. Among the special measures enacted were, as I have stated, the Fair Wage clause, which is included in all the railway legislation, the Factories act, introduced and passed through the house by Mr. McPhillips, the Shops Regulation act, and the Natal act.

#### **Better Terms.**

"These are, I think, the principal things to which I have to refer as relating to the late session," concluded the premier, "with the exception that I might refer to the resolution passed re-affirming the position of the province with respect to better terms. There is no change in the attitude of the government on that important subject. I do not expect that the present government at Ottawa will re-open the question, because Sir Wilfrid has definitely and unequivocally given his decision; but I have every reason to believe that Mr. Borden, if elected, will take up the subject and investigate it on the lines we desire. We shall continue the agitation until either the government at Ottawa is forced to reconsider their decision, or there is a change in government. We have no desire to make it a party question whatever, but as Mr. Borden has always promised to give the province a commission of inquiry, as asked for, and if we cannot get any further redress from Sir Wilfrid Laurier's administration, the question will necessarily assume a political aspect and will be forced into the political arena as one of the issues between the province and the Dominion which must be fought out at the polls."