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How Chinese Can Evade Head Tax

By Depositing Five Hundred Dollars for a Year and Attending School.

Future Coolies Can Come In—Few are Taking This Advantage.

In regard to the channel left open for Chinese to evade the payment of the head-tax of $500, mentioned in yesterday's Colonist, it is not probable that many will take advantage of its opportunities; since the head tax was advanced from $100 to $500, not one Chinese of the coolie class has entered the country. But one instance is on record in the province during the year just past where the $500 has been paid to secure the admittance of a Chinaman, and that case was not through any desire of the Chinese to add $500 to the Canadian revenue. The $500 was paid in the one solitary instance by the C. P. R. SS. Co. to cover the entry of a Chinese member of the crew who deserted from one of the Empress liners.

In consequence of the stoppage of the entry of undesirables from China, the matter of the Chinese securing entry through a year's attendance at the city schools, as told in yesterday's Colonist, will not be of such grave concern as it was when the large numbers were coming in on payment of $50 and later $100 head tax.

If any Chinese who desires to bring a young man from China to Canada wished to do so, however, he might easily evade the payment of head tax, by taking advantage of the loophole left in the law. By putting $500 in the care of the Dominion government for a year, and having the young man attend the city schools, the Chinese would secure a refund of the head tax from the Dominion. The act says that any student entering the country is given free entry. The customs officers, however, assess the incoming Chinese for the amount of the head tax, and when a certificate is given to the effect that the student has attended school for a year the amount paid to the government is refunded. Application for a refund of the tax must be made within eighteen months of the time it was paid.

Suggestions Re Taxation

(Continued from Page Two.)

expense. The government could do it much cheaper."

Mr. Tatlow—"You advocate that the government should do the surveying?"

Mr. Sutton—"Yes. It would reduce the cost. Not only that, but the lands would be better classified. The government would know what they were doing—what they were selling."

Mr. Tatlow—"And then sold without restrictions as to settlement or any other condition?"

Mr. Sutton—"Of course, that is another matter."

Mr. Cotton—"You speak of surveying as a practical matter. How start these surveys? You must know, of course, that this country is not like the Territories or most of the states of the Union. To survey this country as they do would cost millions of money. It would double our debt at once."

Mr. Sutton intimated that returns might be realized through sales of the lands, as soon as surveyed. Some parts of the province had been surveyed, the San Juan valley, for instance. But preemptors were allowed to go in there and they set fires and destroyed it as a timber country. The government could have realized $5 per acre for that whole valley.

Mr. Cotton—"You advocate suspending the pre-emption laws?"

Mr. Sutton—"Oh no. He suggested that his objection was that pre-emptors should be permitted to go upon timber lands and cause the destruction of the timber by setting fires, in order to do the improvements required by the act."

Mr. Sutton went on to argue that the taxation imposed by the Assessment Act upon the timber industry was too high. He also objected to the act passed last session allowing anybody to take up land under leasehold at 25 cents an acre, arguing that it was an unfavorable bargain that land should be tied up for 21 years at this figure, in comparison with the $5.00 per acre previously obtained for lands.

Mr. Cotton pointed out that in the one case the purchaser got the land in fee, while in the other case the fee was retained by the government.

Mr. Sutton said the value of the land was in the timber. He said he did not bring this matter forward as a complaint or criticism against the government, but that it might be considered with a view to possible improvements being effected. He contended that the system of leasing offered the best chance for land grabbing. He suggested that conditions should be incorporated in the Land Act to protect the timber from fire. For instance, the holder of timber areas might be compelled to burn over the lands which they had logged, so as to diminish the danger to adjoining limits. These lands might also be sown in grass seed and rendered valuable as pastures for sheep and cattle.

Mr. Cotton said it would be a great thing if the loggers could be made to log the land thoroughly instead of taking only the cream, as it were.

Mr. Sutton said he knew of cases where nearly half the good merchantable timber had been left in the woods. In this way the logger made a mess in the forest as food for any fire which came along. He described the pulp lessee as a timber grafter, who could tie up 300,000 acres of land without putting up any money at all.

Mr. Tatlow—"You are aware that that clause in the act has been repealed?"

Mr. Sutton—"I did not know it was repealed entirely."

Mr. Tatlow—"Yes, it was repealed last year. No more pulp leases can be issued by the government."

Mr. Ker—"How many have been issued?"

Mr. Tatlow—"Could not say exactly, but only three or four were still in existence."

Mr. Sutton—"There is no question that that was one of the worst acts ever introduced in the way of graft."

Mr. Cotton—"You would not check the development of pulp lands, would you? There is timber in the province which is only fit for this purpose. It is a very large industry and there are millions of dollars invested in it in Eastern Canada now."

Mr. Sutton—"I would not check that, but I would check the wholesale tying up of these lands."

Mr. Cotton—"I see no difficulty in making a lease of pulp lands the same as a lease of anything else. The trouble was that there was no discrimination shown in carrying out the act and they were allowed to run lines around a whole territory and call it a pulp lease."

After some further discussion on these lines, the commission adjourned until 2:30 o'clock.

AFTERNOON SESSION.

C. C. Fisher, collector and assessor for New Westminster city and district, appeared before the commission. Reference was made to the letter from Mr. John Oliver relating to the working of the Assessment Act, Mr. Fisher said that the statement in the letter to the effect that the assessor was given from January to November to do his work was practically correct. In reply to Capt. Tatlow regarding another statement in Mr. Oliver's letter, Mr. Fisher recalled having instructed his officers to collect the revenue tax from certain Japanese and Chinamen employed in picking the strawberry crop. In connection with this work forms were given to the officer to be filled in, showing the value of the crop concerned, etc. Mr. Oliver, seeing these forms, had mistakenly assumed that information was being sought respecting the growing crops. He had discussed the matter with Mr. Oliver, and explained to him that in cases where the fruit had been picked and sold the farmer was not liable to assessment therefor, but that in that case the purchaser would be liable. Out of the discussion Mr. Oliver had taken the impression that the growing crop was assessed. This was not so. In no case had he assessed the growing crops. As an illustration that the Assessment Act was generally acceptable to the farmers, witness referred to a case on the Delta (Mr. Alex. Davy) where the farmer had agreed to a considerable amount being added to his assessment for crop which had been cut and sold from the field before the assessor's arrival.

Mr. McKilligan, replying to Capt. Tatlow, said that in no case had any attempt been made to assess growing crops in the administration of the Assessment Act.

Mr. Fisher, in connection with other matters upon which he was questioned by Mr. Tatlow, especially as to criticisms directed against the act by Mr. John Oliver, said the act was especially favorable to the small farmer.

To Capt. Tatlow witness said it would be practically impossible to fix a uniform date for making assessments in his district.

To Mr. Cotton witness said that the assessments were so made that they fell upon all the farmers just as uniformly as if they were all made in the one day.

To Mr. Cotton witness said that conditions varied so much in the various districts that he could not very well suggest any particular time as the most advantageous time to make assessments. Speaking for his own district, he thought it should not be later than the middle of May.

Replying to questions, Mr. Worsfold, assessor for the Victoria district, said that his opinion was that the act would bear most hardly upon the small farmer—for instance, such as some ranchers in the Saanich district, whose income would not exceed $1,000 and who would be taxed $40 or $50. He did not mean that there was anything specifically unfair toward the small farmer, but that in proportion to income they would feel it most. In many of these cases, of course, the farmers would not be deriving income from all their land, but would be holding lands uncultivated capable of being considered as a speculative investment. So that this consideration would be in his favor as against the case of the merchant in the matter of taxation.

Mr. Fisher, replying to Mr. Cotton, said he had not found any insuperable difficulties in administering the act, nor had he encountered any appreciable objections to it. Neither had he found any difficulty in getting form No. 9—concerning incomes—filled in. In the assessment of produce, too, the farmers had taken very kindly to the act, and compared it to the assessment of stock in possession of the merchant.

A letter was read from C. Sweeney, chairman of the Vancouver clearing house, stating, in effect, that with regard to the rate of taxation the bankers had no objection to the act, but thought regard should be had to losses written off in their favor on the question of income.

This matter was left in abeyance, pending the production of information by the chairman as to what was done in England.

Mr. Wm. Shannon was heard concerning suggestions made in his letter respecting improvemets in the Land Act.

Replying to Mr. Cotton, he said he was of opinion that the increase in the tax was injurious. It discouraged the investment of capital, and incidentally reduced the revenue derivable therefrom to the government.

As to the point that the export prohibition should be modified to permit the sale of telephone and telegraph poles, he said this could be done without any risk that merchantable timber might go out in this class. He said that he had an opportunity last year to contract for 80,000 telephone poles with a firm in Mexico, but was prevented by the terms of the act. This contract would not only have given considerable revenue to the government, but would have given employment to numbers of loggers who were idle at the time. The price offered was 4½ cents in the water. Lumber could not be manufactured out of telephone poles. Therefore, their export should not be prohibited on this ground. In this connection he mentioned that the timber areas which he had in view for the supply of these poles had been since destroyed by fire. Therefore, a double loss had been inflicted upon the province.

In regard to the opinion of Mr. Sutton that the issue of pulp leases was detrimental to the interests of the province, Mr. Shannon disagreed with this view. He thought if the terms of the lease were properly drawn and strictly enforced, nothing but benefit could accrue to the province. The timber was not fit for anything else but pulp, and he thought, if fairly encouraged, a large and profitable industry might be cultivated. He was satisfied that there was an unlimited supply of capital which might be engaged in the industry if sufficient security were given to capital in the terms of its lease.

The commission then adjourned.

GEN. STOESSEL'S DUTY.

Heroic Commander Accepted Parole in Order to Report in Person.

St. Petersburg, Jan. 12.—The war office explains that the reason for Lieut.-General Stoessel giving his parole and returning to Russia instead of remaining at the head of the heroic troops who formed the garrison of Port Arthur and sharing their fate as a prisoner of war in Japan, is that it is incumbent on him to bring a detailed report of the defence of the fortress to the Emperor. Rear Admiral Dochinsky, who is senior naval officer, will bring the naval report.

SMOOT INVESTIGATION.

Washington, Jan. 11.—When the defence in the Senator Smoot case investigation was taken up today, the room of the Senate committee on privileges and elections was crowded with women. Wm. J. McConnell, of Northern Idaho, was the first witness. He is a member of the Presbyterian church. Mr. McConnell said that one of the principal causes why the Democratic party was boycotted by the Mormon church was that Senator Dubois called the Mormons criminals.

NOT ACCEPTABLE.

Washington, Jan. 12.—President Roosevelt indicated today to Senator Cullom, chairman of the Senate committee on foreign relations, his earnest desire that the arbitration treaties pending in the Senate should be ratified without amendment. The President reiterated his purpose to withdraw them rather than permit emasculation. Senator Cullom was of the opinion that they would be ratified without amendment.

FRENZIED FINANCE AND ITS RESULTS

Details of Booming Montreal and Boston Stock Told in New York.

New York, Jan. 12.—Details of the effort to "boom" the stock of the Montreal and Boston Consolidated Mining and Smelting Co. by Munroe & Munroe were told today in the proceedings to force the firm into bankruptcy. Wm. F. Mitchell, a broker, said he had lost $30,000 on the stock and told of his partnership with Arthur Shaw to sell it. From Nov. 25 to Dec. 7 they bought 81,860 shares and sold 371,000 shares.

He also produced a pooling agreement between Arthur Leach, of Fashion, Leach & Co., bankers and dealers in bonds, and Munroe & Munroe for 10,000 shares at $2.75. After the failure Mitchell said Mr. Leach tried to get him to destroy the agreement saying it was "bad business to be in." Mitchell said that Archibald G. Loomis, vice-president of the National City bank, told him that Munroe & Munroe carried a good account at the bank and were all right.

E. W. Curtis, formerly manager for Munroe & Munroe, said that firm secured $40,000 a day from the National City bank each day from Nov. 28 to Dec. 7 on 35,000 shares of the mining stock deposited as collateral.

GAZETTE NOTICES.

Few Items of Interest Appearing in the Provincial Publication.

The following notices appear in this week's issue of the provincial Gazette:

Angus Wyllie Kenning of Rossland, to be a coroner within and for the province of British Columbia.

Wentworth Fletcher Wood, J. P., James Mellors, Owen Salisbury Bachelor, and Neville John Hopkins of Kamloops, James Pearson Shaw of Shuswap, James Aird of Stump Lake, Joseph Collett of Quilchena, Richard Edward Woods of Grand Prairie, and Patrick Owens of Salmon Arm, to be fence viewers within and for the Kamloops electoral district.

William Gordon of Cranbrook, to be a justice of the peace.

James Bolivar Mathers of the city of Vancouver, to be a notary public.

Frank McGowen of Vernon, barrister-at-law, to be police magistrate within and for the said city.

Theodore Hatton Calland of Vancouver, to be a notary public within and for the province of British Columbia.

His Honor the Lieutenant-Governor in Council has been pleased to accept the resignation of Charles E. Doherty of Ymir, M. D., C. M., as a coroner within and for the province of British Columbia.

His Honor the Lieutenant-Governor in Council has been pleased to accept the resignation of John T. Edwards of the city of Kamloops, as a justice of the peace within and for the province of British Columbia.

Sittings of the Supreme Court for the transaction of the business of courts of oyer and terminer and general jail delivery, will be held at the court house in the city of Victoria at 11 a. m., on Tuesday, January 24.

Assessors are notified that the time for completing the duties of the Courts of Revision and Appeal, and adjournments thereof, where necessary, with respect to the assessment rolls for 1905, has been further extended until, on or before, January 16.

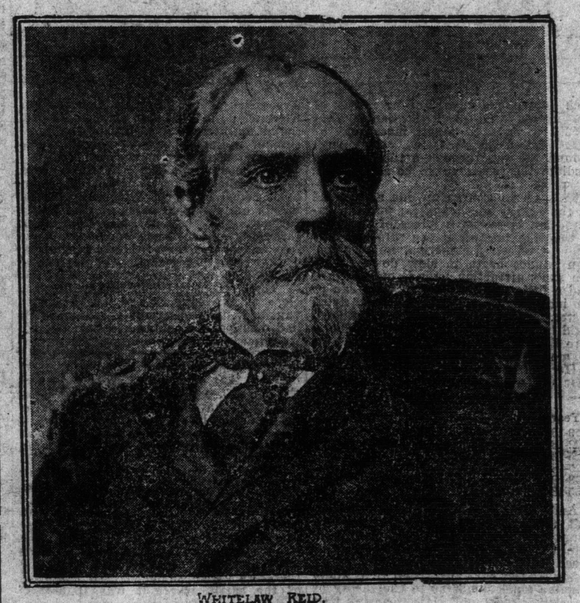
The following companies and clubs have been incorporated: The Oscar Brown Co., Ltd., with a capital of $15,000; the Nelson Copper Syndicate, Ltd., with a capital of $10,000; the Thompson River Lumber Co., with a capital of $10,000; the Vancouver Chinese Club, under the Benevolent Societies Act.

Yukon Pilot Dead—Capt. Daniel A. Carter, a pioneer navigator of the Pacific coast, died Dec. 31 at Clifton dale, Mass. his former home. News of his demise came in a letter received in this city yesterday. Capt. Carter was born in Belfast, Me., sixty years ago. He was for many years master of vessels plying the Pacific among others the ill-fated ship Quontrai. For the past several years he was a pilot of Yukon river steamboats. Last October Capt. Carter being in bad health and realizing that he could not live long, returned to his old home to die.

"Yes," said the amateur sportsman, "I had great luck on my gunning trip today."

"Why, you didn't bag anything?"

"I know, but the last time I was out I bagged a cow."—Philadelphia Ledger.



WHITELAW REID.
PHOTO BY AIPE DUPONT, N.Y.

Joseph Choate, ambassador extraordinary and minister plenipotentiary of the United States at the Court of St. James, has decided to retire from the American diplomatic service, and in forwarding his resignation from the post at London to the President, according to the custom in vogue immediately preceding a new administrative term, he requested that it be accepted that he might be enabled to return to New York and resume his extensive law practice.

Following the announcement of Mr. Choate's retirement from the highest diplomatic representation of this nation abroad comes the announcement of the appointment of Whitelaw Reid to succeed the retiring ambassador. The fact of Mr. Reid's selection by the President for the coveted post followed an extended conference held between Secretary of State Hay, Assistant Secretary Loomis and President Roosevelt, which was devoted to discussion of the appointments and transfers that are to follow the inauguration on March 4. The accredited change of diplomats to the American embassies abroad was treated by the administration in this conference.

GIRL CRIMINAL LAWYER.

Mlle. Guilhaud, a young woman lawyer of Carcassonne, in the south of France, has just covered herself with glory by an eloquent plea before the assize court of the Aude department, in favor of a girl accused of infanticide. She pleaded the cause of her erring sister with such warmth and passion that the conclusion of her speech brought forth loud applause in court and caused the judge warmly to congratulate her on her first effort. The jury paid a still more more practical compliment to her eloquence by acquitting her client.

SUNDAY SCHOOL CONVENTION.

Philadelphia, Pa., Jan. 12.—The committee on programme for the eleventh quadrennial International Sunday School convention, which will be held in Toronto June 23 to June 27, today elected Rev. Floyd W. Tomkins, of this city, to lead the devotional exercises.

Along the Waterfront

Wanderer Fined for Violating Customs Regulations—Sailing Line to Mexico.

Steamer Tees Brings News of Tragedies on Northern B. C. Coast.

(From Friday's Daily.)

The tug Wanderer, of the Puget Sound Tugboat Co., has been fined $400 by Acting Collector of Customs Mr. John Newberry for having violated the Canadian customs regulations by towing in Canadian waters. The fine has been paid under protest. The action of the Wanderer was flagrant. She left Seattle and proceeded to Swanson bay, where the Seattle steamer lay at anchor in distress without reporting at any Canadian port, in fact, the captain of the Wanderer did not make a report until he reached Nanaimo on the downward trip with his tow. Had the Wanderer come to Victoria to clear for Swanson bay clearance could not have been given for the purpose of towing the Jefferson south as foreign tugs are not allowed to tow between any points in Canadian waters; she did not even seek permission to tow the disabled vessel south. The officer at Nanaimo neglected to punish the Sound tug, but her owners have since been brought to book.

This is the second fine paid by U. S. vessels in conection with the disablement of the Jefferson in Swanson bay. The steamer City of Seattle took the passengers from the Jefferson and carried them to Seattle, violating the Canadian cusoms regulations thereby and her owners were fined $400. In order to protect Canadian shipping—for the Wanderer's illegal act prevented the towage of the Jefferson being done by a British Columbia tug—the customs authorities have fined the owners.

TO MAKE NEW RATE.

Meeting of the Alaska Steamship Association.

The Alaska Steamship Association, composed of four leading steamship companies trading in Southeastern Alaska, held an annual meeting in the Butler hotel at Seattle yesterday for the purpose of discussing trade conditions, adjusting freight and passenger rates and transacting such other business as may come before the association.

The four companies that are members of this association are the Pacific Coast Company, the Humboldt Company, the Alaska Steamship Company, and the Canadian Steamship Company.

At the meeting the most important bit of business transacted by the association was the establishment of a through rate to Dawson via the White Pass & Yukon railroad—the rate to take effect upon the opening of navigation. The rate was not announced.

ANOTHER ISLAND MINE A WINNER

Handsome Returns Made by Smelter Run on Victoria Ore

About a year ago a copper claim was located near Ladysmith which has since come to be known as the Victoria group. This property has been operated by the Vancouver Island Exploration and Development Company, of which Mr. Henry Cecil is manager, and promises to become famous in the mining world, bringing credit and profit not only to its owners but to the district in which it is placed; and incidentally, of course, Victoria will be the gainer by having another successful mining community added to its list of customers. As an indication of what the mine promises to be, the company has just received returns from the Tyee smelter on eleven tons of their ore, showing the very high figure of $26.49 ore values. The mine bids fair to be a continual shipper, and there is a big body of ore in sight.

Herbert Gladstone, son of the famous English statesman and himself a man of note in public life, is about five feet seven inches tall, and with his extremely boyish face might well be taken for a man of less powerful physique than he really is. As a matter of fact, he is a very powerful man and a very muscular man, and is able to do great feats in athletics when he likes. He inherits his strength from both his parents. They both lived almost to 90.

The number of foreign students, especially of those coming from Russia, has steadily grown, but a careful study of the attendance at the German universities seems to show that Americans have not been adding to this increase.

"Is he wealthy enough to own an auto?"

"Is he? Why, he's wealthy enough to be an amateur photographer."—Houston Post.

FROM THE NORTH.

Tees Brings News of Tragedies on Northern Coast.

Steamer Tees of the C. P. R. Co. arrived yesterday afternoon from Naas and way ports of northern British Columbia, bringing 25 passengers in the saloon and 10 second class passengers. The cargo included 2,500 cases of salmon and 60 tons of ore brought from the Princess Royal Island mines for the Tyee smelter at Ladysmith. Capt. Hughes reported that splendid weather prevailed in the north, it being the best season experienced for some years.

News was brought by the steamer of two tragedies at northern points, and also of investigations being made by the provincial police to discover the body of another victim of Tom Kleminamitano, the Indian murderer now awaiting trial. The skeleton of Telika, a dwarf, who is said to have been killed by the Blundell harbor Indian, is expected to be recovered.

While apparently in a demented condition Victor Calgarian, employed as watchman at the Claxton cannery, on the Skeena river, committed suicide last week by blowing his brains out with a shot gun. From the meagre details gleaned by the officers of the Tees, the affair occurred on January 3. Calgarian did not exhibit any signs of insanity prior to committing suicide, and but a short time before seemed in good spirits. Soon after leaving duty he was seen by friends to enter his cabin near the cannery, and shortly afterward they heard the report of a gun. Rushing in, they found Calgarian's body lying on the floor with a shot gun lying across it. He had placed the gun so that the charge entered his head when he pulled the trigger with a piece of twine. Deceased was an unmarried man, of middle age. His body was interred at Claxton.

A Japanese fisherman was killed at Bella Bella by the accidental discharge of his own gun. He had been hunting from a bat, and it is surmised that he came in contact with the trigger while working the boat. The contents of both barrels had entered his stomach, and when found his body lay in a heap at the bottom of the boat.

A SAILING LINE.

Mazatlan Capitalists Want Service to British Columbia.

Capitalists of Mazatlan, west coast of Mexico, have entered into negotiations with several San Francisco shipping firms for the purchase of one or more sailing craft which are to be placed in service between Mexican ports and Puget Sound and British Columbia ports.

It is understood that the purchase of one vessel, a large schooner, has about been arranged. Those who are behind the purchaser, E. P. Darkin, intend to increase the fleet as trade opportunities warrant. The schooner will be run under the American flag, and in her trips along the coast she is likely to call at this port. She will be operated as a lumber and general produce carrier.

Possibly in the future some steamers may be placed on the route, but at present those who intend to operate the schooner state that she will be well able to care for all the traffic likely to offer for the next year or so. If she is unable to do so an additional schooner will be purchased for the route.

The question of conflict in rates between the windjammer and the steam freighters, which are run between Mexico and British Columbia under subsidy both from the Mexican and Canadian governments, does not appear to bother Mazatlan people. They say the steamers cannot cut rates, and they themselves are not likely to do so.

NEWS OF THE ARMY AND NAVY

Interesting Items Referring to Both Branches of the Service.

London, Dec. 28.—The ordering home of the cruisers Charybdis, Commodore A. W. Paget, M. V. O.; Pelorus, Commander T. L. Barnardiston, and Prometheus, Commander Maurice Woolcombe, from the North America station reduces the squadron of Vice Admiral Bosanquet to the following seagoing ships:

Ariadne (flagship), Flag Captain A. G. H. W. Moore; Indefatigable, Captain W. J. Grogane, and the flagship's tender Columbine. The Alert and Pallas have already been paid off. The training ship Calypso will remain at St. John's, and the Terror at Bermuda. The commission of the Indefatigable expires on the 15th prox. She will be recommissioned at Bermuda for a two years' further spell of duty on the station.

The opinion that the naval bases of Halifax and Esquimalt will not be stripped completely of trained gunners is positively confirmed. Whilst Canada is showing a desire to share in the burden of Imperial defence, it would not be judicious to entrust such important places entirely to the care of militia gunners. Artillery officers and gunners are not made in a day.

Although Esquimalt will be practically shut up under the new conditions it will, and must remain, an important coaling station. Indeed, at one period its abolition was contemplated, but the growth of Russian and German influence in the Pacific staved off the evil day.

The coast guard service is next to feel the reforming hand. It is stated that the present ratings will return to sea service and their places will be filled by pensioners and naval reservists. In these days of free imports and the practical cessation of smuggling, the work of the coast guards is not what it was. It is estimated that whilst a great financial saving will be effected that some 4,000 men will be freed for service afloat.

Our "gilded youths" are not coming forward in sufficient numbers to fill vacancies in the Foot Guards, with the result that the Grenadiers, Coldstreams and Scots Guards are under officered in the junior ranks. The expenses of the officers of the Household Brigade are so heavy that none but the cadets of moneyed families can enter it. If these fail to take to soldiering officers will have to be taken from the less moneyed classes. In our army the officers of the Royal Garrison Artillery, with the exception of subalterns, are the only ones who can live on their pay.

An instance of how British shipping is treated in foreign countries is shown by the action of Germany in the Pacific. We have built up this trade in the Pacific islands, Germany having charged British subjects £100 per annum for a trading license. This license is now to be increased to £200 per month, which, of course, will prevent Britishers from taking any further part in the trade they have created. This is a case for Lord Lansdowne's big revolver.

The 3,000-yard torpedo, with which considerable progress has been made recently, is not perfect enough for issue to the fleet. The authorities, according to the well-informed naval correspondent of the Pall Mall Gazette, are trying to find a way of neutralizing the effect of temperature. This is a very important factor in torpedo warfare, for if the water be too cold, the condensed air in the weapon generates ice, which interferes with the engines. This probably explains the ill-success which attended some of the Japanese efforts at Port Arthur—the ice-clots made the torpedoes deviate from their courses.

The rumored abandonment of the Forth naval base at Rosyth has caused a little flutter in the dovecotes. Following on admiralty miscalculations at Gibraltar, the rumor, if true, is sure to create grave concern. It would be taken to show either that the admiralty has made a great error or does not know its own mind—the latter a supposition quite as injurious to the reputation of the department. Others see in the projected abandonment of Rosyth as a naval base the virile hand of Sir John Fisher.

JUDGE GRAY ON CONFEDERATION.

"R. V." in Montreal Gazette.

It has been often regretted that the late Hon. John Hamilton Gray did not complete his work on Confederation. We have, indeed, many good surveys of the course of events which began forty years ago, and took ten or twenty or thirty years for completion, if completion has even yet been attained. For Judge Gray's purpose ten years would have sufficed. When he published his "first volume" in 1872, the work was not completed in the Maritime Provinces. He brings the record down to the 1st of July, 1867. There is in that volume, however, a passage which, it seems to us, may fitly serve as a pendant to Mr. Archambault's words in the memorable debate of March, 1865. "I cannot," says the author of that passage, "contemplate with the same feeling as the secretary of state a separation taking place between this country and Canada. * * I should be very sorry * * to suppose that the conviction between the Mother Country and this important colony should end. It has had the advantage of having been colonized during a number of centuries by two of the most distinguished nations of Europe. Canada is, in fact, a reflex of those two powerful races, differing in their manners and even in their religious opinions; and has many of those diverse elements which tend to change a mere colonial into a national character. I do not think that the importance of Canada can be overrated." But his high estimate did not lead him to regard with equanimity the prospect of severing the tie that joined Canada to the British Empire. The speaker was Benjamin Disraeli, the occasion being the debate of July, 1862, in the British House of Commons on the defence of Canada. Lord Palmerston heartily concurred, believing that separation would benefit neither Canada nor Great Britain. But to Lord Beaconsfield belongs the credit of discerning that what many regarded as a source of weakness would be, in Canada's case, as it had been in that of England, a source of strength and distinction.

THE WAR LORD COMMENDS ALL

Emperor William Signifies His Approval of Heroic Besegrs and Defenders.

Berlin, Jan. 11.—The Emperor William received the Russian ambassador yesterday in formal audience. His Majesty expressed admiration at General Stoessel's defence of Port Arthur and informed the ambassador that the Emperor of Russia had given his consent that General Stoessel should receive the Prussian order of pour le merite as Emperor William's recognition of his distinguished bravery.

Today Emperor William received the Japanese minister in audience, complimented him on the courage, tenacity and capacity of General Nogi and informed him that the Emperor of Japan had consented that General Nogi receive the same order, pour le merite, the bestowal of which was announced yesterday.

The telegraphic correspondence between Emperor William and Emperor Nicholas and the Emperor of Japan follows: Emperor William to Emperor Nicholas: "The Emperor, Tsarskoe-Selo: The defence of Port Arthur will remain for ever an example for the soldiers of all peoples. The hero who commanded your faithful troops is admired by the entire world, especially by my army and by me. In order to give expression of the sympathy and admiration for General Stoessel and his valiant troops, I hope for your consent to confer upon him the order of pour le merite, our highest military decoration, founded by Frederick the Great. I shall grant the same honor to his brave opponent, General Nogi. (Signed) Wilhelm."

Emperor William to the Emperor of Japan: "His Majesty the Emperor of Japan, Tokio: The siege and capture of Port Arthur have proved General Nogi to be a brave and wise military commander. His heroic deeds and those of his troops will be admired forever by all soldiers, especially by me and my army. I hope your majesty will permit me to confer upon him as an outward sign of my admiration the order of pour le merite, the highest Prussian military decoration, founded by Frederick the Great, for bravery on the battlefield. His brave opponent, General Stoessel, has received the same distinction. (Signed) Wilhelm."

From the Czar to Emperor William: "His Majesty the Emperor, Berlin: In the name of my army I thank you for the high distinction which you wish to confer upon Gen. Stoessel. He did his duty to the end at the head of his brave garrison. Your sympathy and that of your army and your recognition of his behavior are deeply felt by me."

The Emperor of Japan to Emperor Williams: "I am thankful for your majesty's kind wish to confer the decoration on General Nogi, I consent with pleasure."

CHINESE NEUTRALITY.

St. Petersburg, Jan. 12.—The Russian government has issued a circular letter to the powers calling their attention to the alleged violation of Chinese neutrality and citing numerous instances during the war in the Far East tending to prove that China is unable to fulfill her obligations. This state of affairs, the circular says, is calculated to bring the country into perilous paths and it concludes by saying that Russia claims the right to act in her own interests.

EXCITEMENT IN ATLIN.

Prospects of New Wagon Road Creates Great Interest.

Log Cabin, Jan. 5.—(Special.)—There is quite an excitement in Atlin at present over the proposed wagon road from Juneau to Atlin, which, it is claimed, is less than 100 miles distant.

This project is to compete with the W. P. & Y. R. Co. and make them lower the freight rates. It seems that some people are never satisfied.

After the W. P. & Y. R. Co. made a good reduction in rates, the prices of goods were not reduced, and probably would not be if the transportation companies would deliver the goods free. However, the wagon road might be a good proposition, but a much wiser plan would be to look after a good road from Log Cabin to Atlin and open up some good mining country, as the route from Atlin to Juneau is through a barren, sandy country. However, all is necessary is the pull, but the pull of the present party in power is always on the wrong end of the string, and unless there is a change for the better in the near future, British Columbia will be in a worse state of affairs than at present—which is rotten.

ANOTHER CANADIAN ANNEXED.

New Haven, Conn., Jan. 12.—Ernest Rutherford F. R. S. Macdonald, professor of physics in McGill university, has been appointed Silliman lecturer at Yale for 1905.

HOPE FOR STORK.

Many Hoping to See Her Arrive With Valuable Furs.

The only overdue vessel left on the board at the San Francisco Merchants' Exchange is the British bark Stork, now out 115 days from Hudson's bay for London, and quoted at 75 per cent. for reinsurance. There has not been much speculation on the vessel, though, according to a statement published in the London Daily Telegraph a few days ago, the owners of the Stork have reason to expect her safe arrival. She is a small vessel of only 504 tons register. One of her sister ships, leaving Hudson's bay before, did not reach London until January, and still another vessel of the line, leaving Hudson's bay late in the season, as the Stork has done, was not reported until the following March. The Stork has a cargo of furs aboard worth $250,000.

Balfour Evades Fiscal Question

Premier Addresses Banquet in His Honor at Glascow Last Night.

Army and Many Reforms Mentioned but no Word as to Dockyards.

Canadian Associated Press Cable.

London, Jan. 13.—Premier Balfour was entertained at dinner at Glasgow last night and devoted much of his after-dinner speech to the recent army and navy reform. He made no mention of the abolition of dockyards. The two great problems with which the army had to deal, Mr. Balfour said, were the defence of Afghanistan and rearmament, which involved a cost as much as any continental nation was able to bear. When this was completed the British army would be in advance of that of any other nation. Continuing, Mr. Balfour said the fault with the Empire was not that it was too small, but that it was too great and powerful, and at the same time under-developed. One of the greatest problems before the country was that of development and the country was only just beginning to realize the importance of further development of all countries under the British flag. He briefly alluded to the Dogger Bank affair. He said Great Britain was leading in the movement looking to the world's peace and in the case of the Dogger Bank incident had skirted the precipice of war and a small want of tact would have been a discredit to civilization. In conclusion, Mr. Balfour urged that it was the duty of all Britons to build up the machinery by which the stronger union with the colonies could be produced.

Referring to the dangers of particularism and imperfect development of the Empire, Mr. Balfour instanced the United States as in its earlier days being on the verge of perishing by that disease, for the United States seemed on the point of absorbing and destroying the sense of national unity.

"Fortunately for themselves," he said, "our brethren across the Atlantic had the sense to see what was an absolute necessity for them, so that America is now in rank among the greatest, if not the greatest nation in the world. We have a similar task and far greater difficulties before us than ever beset the great statesmen who laid the foundations of the American republic, but though I do not pretend to offer a solution I do not believe them to be altogether insuperable."

Referring to the subject of the colonial conference, he said they were at first sporadic, but he had hoped they would soon be systematic and as much a part of the ordinary working machinery of the Empire as the House of Commons itself. He would be ashamed to give the audience the impression that all difficulties had been removed. He had no wish to under-value the task the country has to perform, and he dared not prophesy with too much confidence whether it would be successful. But he had no doubt of the energy with which the effort should be made towards a forward movement. For his own part he would rather fail with those who held the great ideal which he saw before him than success with purblind, narrow-minded, unimaginative persons whose views never got beyond their own parish, who were incapable of picturing what our great colonies were to become or framing in their own minds an idea of what the British Empire might be, what it might do for the cause of freedom and civilization.

Concluding, Mr. Balfour said if these great growing communities, when they reach the full plenitude of their strength should find themselves, not loosely connected with the mother country, but by organized ties, no stress of war or other difficulty, no danger from within or threats from without can either shake, or for an instant imperil.

This morning's Express is surprised that Mr. Balfour passed over the fiscal question so lightly and with such vagueness about the conference. It says Mr. Balfour's silence is liable to be misunderstood, for the matter requires to be constantly and earnestly pressed on the attention of the people since it must be made the basis of an appeal to the country.

Commenting on Mr. Balfour's reticence on the subject of the fiscal question the Times says he probably judged that Mr. Chamberlain was doing all that was necessary in that direction. Several Canadians, including Senator Race, were present at Liverpool when Mr. Chamberlain addressed the School of Medicine. Mr. Chamberlain said he had told a certain monarch that we had blundered into empire, meaning that the great possessions could not be a credit to any foresight or statesmanship, but due to the characteristics of the nation.

RUN ON BANK PETERS OUT

Nervous Depositors Stand in Bitter Cold all Night Awaiting Turn.

New York, Jan. 12.—Throughout the freezing rain last night and a chilly fog early today, a score of depositors are at the doors of the State Bank on Grand street to head the line when the run on that bank was resumed today. For two days the frightened Hebrews on the East Side have been in a frenzy to get their money for no other apparent reason than that they saw a rush of depositors to place their money in the bank.

Long before the bank was opened for business today the number of those waiting to withdraw their deposits had increased to two hundred, of whom four-fifths were women. Apparently it is the women who are keeping up the run, and in the big crush yesterday they predominated. A detail of policemen was on duty at the bank all night, and twenty-five men were sent there early today. Cashier A. I. Voorhis said today that the bank paid out $85,000 yesterday, and that he believed that the excitable Hebrews would begin to "come to their senses today and see the foolishness of the run, realizing that the bank is financially strong and will meet every demand promptly, no matter how prolonged the run."

The crowd around the bank dwindled away as the day advanced, and President Richards stated this afternoon that he believed the run was practically at an end.

A CHANGED MAJORITY.

London, Jan. 13.—(Special)—H. Lawson, Conservative, defeated B. S. Straus, Liberal, by 78 votes in the Mile-end by-election. In 1900 the Conservative majority was 1160.

BANK ROBBER CAUGHT.

Devil's Lake, N. D., Jan. 12.—W. F. Wilson, alias Williams, was arrested here on information from the mounted police on a charge of robbing a bank at Lundquist, N. W. T., three months ago.