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The Crisis in B.C.

An Appeal for Investigation

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By

The Ministerial Union of the Lower Mainland of B. C.

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FOREWORD

IN sending out this pamphlet to the public the Committee who act on behalf of the Ministerial Union of the Lower Mainland of British Columbia would say:

(1) The facts set forth are not published in any partisan spirit nor to serve the purposes of any political party whatever. Since November last we have had them under investigation, and we publish them now only from the most urgent sense of public duty. It is with the desire to keep the whole matter, so vital to the life of the province, above the level of mere party politics that we append our names hereto.

(2) The man who has brought the facts to light, Mr. M. B. Cotsworth, F.G.S., is by experience thoroughly equipped for the task, as will be seen from the following outline of his career:

During 1873-1883 he was trained as accountant and statistician by the N. E. Railway of England. 1883 became manager of the River Trent Navigation Company. 1886 appointed commercial manager of Manner's Colliery Company, Derbyshire. 1888 selected by the English Chambers of Commerce and City Corporations to investigate railway rates in freight and expressage. 1890 assisted British Government's Board of Trade in railway and canal legislation. 1892 published his book, "Maximum Railway Rates"; the standard authority in the United Kingdom, now in its fifth enlarged edition. 1892 retained by the North Eastern Railway to revise and reorganize their more than 3,000,000 rates in the United Kingdom. 1907, after 15 years actuarial work, relinquished this retainer to campaign against the N. E. R. Co.'s unjust attempt to depreciate Superannuation Funds of Employees, taking the case before sub-committee of the British House of Commons and obtaining redress.

In 1907 he visited Canada and British Columbia coast, and was invited by the British Columbia Government to redraft Civil Service and Superannuation Bills. On return journey assisted the Liberal Government at Ottawa in reform of civil service and final drafting of Canadian Annuities Act. 1908, in December, received cable from the British Columbia Government requesting him to come out from England to assist with the Public Service Bill, and came the next month. 1909 was appointed chairman of Commission appointed to regrade the civil service staff throughout the province of British Columbia. Later appointed Provincial Auditor to investigate the municipal affairs of New Westminster and Burnaby.

The documents published herewith, and his refusal to be paid off before completing his work on the Civil Service Commission, or to become a party to the system of land-grabbing (though invited to do so in January, 1908) prove his moral integrity and efforts to promote the permanent welfare of the people of British Columbia.

(3) Not only have we the results of Mr. Cotsworth's investigation of years into these matters, but we have made the strictest investigation possible ourselves We have spared no pains to verify the statements made. We have original documents and copies of many others (verified by members of our committee from originals in the archives of the Legislature and elsewhere); the Journals and Records of the Legislative Assembly have been examined and we are prepared to substantiate all statements made.

The references given throughout, and the documents published, give ample opportunity to any citizen to verify the facts.

As moral leaders of the people of this province we are in duty bound to make known the truth regardless of consequences.

(4) Finally, we appeal to the people of all parties to insist that a non-partisan Judicial Commission be appointed, by either the Dominion or Imperial Government, with full powers and instructions to lay bare the entire truth, to publish its findings and, where wrong has been done, to bring the offenders to justice.

Signed on behalf of The Ministerial Union of the Lower Mainland.

N. A. HARKNESS, President.
A. E. COOKE, Secretary.
R. F. STILLMAN.
J. S. HENDERSON.
W. S. A. CRUX.
A. M. O'DONNELL.

The Crisis in B.C.

PRESENT conditions in British Columbia as regards financial stringency, business stagnation and unemployment are such as need no comment. The following pages do not seek to prescribe any panacea for the ills of the body politic. They simply aim to uncover one source of the present trouble, and place before the people of British Columbia some authentic facts, the knowledge of which is essential to the redemption of the life of this province. The urgency of the crisis is sufficient reason for their publication.

I. ALIENATION OF BRITISH COLUMBIA LANDS

According to the British Columbia Year Book, published by R. E. Gosnell, *the Premier's secretary, in 1911, the area of British Columbia is 257,560,000* acres (p. 336). But regarding this **"it is necessary to understand that only about one-twenty-fifth of its area is agricultural land;** that the valleys which make up this latter area are scattered here and there and are in most instances widely intermittent; that a good deal of it is still remote from communication; that 90 per cent. of it is still in a virgin condition; that only a very small percentage of it is open land, and but little of that that has not required irrigation, dyking or draining to bring into cultivation; that by far the greater part of it has to be cleared of forest and of that some of unusually heavy growth; that the more favored localities, relatively small in proportion, are in the settled communities and near large towns or main lines of communication in a country still only incipiently developed," etc. (p. 229).

That is the statement of the Year Book "published by authority of the Legislative Assembly of British Columbia." Now for some others:

On January 1, 1914, Hon. W. R. Ross, Minister of Lands, made the statement in the "Daily Colonist" of Victoria, "In the past seven years about 2,500,000 acres of land have been taken up by pre-emptors. **There are today no less than 93,000,000 acres under reserve for pre-emption,** and, of the lands surveyed during the past two years, **1,700,000 acres have been subdivided into sections of 160 acres, and are open for pre-emption,** enough to furnish 160 acres to each of 10,625 additional pre-emptors. . . . Every assistance is given to those who seek to go on the land."

In the Legislature, on January 29, 1914, the same gentleman stated "that **there were 4,500,000 acres available for settlers WITHIN THREE MILES OF RAILWAYS.** ("Colonist," January 31.)

Attorney-General Bowser later made a vigorous defence of the present Government's land policy, when addressing the Conservative Association of Ward VI, Vancouver, on December 11, 1914. He stated that reserves had been "placed along the routes of the Canadian Northern, Grand Trunk Pacific and Pacific Great Eastern to prevent the speculator getting in and grabbing lands along the line of railroads," and added, **"The total amount of land surveyed and ready for the pre-emptor, and the pre-emptor alone, amounted to 91,128,567 acres, one-third of the total area of the province." "In the whole of Canada there are only 36,000,000 acres under cultivation, while in British Columbia alone we have 91,128,567 acres surveyed and reserved for the settler."** ("News-Advertiser" and "Daily Province," Vancouver, December 12, 1914.)

Still more recently the Government has issued a series of expensive and elaborate folders dealing with the lands of the province along the lines of railroad. One of these is entitled "Surveyed Lands for Settlers," and at top and bottom of the title page stand the words "Free Surveyed Lands." Other striking announcements, in bold type, on cover and inside are: "Room for Thousands along Railways," "Homes Await Settlers," "2,292,127 Acres of Surveyed Lands Held for Pre-emption." Two large maps occupy most of the folder—one showing the area traversed by the Grand Trunk Pacific Railway, and the other that crossed by the Pacific Great Eastern Railway, Canadian Northern Pacific Railway and part of the Grand Trunk Pacific Railway. Each map is emblazoned with the words "Surveyed Lands Colored Red"; and both show practically every acre of surveyed land in the province in striking red

color. These maps have been issued to the public since the close of the recent session of the Assembly.

Summing up the above statements of responsible Ministers of the Crown and the maps issued by the Government, we find we are asked to believe: (1) There are over 90,000,000 acres of land surveyed and held for the pre-emptor alone. (2) 4,500,000 acres of this are available within three miles of railways. (3) All these lands have been reserved from the possibility of seizure by the speculator. (4) They are free to the settler, who is given every assistance to get on the land.

Above Statements Deliberately False and Misleading

Now what is the real truth of the matter? What are the actual, dependable facts of the situation, as revealed by the records in possession of the Government? Alongside the four conclusions summarized in the preceding paragraph we place the following:

(1) The British Columbia Year Book, as quoted above, states that "only about one-twenty-fifth 'of the area of British Columbia' is agricultural land." That is less than 11,000,000 acres.

The Dominion census returns for 1911 (Vol. IV, p. vii) records 22,618,000 acres as the total amount of **possible farm lands in British Columbia.**

The report of the Surveyor-General for British Columbia for 1914 was that the total area of surveyed lands in this province was 28,920,511 acres. Of this, 5,189,522 acres is not under Provincial jurisdiction, and deducting timber, coal and mineral-claim areas we find 17,997,920 acres left. (Report p. 53.)

(2) In answer to questions sent by the Agricultural Commission to the Provincial Assessors, asking how much agricultural land is still available within twenty miles of a railroad, or wagon-road, **no less than twenty out of the twenty-nine Provincial Assessors replied that there was none left.**

These answers were entirely suppressed in the report of the Agricultural Commission, and though Mr. Parker Williams, M.L.A., secured an Order of the House on February 19, 1915, for a "Return showing the complete answers," the Return was never made. Premier McBride stated on the last day of the Session that it could not be got ready in the fifteen days intervening. But Mr. Cotsworth found the original answers in the office of the Commission and, later, compiled the full Return in half-a-day. (See Appendix A.)

(3) The series of eleven **Pre-emptor's maps,** issued by the Department of Lands for the guidance of settlers, **show almost every section of surveyed land in the province as already taken up,** leaving only the mountainous, broken and inaccessible lands for the pre-emptor. These maps, especially the Fort George, Bulkeley, Nechako, North Thompson and Quesnel sheets, **prove conclusively that the "all-red" folder just issued by the Government, and referred to above, is the most deliberate and cruel piece of misrepresentation that could be perpetrated on prospective settlers in British Columbia.**

It is safe to say, in spite of the repeated assertions of responsible Ministers to the contrary, that about 90 per cent. of the available agricultural lands of British Columbia have been alienated from the people to whom they properly belong.

Land-grabbers and Their Booty

(4) The Assessment Rolls of this province prove clearly that the great bulk of the land already taken up has passed into the hands of greedy speculators, to the serious injury of the country's development and the robbery of the honest settler.

The following acreages, shown opposite the various names, are merely part of the vast areas speculators control, as gleaned by casual searches through the provincial assessment rolls in remote districts.

Some of the largest holders control enormous additional acreages, covertly held **under the cover of names used as mere pawns in the game of subverting the land law, with the connivance of Ministers of the Crown governing British Columbia.**

NAME	ACRES	LAND DISTRICT			
		Barkerville	Lillooet	Omineca	Prince Rupert
HELD IN VANCOUVER					
Bonthorne Lennard & Co.	16,435	16,435			
c-o Bowser, Reid & Wallbridge	16,909	13,458		783	2,668
B. C. Securities Co., Ltd.	12,160				12,160
Croft & Ashby	101,326	101,326			
Geo. Fairbairn	12,710		12,710		
Neil Gething	81,490	46,020		35,470	
Grand Trunk Land Co.	83,876	79,508			4,368
G. T. P. Development Co.	14,233				14,233
c-o Gwillin, Crisp & McKay	13,300				13,300
c-o Jas. A. Harvey & Partners	107,473	105,233	(See Taylor-Har.)		2,240
North Coast Land Co.	141,192	57,611		19,717	63,864
c-o Peace River Co.	221,602	640*	212,522	5,400	3,040
c-o L. C. Porterfield	61,849				61,849
c-o Shaw & Shaw	10,880				10,880
Star Realty Co.	17,669				17,669
c-o Taylor, Harvey, Baird & Grant	11,174	11,174	(See Harvey & Partner)		
Jos. A. Tretheway	14,193		14,193		
HELD IN VICTORIA					
L. Alexander	41,591				41,591
c-o Bodwell & Lawson	36,665	17,613		4,340	14,712
Bond & Clark	22,720	12,160			10,560
c-o B. C. Cattle Co.	16,742		16,742		
c-o Eberts & Taylor	30,720				30,720
c-o Gore & McGregor	63,075	63,075			
c-o J. G. Johnston	10,880	(Two different addresses)			10,880
G. O. Leask	30,593	30,593			
c-o Neil F. McKay	10,080				10,080
J. E. Miller	22,083	22,083			
c-o Pemberton & Son	10,200			1,920	8,280
R. Perks & Son	14,080				14,080
F. M. Rattenbury	28,577*	(See Seattle)		17,634	10,943
Robertson & Heisterman	56,177	27,157		29,020	
HELD IN B. C. INTERIOR					
c-o E. H. Hicks-Beach, Hazelton	19,552			19,552	
Jno. G. Kenworth, Lillooet	11,729		11,729		
Western Can. Ranch Co., Lillooet	41,093	41,093	(Held in Victoria)		
c-o F. C. McKinnon, Hazelton	11,480			11,480	
Jos. O. Tretheway, Hanceville	14,193	14,193			
HELD IN TORONTO					
Stuart Valley Land & Invest. Co.	52,454			52,454	
HELD IN WINNIPEG					
Wm. C. Lestikow	44,403	44,403			
HELD IN SEATTLE					
c-o Bauman & Keliher	15,600				15,600
Grand Trunk Pacific Land Co.	47,729	47,729			
F. M. Rattenbury, of Victoria, c-o Trafford Hutison	14,726	14,726*	(See Victoria)		
HELD IN MINNEAPOLIS					
Finlay R. McQueen	18,115	18,115			
Total	1,612,785	718,116	323,182	197,770	373,717
Spokane Syndicate	550,000	acres as below			550,000
Incomplete total	2,162,785				923,717

BEYOND THESE THERE ARE MANY MORE MILLIONS OF ACRES HELD IN THE NAMES OF "DUMMIES" (as will be later explained) AND LAND-GRABBING SYNDICATES CONTROLLED FROM SEATTLE, PORTLAND, SPOKANE, SAN FRANCISCO, CHICAGO, NEW YORK; also LONDON, BERLIN, PARIS AND OTHER EUROPEAN CENTRES OF FINANCE.

It is significant to note the subterfuges to which some of the above resort to hide the extent of their holdings, e.g., J. G. Johnston, of Victoria, has about half of the tax notices sent to the Empress Hotel, and others to the Union Club, consequently neither the assessor nor persons experienced in searching the assessment rolls can be sure that J. G. Johnston owns the combined areas, of which 6,400 acres are notified to the "Empress" and 4,480 acres to the "Club," unless they know him, or trace the combined cheques when received.

Similarly, F. M. Rattenbury, the architect for the government buildings at Victoria, has only part of his tax notices sent to Victoria, where he resides. A large part of his notices are sent to him care of Trafford Hutison, of Seattle.

Further "land-grabs" are shown in Appendix B.

Falsification of Royal Commission's Report

(5) The Assessment Rolls of the province also show that the statistical pages of the Report of the Agricultural Commission, issued last year, have been cleverly manipulated to cover up the most glaring instances of land-grabbing in certain districts.

On pp. 352-353 of that report we find that, in Lillooet district, 606 persons are reported as holding 227,737 acres of land, and 8 corporations 59,263 acres. Also 573 persons own 311,592 acres of wild lands and 3 corporations only 522 acres. But the Lillooet assessment rolls for the same year, 1913, show that no less than 212,522 acres are held in the name of the Peace River Land Company, 108 Pacific Building, Vancouver; **that is, one corporation alone holds 152,737 acres MORE than the total the report shows for eleven corporations.**

Again, in Nelson district the Commission's report gives a total of 5,332 persons holding 463,264 acres, and 638 corporations holding 36,961 acres. But the Assessment Rolls record that two men in Glencoe, Minn., U.S.A., named Henry L. Simons and J. A. Nowell, hold, respectively, 358,055 acres and 54,919 acres; while E. R. C. Clarkson, of Vancouver, has 21,624 acres. That is, **these three men hold 434,598 acres, while the Royal Commission reports that only 463,264 acres is held by a total of 5,332 persons.**

In this particular instance there could be no excuse for such a report from the Commission, since Commissioner Alex. Lucas, M.L.A., was formerly Provincial Assessor for the Nelson district, until compelled to resign by the Civil Service Commission in December, 1909, on account of neglect of his duties, and a "timber deal" by which he pocketed about $10,000. He had left his post and journeyed to Vancouver, in spite of repeated refusals of leave of absence, to put through the deal.

But a shameful feature of the whole situation in these very districts is that this land so largely held by foreign speculators is assessed at only 10 cents an acre, **while the British Columbia Government paid no less than 40 cents an acre for what was left of the Railway Subsidy Lands in this region, after speculators had exploited all that was worth their taking.** This price was fixed by the "Railway Subsidy Lands Repurchase Act of 1912," when Mr. Lucas was one of the men who voted to pay the 40 cents an acre to certain railway schemers, including F. August Heinze, for whom the firm of Bowser, Reid & Wallbridge were acting as solicitors.

How Government Has Aided the "Grabber"

The laws of British Columbia forbid the sale of more than 640 acres of Crown lands to any one person, until the first purchase has been cultivated or improved "to the extent of $3 per acre" (R. S. 1897, c. 113, sec. 30; R. S. 1911, &c). How, then, have such great areas of the best lands come into the hands of speculators and "grabbers" as shown above? These lands are not cultivated nor improved in any sense of the word. How then have the statutes been evaded

and the people plundered to such an enormous extent? The process has been reduced to the simplest terms by a couple of legal devices that open the door to the most gigantic frauds.

In the year 1907, the McBride Government introduced into the Land Act an amending clause of one line which enacted that "Land may be staked or located by an agent under this section." This permitted any one man to stake tens of thousands of acres of land in the names of others who had never seen it.

Then, the so-called "Power of Attorney" (which purports to give an irrevocable transfer of the land staked, from the person whose name is used to stake it, to the speculator or "grabber") enabled these land-thieves to send their "agents" to stake out the best lands of the province along the line of prospective railroads, and everywhere else they wished.

The method was absurdly simple. The speculator having secured inside information, from friends in power, as to where the surveyors would be working next year, or where a new railroad was likely to run, secured as many signatures as he possibly could on these bogus "Powers of Attorney." They were easily obtained for a dollar, or a drink, or the mere asking, from those who never intended to take up land. Then off went the "grabber" himself, or his agent, ahead of the surveyors, staked thousands of acres of the richest lands in the names of his "dummies," filled in the application forms, filed them along with the "Powers of Attorney," paid his 50 cents per acre as first payment and the land was secured. Nothing further was paid, in most cases not even the taxes, until later the land was resold at high prices to unsuspecting settlers, who often were unable to get a proper title to the land. Thus the law was evaded, the Crown tricked and the bona-fide settler fleeced, while the land-thief grew rich and the public conscience became debauched, from the owner of the "dummy" name to the Ministers responsible for the honest administration of the law.

This whole method of securing Crown lands has been definitely declared to be fraudulent and illegal by the Supreme Courts of British Columbia and the Dominion of Canada. (See Appendix C.)

The so-called "Power of Attorney," which is used for this purpose, is contrary to both the spirit and letter of the British Columbia Statutes. (1) It purports to confer upon the person named therein power to acquire land in a manner not allowed by the law. (2) It purports to be an "irrevocable power of attorney," even after the death of the signer, which is directly at variance with Sections 2 and 7 of the Power of Attorney Act. (Revised Statutes of British Columbia, 1911, Chap. 6.)

The **"Land Act," Sec. 157, declares that land granted or secured through any such fraudulent method may be returned to the Crown.**

But though immense areas of the choicest lands have been thus stolen from the people and the Crown in British Columbia, though the Government records in the land offices throughout the province show this clearly, no steps whatever have been taken to recover these lands or punish the despoilers of the people. On the contrary, the Attorney-General declared on the floor of the House that "the speculator must have a chance." So hundreds of speculative friends have been allowed to seize more land than they can even pay the taxes for. And, now, by the passing of Bill No. 16, on 3rd March last, **the Lieutenant-Governor-in-Council can "postpone the payment of any moneys due or accruing due" to the Crown, by any such men, and for such a time as the Government may advise.**

Results of the "Staking" Amendment of 1907

The immediate result of the one-line amendment to the Land Act, introduced by the conniving Government in 1907, giving power to stake land by agent, was a tremendous increase in applications to purchase land. The following summary is taken from the records in the "British Columbia Gazettes" for 1908-1910. The detailed list is given in Appendix C.

Year	No. of Stakers	Aver. per Staker	Total Acreage	% of Increase
1908	10	14,504	145,040	
1909	23	16,058	379,680	162%
1910	84	20,832	1,749,840	361%

Total for the first three years, 2,274,560 acres.

All the grabs recorded here exceed 6,000 acres each, and the table shows that in the two years following the "Amendment," 33 "stakers" cornered 524,720 acres. **Then came the Railway Legislation of 1910,** which naturally raised the value of the lands thus stolen, and 84 "stakers" laid hold of no less than 1,749,840 acres of the best Crown lands in that year. **Thus 117 "agents," in three years, looted the public domain in the interests of the land-sharks to the extent of 2,274,560 acres.**

This was immediately followed by the "Land Act" of 1911, which doubled the price of all Crown lands, and thus made these speculators immensely wealthy by doubling the value of what they had already secured at the former rates.

Yet the game still went merrily on, and in the "British Columbia Gazette" for October 3, 1912, we find the record for one week only a total of 464,995 acres. (See Appendix D.)

Attempt to Stop Work of Commission

Perhaps the most glaring evidence of the purpose of the Government to allow this wholesale robbery of the public to go on, till their speculative friends were satisfied, is to be found in the letter printed below.

The Civil Service Commission appointed in 1909 consisted of Mr. Moses B. Cotsworth (chairman), Mr. J. A. Mara and Mr. Curtis Sampson. In pursuit of their duties these gentlemen discovered such evidence of this fraudulent land seizure that they reported to the Executive Council, in January, 1910, per Paragraph 55 of their Report regarding the Department of Lands:

"Records were kept amidst many difficulties, the most serious of which arose from the too long continued practice of allowing land to be purchased and pre-empted beyond the limits of then existing surveys.

"The present rapidly extending system of surveys seems to **render it unnecessary to dispose of lands beyond the limits of approved surveys."**

We quote from Mr. Cotsworth himself:

"At the time that clause in the Commission's Report was drafted I had not the slightest idea that any of the Executive Council or their friends were implicated in grabbing Government land and timber, etc.

"But evidently it touched some of them 'in the raw,' because next day I received the following letter to induce me to hand over my papers that night:

"'Provincial Secretary's Office,
"'Victoria, January 24th, 1910.

"'M. B. Cotsworth, Esq.,
"'Victoria.

"'Sir,—Following upon the determination of the Government, arrived at some two weeks ago, to have the work of the Public Service Commission terminate, it was decided at a meeting of the Executive Council held this morning, to request you to hand in all your books and papers in connection with the Commission to the Deputy Provincial Secretary today.

"'The Executive Council has decided to hand you a cheque for eight thousand dollars ($8,000), together with travelling expenses, in payment of your services as Chairman of the Public Service Commission, less the amount already advanced.

I have the honor to be, sir,
"'Your obedient servant,
"'(Signed) H. E. YOUNG,
"'Provincial Secretary.'"

This would seem to indicate that the clause in the Report of the Commission which advocated limiting all land sales and grants to surveyed areas, and would thus effectively have killed the system of "grabbing" all over the country, **was so highly objectionable that the work of the commission must end immediately and the report be suppressed.** But Mr. Cotsworth refused to stop work, neither of his colleagues on the commission having been informed by the Government of the offer of $8,000 which had been made to him only. He had framed the Act under which the commission was appointed and so was able to continue his work until finished. **But to this day the report of that commission has never been published by the Government.**

Further light is thrown on this letter by an incident that took place **about two weeks previous to its writing.** The commissioners, in the course

of their work, discovered that Hon. Thos. Taylor, Minister of Public Works, and Sir Richard McBride had planned to retire Mr. F. C. Gamble, Chief Engineer and Deputy Minister of Public Works, from both these positions, in favor of a personal friend of Mr. Taylor, a man then employed at Revelstoke by the Canadian Pacific Railway for about $75 a month. The pretext for removing Mr. Gamble was that he was "getting past his work," although he was one of the ablest and most upright public servants, and has this year been honored by election to the presidency of the Canadian Institute of Engineers.

Mr. Taylor had already gone, with the Premier's consent, to Revelstoke to arrange for his friend's appointment as Deputy Minister of Public Lands. Commissioner Sampson being away, Messrs. Cotsworth and Mara at once interviewed Sir Richard McBride, told him frankly that unless he wired immediately to Mr. Taylor revoking power to appoint his friend, and insisting on Mr. Gamble's retention as Deputy Minister, they would resign their commissions and publicly proclaim this abuse of public trust and the injury these two Ministers were putting upon a most efficient and honorable public servant. In Mr. Cotsworth's words, "Premier McBride stormed awhile, set his jaw, and tried to browbeat us. But finding we would not budge he sent the telegram which safe-guarded an able civil servant and saved much money from being squandered, while Mr. Gamble remained Public Works Engineer."

How the Speculator Bleeds the Settler

The following letter illustrates the methods used by the "grabber" to gain immense profits out of the large areas obtained by fraud on the Land Acts.

Note that the prices quoted are for large areas, which are to be sold over again to the bona-fide settler at greatly increased prices.

A. E. DeVEAUX
Broker
Farm Lands, Coal and Timber Lands, Etc.

503 Dominion Trust Building,
Vancouver, B.C.,
Oct. 25th, 1912.

Mr. A. Henry,
231—7th Street,
New Westminster, B. C.

Dear Sir,—I have this day sent you, under separate cover, full reports on 26,000 acres in the Peace River District for $7.50 per acre; 20 sections in the Finlay Valley, Peace River District, at $7.50 per acre; 118 sections in the Nation Lake District at $7.50 per acre; 53,503 acres in Beaver Dam and Big Bar Lake District at $7.50 per acre; 13,000 acres on Middle River and Tacla Lake at $8.00 per acre; 20 sections on Banks Island at $10.50 per acre; 36,470 acres adjoining Francois Lake at $7.00 per acre; 100,000 acres in the Naas River District at $8.50 per acre; 39,000 acres in the Lillooet District at $7.00 per acre.

All of these lands are the choice of picked lands in British Columbia. Every section is well watered and the soil is A 1. The Lillooet District property is more suitable for general farming and stock raising than any of the other tracts, which are A 1 colonization or syndicate propositions, suitable for general farming.

Thanking you in advance for the enquiry and awaiting an early and favorable reply. I remain,

Yours very truly,
(Signed) A. E. DeVEAUX.

The following summary is taken from the above letter and the detailed reports of the "staker" which accompany it, including that of the exploiter's survey for 67,000 acres in Swan Lake and Kis-Ka-Kia-Kow River districts.

District	Acres	Rate	Total Price
Peace River	26,000	$7.50	$195,000
Peace River—Finlay Valley	12,800	7.00	89,600
Nation Lake	75,520	7.50	566,400
Beaver Dam and Big Bar (Lillooet)	53,503	7.50	401,273
Tacla Lake (Omineca District)	13,000	8.00	104,000
Banks Island	12,800	10.50	134,000
Francois Lake	39,470	7.00	276,200
Naas River	100,000	8.50	850,000
Lillooet 1	39,000	7.50	292,500
Lillooet 2	10,000	7.00	70,000
Swan Lake and Kis-Ka-Kia Kow River	67,000	7.50	502,500
Total	449,093 acres for		$3,481,473

This would have provided 2,807 settlers with 160 acres each, and at $1.00 per acre, payable to the public treasury. Whereas these exploiters are scheming to wring at least $3,032,280 from the incoming settlers, handicapping them on the average at least $1,080 each, and seriously crippling the development of the country.

In the "staker's" report re the Nation Lake District, 118 sections of 640 acres are carefully described in detail; the whole area being finally described in these words, "For mixed farming or dairying or for wheat, I think this block of land would prove excellent, and in my estimation would be just what was wanted for a large colony of settlers.

"(Signed) EUGENE CROTEAU."

Of the 118 "dummy" names that are given as owning these 118 sections, 43 are apparently British or American, while all the others are names of foreigners—Italians, Greeks, Slavs, etc.—and in no case is any proper address given.

The worst results of this nefarious system of land-grabbing are to be found in the political debauchery of the thousands who become parties to such gigantic swindles, and above all in the hardships and miseries inflicted upon hundreds of settlers and their families for whom it becomes impossible to secure homes in any district or upon any conditions where success and happiness may be gained. One instance of this, out of the many that might be cited, is given below. It is reprinted from "The Evening Post" (the short-lived evening edition of the Victoria "Colonist"), dated August 16, 1909:

"HEART-RENT BY LAND AGENT'S GUILE

"The pathos of a pioneer's life is strikingly illustrated in the story brought to Quesnel by L. Knuston, whom residents of British Columbia last heard of at the time of his departure last spring for the heart of the Nechaco country, for which destination he set out on foot with his wife, the latter wheeling a baby in its perambulator, while her sturdy husband 'packed' the blankets and supplies, all being necessarily limited to the barest necessities.

"They arrived at the Nechaco completely worn out, and after numerous thrilling adventures and countless hardships, to find that the ranch in which they had invested all their hard-earned savings and which had been pictured to them by the real estate agents as little short of an earthly Eden, was anything but what they had been led to expect—being practically valueless for farming and incapable of providing the simplest means of life.

"Knuston and his loyal wife, having pinned their faith on their newly-purchased home, were heartbroken as well as destitute, and with true pioneers' compassion for them the settlers got together and raised by private subscription sufficient to keep them going and set them on their feet for a little while.

"Their difficulties multiplied when, shortly after, a child was born prematurely, no doubt in consequence of the experiences which the unfortunate mother had undergone on the trail, and instead of recovering health and spirits, Mrs. Knuston sank from the advent of her baby, dying some five weeks ago.

"The unfortunate settlers at that time were subsisting by the kindness of Indian neighbors, who gave the poor woman simple burial.

"The bereaved husband and father decided that he could no longer remain in the country that had been so cruel to him, and tramped wearily over the long trail once more, carrying his two babies, now motherless. The children are at present being cared for by friends in the vicinity of Quesnel.

"Knuston is sending a petition to the Attorney-General, endorsed by sundry other settlers of the Nechaco asking that steps be taken against the realty agents who deceived him, and whom he holds primarily responsible for the death of his faithful wife."

This pathetic instance is only typical of many others well known to settlers all over this Province. In some cases men have sought for months to get a pre-emption in an accessible region, have spent their last dollar in the effort to do so, only to find that the speculators had been allowed to corner every available quarter-section, and that the assistance and information received at the Land Office was worse than useless. Others have located, put up their homes and begun cultivation, only to discover afterwards that they had really settled on land that was owned by the ubiquitous "grabber," who dispossessed them. Survey or land office information had been entirely astray. Yet the Minister of Lands asserts that "every assistance is given to those who seek to go on the land."

II. EXPLOITATION OF COAL LANDS

That British Columbia is immensely rich in coal deposits of the very best kind has long been established. But the enormous extent of these areas cannot be realized by the average citizen, much less can he appreciate the danger of wholesale exploitation of this untold wealth by syndicates who are utterly regardless of the future interests of this country and its people.

The "B. C. Gazettes" for the past ten years show that the exploiters' stakers have been as busy with Coal Lands as with the agricultural areas. **In ONE ISSUE ALONE, October 3, 1912, George M. Beirnes is recorded as staking 30,720 acres, which were all applied for in his own name on the 8th and 9th of August of that year. In the same "Gazette," A. D. Lloyd is credited with 26,880 acres,** all applied for within three days, while others have staked areas running into thousands of acres.

Fabulous Wealth Alienated to Syndicates

In the British Columbia Year Book, p. 184, an estimate is given of the 'coal areas partly examined," which gives a total for the province of 1,351 square miles, with a tonnage of 40,225,000,000. But that this is far below the truth is seen from the fact that the Skeena River area is given as only 16 square miles with 61,000,000 tons of anthracite coal. The **blue-print map issued by the Prince Rupert Syndicate** in October, 1912, shows **that the fifteen men who compose this syndicate have got possession of 60 square miles of this richest area.**

In fact, this whole territory, known as the "Groundhog District," and drained by the Skeena and Naas Rivers, has been estimated as covering 2,000 square miles of the best anthracite coal, the majority of which seems to be already alienated from the people of this province by grasping syndicates. In December, 1911, a lengthy and very detailed report was furnished by Ronald C. Campbell-Johnston, Mining and Metallurgical Engineer, to Kobes & Beaton, of Chicago, a Harriman syndicate controlling 145 square miles in this Groundhog district. Comparing this official report with the maps of the Prince Rupert Syndicate we find that the following syndicates have corralled the areas given below:

Mackenzie & Mann	about	90,000 acres
B. C. Anthracite Co.	"	30,000 acres
Western Development Co.	"	30,000 acres
National Finance	"	30,000 acres
Kobes & Beaton, Chicago	"	92,800 acres
Prince Rupert Syndicate	"	38,400 acres

The Prince Rupert "Daily News" of March 25, 1913, also reports that Andrew Laidlaw, of the Oregon Short Line, owns 50 square miles or 32,000 acres.

In Mr. R. C. Campbell-Johnston's Report, made to the Kobes and Beaton Syndicate, at their request, it is stated that during the summer of 1911 he had made an exhaustive survey of the 30,000 acres belonging to the B. C. Anthracite Co., of Quebec; that "four other mining engineers of high standing" corroborate the data and evidence sent to Kobes and Beaton regarding the

character and wealth of the whole district. The 92,800 acres held by this Syndicate are exhaustively considered, and the coal compared with that of every other coal in the Empire and U. S. A. The "Coal Mines Act" of 1910 and others are annexed with the comment: "This enables anyone to become absolute owner of these surface rights, also coal and petroleum." The estimated tonnage per square mile is 59,960,000 tons, but taking the extremely conservative estimate of 30,000,000 tons per mile, the report continues: "These figures give an approximate tonnage of 4,350 million tons; **coal beyond all conception and impossible to ever extract for a century. An output of 100,000 tons per diem, per annum (300 days), is 30,000,000 tons, or, divided into above total, enough for 145 years. The matter of quantity and quality of coal are established beyond all peradventure."** Careful estimates of the Cost of Production, including the present high cost of wages (which will be permanently lowered after the arrival of the larger population that will settle around here) shows a cost of $2.14 per ton F.O.B. Mine, plus 86 cents per ton for railway operation, including the haulage of empty wagons, totalling $3.00 per ton, whilst we are paying about $7.00 per ton for common House and Manufacturing Coal in Prince Rupert, Vancouver and Victoria, and much higher for Anthracite.

Sold at $4.00 "run of mine," and $4.50 screened, **the estimated daily output of 5,000 tons per day is calculated to yield a profit of not less than $10,300 per day, or $3,090,000 per year from the 2 collieries of the proposed Company.**

That would pay 31 per cent. Interest upon the $10,028,000 Capital actually required to begin efficient development of this 92,800 acre block, as below:

Purchase from the Government	$ 928,000
Cost of Railway, etc.	4,900,000
Cost of Terminals	1,000,000
Cost of Collieries	1,200,000
"Purchase" from "Stakers and Owners"	**2,000,000**
Gross Total Capital Required	$10,028,000

The facilities for plunder of the public Resources are here shown by the technical "owners" demanding $2,000,000 at the outset, without their having paid the conniving Government the paltry $928,000 which the Provincial Treasury is expecting to get in years to come for the whole of the Land and Coal in that enormously valuable 92,800 acres.

How the Coal-grabbers Rob the Public

The following letter demonstrates clearly how even the illiterate foreigner can rob the people of British Columbia of immense portions of their heritage and then tell Europe and America to "stand and deliver" according to the approved methods of the modern highwayman:

"Prince Rupert, B.C., 17 April, 1913.

"M. B. Cotsworth, Esq.

"Dear Sir,—Re anthracite coal at Ground Hog Mountain. The Prince Rupert Syndicate wich I have interest owns 39 section of 640 acres each the title is in first-class shep licences fee beeng payed for the year. I have for sale the above property at $2.00 (two) per acre, terms $10,000 with balance over a year, that price is net to the Syndicate, your commission you have to get above the two dollars.

"My proposition, if you can handle to interest somebody to rise the first payement of the $10,000. Myself I will put $1,000 and incorper a company for $2,000,000—$500,000 as tesarene [preference?] stock, $500,000 stock to be sold all over America and Europe in order to meet the others payement and develop the property, and $1,000,000 stock for ourself who will pay the $10,000 and buy the property.

"Your obedient servant,

"Filippo "F. Panvini,

"P. O. Box 818.

"S.P.—That property inside 3 years will be worth $20,000,000 as soon the railroad get in.—Panvini.

"Wilfrid McDonald & Hanna locators of the land."

The names of the sixteen men who form this Prince Rupert Syndicate are given on a slip attached to the letter, and include the name of the Italian himself, the writer and promoter of this precious scheme. The map of the district enclosed shows the holding to be not 39 but 40 square miles.

And this kind of thing goes on behind the people's backs, who are assured by those responsible for the laws that should control it, that this is legitimate development of our resources, and therefore the speculator must have a chance. How long will the people submit to be so easily fooled?

III. TIMBER RESOURCES AND TIMBER RESERVES

If British Columbia is renowned for anything it is for the extent and magnificence of its Timber Resources. The Forestry Commission of 1909-1910, on p. 17 of its Final Report, estimates the total stand of timber in British Columbia at 240,000,000,000 feet, "half the probable stand of Canada." Of this an "area of 15,000,000 acres within the jurisdiction of the Provincial Government is capable of yielding, under the present methods of logging, nearly 200 billion of merchantable timber," which would greatly increase if "liberty to waste and destroy" were properly restricted. There is little doubt but this can be valued at $350,000,000, while the annual crop of timber in British Columbia will be worth more than $10,000,000 per year.

But nowhere has the speculator and ravenous "syndicate" been more busy, and in nothing has the legislation of the past been more obliging and more helpful to the exploiter's interests than in connection with these mighty Timber resources. The following table is from p. 17 of the above Report:

COMMISSION'S ESTIMATE OF MERCHANTABLE TIMBER IN B. C.

Tenure. Crown Granted	Acreage	Average Stand per acre in ft.	Total Stand in ft. B. M.	%
1. Vancouver	318,000	35,000	11,130,000,000	6
2. Mainland	552,000	10,000	5,520,000,000	3
Total Crown Granted	870,000		16,650,000,000	9
3. E. & N. Railway	375,000	14,300	5,380,000,000	3
*4. C.P. Railway, unpublished.				
5. Timber leaseholds	619,000	20,000	12,380,000,000	7
6. Special License	9,000,000	12,000	108,000,000,000	56
7. Mill timber on Pulp and Lease	387,000	12,000	4,640,000,000	2
Total Alienated	11,251,000	stand of	147,050,000,000	77
Reserve timber land conjectured to be ¼ total Forest area under Provincial supervision, say roughly	3,750,000	12,000	45,000,000,000	23
Total	15,001,000		192,050,000,000	

*Why did not the Commissioners insist upon the C. P. R. Co. declaring the Acreages of their Timber, in view of the fact that the great Railway Publication known as "Poor's Manual," for the year 1914, on page 1685, records that "the C. P. R. owns 1,697,994 acres in B. C." most of which is Timber Land. The Companies' officials know well that most of it is Timber Land, and they know pretty closely how much.

The bitter fact disclosed by investigation is, that nearly 60 per cent. of the timber Assets of B. C. were "annexed" by the Exploiters' Stakers, part of whom resorted to illegal subterfuges to stake parts of the 9,000,000 acres they corralled during 1906 and 1907.

That this condition of affairs has been the result of legislation directly fostering it is readily shown. The history of Forest Legislation is briefly given from the beginning by the Forestry Commission's Report on pp. 11-13. Up till the year 1901 the legislation was generally such as conserved the interests of the people and provided for development of their great Timber resources. In 1901 **"provision was made for renewal of Leases of unsurveyed, unpre-empted Crown lands for consecutive and successive periods of 21 years"** on the same terms and conditions as already existed. Staking of land for Licenses was also restricted to 640 acres, and the fee increased from $50 to $100.

But in 1905, **after the McBride Government had got into power,** a radical change was made in the Timber laws. The provision for Granting Timber Leases was abolished. The Special License System was changed by enacting **"that all special timber licenses thereafter issued would be transferable and renewable each year for 21 successive years." "It was also provided that all special licenses then in force or applied for should be transferable and renewable each year for 16 successive years at the same fee as was then payable for such license."**

Now what happened? The subtle and far-reaching character of the change thus instituted may be partly seen from the fact that **the area for which licenses were granted during the period immediately following increased more than 10 times.** Here is the table exactly as given on p. 28 of the Report:

Year	No. of Licenses	Acreage
1900	143	143,000
1902	526	336,640
1904	1,451	928,640
1907	over 15,000	over 9,600,000

Practically about 10,000,000 acres were thus grabbed in 1907, and facilities for transfer to grasping Syndicates were provided by keeping the fee for transfer at $2.00.

This fee was increased in 1910 to $5.00, but **in the interval of "three years nearly 12,000 licenses passed from hand to hand"** (Report, p. 29); that is, 80% of those whose names were used to stake almost 10,000,000 acres of timber in 1907 allowed these immensely valuable licenses to go into the hands of timber syndicates.

The "Reserve" That Did Not Reserve

On the 24th December, 1907, an Order-in-Council was passed by the Government, reserving all unalienated timber in the Province, and a few weeks later, when Mr. Cotsworth, after a journey up and down the Coast, urged upon Premier McBride the duty of conserving the forests for the people, the Premier said, with characteristic emphasis, "We have put a Reserve on every timber area and are going to conserve it. No one can buy a single stick of Timber from the Government now." To quote Mr. Cotsworth's own words, recently written in the light of subsequent investigations:

"Naturally, I then thought Premier McBride's statement sincere and was grievously disappointed when the Forest Commission in 1911 Reported that more than 11,250,000 acres, approximately 80 per cent. of the Government Timber, had been alienated from the Crown, leaving only about 3,750,000 acres of the poorest Timber as their 'estimate' of the scrubby and remote remnant left.

"I was further shocked to find that at the time I was advocating to Premier McBride the paramount duty of keeping entire Government possession of the timbered areas, such vast shoals of Timber License applications were daily passing through the Lands Department, that the increased staff could not cope with them within reasonable time—while further, these areas had been staked wholesale by dummy 'Powers of Attorney'—similar to others used more widely for staking Land and Coal—when in some cases even the alleged Agent as staker had never been on the land until after the Timber 'Reserve' was supposed to be effective on December 25, 1907—only a few weeks before Premier McBride told me that 'half-truth,' which was more misleading than an untruth."

This boasted "Timber Reserve" put into force after 80% of the timber had gone into the hands of unscrupulous "grabbers" simply had the effect of levering up the values of such holdings which an obliging Government had made transferable, and which by the Act slipped through in 1910 ("Land Act Amendment Act," Sec. 6) were still further enormously increased in value by being made "transferable and renewable from year to year while there is on the land merchantable timber in sufficient quantity to make it commercially valuable."

Who Got Hold of These Timber Areas?

The consequence of such legislation is that today the vast majority of those Licenses are held by Trusts, Syndicates, and other Exploiters in the

United States and elsewhere, without the Government of B. C. being able to tell who owns them. Therefore it is easy to evade letting British Columbians know the vast areas held by such **"Timber Holding Co.'s"** as the—

Pacific Mills Ltd., of San Francisco, Capitalized at	$10,154,500
(Although their assets—almost entirely Timber—are in B. C.)	
The Michigan Pacific Lumber Co., of Michigan, U.S.A.	1,500,000
The British Canadian Lumber Co., of Quebec	20,000,000
The Pacific Lumber Co. of Quebec	3,500,000
The Upper Fraser Lumber Co., Quebec	2,500,000
The Mackenzie & Mann Co., Toronto	5,000,000
The Columbia Lumber Co.	5,500,000

That the Government is fully conscious of the consequences of their action in such matters is evident from the falsification of information furnished in the Assembly and to the public.

On p. 129 of the Journals of the B. C. Legislature for 1914 is given a "Return," made on 4th March, at the request of Mr. Parker Williams, in which the Government states that the Canadian Puget Sound Co. held 4,280 acres of timber. **But the books of that company, and a printed statement issued by it to the shareholders on June 1, 1914, show definitely that it held 57,593.3 acres, valued at $5,659,564. This is a valuation of $99.00 per acre, whereas the Provincial Treasury received for this property about ONE DOLLAR PER ACRE.**

Another "Return" presented to the Assembly on 6th February, 1914, shows **only 982,500 acres of timber** as having been alienated from the people to the speculator. This "Return" when analyzed and put plainly as it should have been done for the information of the House and the public, is as follows:

TIMBER HOLDERS	In B. C.	Other Prov.	U.S.A.
	Acres	Acres	Acres
Bloedel, Stewart & Welch, Seattle			13,433
B. C. Timber & Trading Co., Vancouver	82,145		
Mossom M. Boyd, Bobcaygeon, Ont.		10,740	
Brooks-Scanlon Lumber Co., Vancouver	22,249		
Brunnette Saw Mills Co., Westminster	14,732		
Canadian Bank of Commerce, Victoria	26,686		
Dominion Trust Co., Vancouver	146,572		
Fraser River Tannery, Minneapolis			43,672
Strachan Johnson, Toronto		10,314	
Michigan Trust, Seattle			35,549
McDougall & Carmody, Vancouver	26,886		
North Pacific Lumber Co., Vancouver	54,774		
Otis Stables Lumber Co., Wycliffe	10,855		
Quinn & Whitney, Saginaw, Mich.			35,360
Sutton Lumber Trading Co., Seattle			69,249
Holders of less than 10,000, various	95,883	5,353	58,220
PULP WOOD HOLDERS			
B. C. Wood Pulp & Paper Co., Vancouver	55,669		
Swanson Bay Forest Co., Vancouver	84,180		
Western Can. Trust Co., was in Vancouver, now Fleishhacker Bros. & Johnson, San Francisco			79,999
	620,631	26,407	335,482

A Combined Total of 982,520.

Which is only 8¾% of the 11,251,000 acres, page 17 of the Forestry Commissioners' Report proves to have been alienated before December 31, 1910.

This simply means that the Government had the effrontery to foist on the Legislature and the people of British Columbia **a mere twelfth-part of the truth** in a matter of the most vital public concern. They have left completely unaccounted for the other 92% of the alienated timber of this province. They do not tell us that **the German firm of Fleishhacker Bros. of San Francisco, along with Alvo von Alvensleben,** control vastly more than the 80,000 acres here recorded, although the British Columbia records do not show how

much. They do not say how much of the 146,572 acres held by the **Dominion Trust** was controlled by such exploiters.

These facts are covered up by misleading figures and deceptive "Returns."

Government Officials Share in the Plunder

The following Agreement and Letter show how even the small fry follow the syndicate "sharks" in the spoliation of the public:

"Articles of Agreement made this 26th day of March, 1906, at Nakusp, B.C.

"Between A. M. Symons of Pingstone Creek, St. Leon, and John Barry of Pingstone Creek, St. Leon, B.C., Parties of the First Part,

"and

"Walter Scott, Mining Recorder, Nakusp, B.C., Party of the Second Part.

"1. Whereas the parties of the first part have some timber limits to locate near Sugar Lake, in Yale District, and they hereby agree to give the party of the second part, one-half interest (½) in the sale of the timber, when disposed of;

"2. And that party of the second part agrees to advance the monies for advertising in the British Columbia Gazette and Mail-Herald paper, Revelstoke, the said timber limits at Sugar Lake, Yale District, and to receive from the parties of the first part, one-half (½) interest in the sale of the said timber limits, all outlays of monies to be a first lien on the said timber.

"In witness whereof the said parties to these presents have hereunto set their hands and seals the day and year above written.

"WALTER SCOTT,
"A. M. SYMONS,
"JOHN T. BARRY."

"Witness: M. C. Purcell.

"The Government of the Province of British Columbia
"Mining Recorder's Office

"Nakusp, B.C., Feb. 26, 1915.

"M. B. Cotsworth, F.G.S., Accountant,
"Dominion Hotel, Victoria

"Dear Sir,—In reply to yours of the 24th inst., re John T. Barry's estate, I beg to enclose copy of agreement dated 26th March, 1906, and copy of the number of the 14 Timber Licences that John T. Barry had an one-fourth (¼) interest in.

"The Government is going to give relief to Timber Holders. I have done my best re this Barry interest, caring for it as my own.

"No licences has been surveyed, estimate of Timber 10,000,000 m to the mile. Character of Timber, Cedar 55 per cent., Pine 15 per cent. and the other 30 per cent. made up of Fir, Spruce and Hemlock.

"I am interested in 25 miles of Timber, and in touch with a party from the States, and offered the 25 miles for $5,000 a mile, that is including the 14 miles that J. T. Barry has one-fourth (¼) interest in. I expect to get word some of these days if they will take the proposition up.

"I am just as anxious as Mr. Barry to sell. War came on last year and knocked everything flat. After the war is over we expect good trade in timber; more enquiry already.

"Two years ago I went up to Revelstoke with Mr. Barry and B. G. Hutchison, of Dodd Investment Company, of Spokane, Washington. R. G. Hutchison was acting as Mr. Barry's lawyer or agent, and got all the particulars you are asking me for. Ask Mr. Barry if that is not so. My lawyer told Mr. Barry that if I had been many a person, I would have sold the Barry interest at his death and been rid of same. (So you understand my position in the matter. It has cost me a large sum in holding the 25 miles of Timber). It will be good some day.

"Yours truly,
"(Signed) WALTER SCOTT."

A letter from the manager of the Imperial Bank in Revelstoke, dated March 9, 1915, shows that the above Mr. Scott has "pledged 25 Provincial Timber Licenses to the Bank as security to certain advances. Licenses were issued to A. N. Symons, and we hold a **transfer from Symons to Scott, but the transfer has never been registered on the books of the Department.**"

IV. PULP LEASES AND MILLS

It is unnecessary to trace in detail the course of the legislation which kept congenial pace with the speculator's footsteps in the Pulp and Paper industry (?) in British Columbia, and fostered his opportunities as fully as in the case of the Timber exploitations. Space forbids. It is enough to say that the Amendment to the Land Act of 1901 which caused Pulp Leases to be granted "upon very liberal terms," resulted in a number of companies being "formed at once to take advantage of the provisions of the Act" (Forestry Report, p. 50). By end of 1902 large districts had been reserved for these companies to select Pulp lands therefrom. By 1903 enough had been selected to provide over 80,000 tons of pulp per year and the concessions were stopped.

Strict conditions had been laid down, regarding these leases, by which the companies contracted to erect, equip and maintain a Pulp Mill of certain capacity. Leases for not more than 21 years were granted at a rental of 2 cents per acre, and a royalty of not more than 25 cents per cord cut. Four companies during 1903-1907 acquired 554 square miles or 354,399 acres of timber for this purpose. But under the paternal administration of the McBride Government, all these companies pleaded inability "to comply with the literal requirements and conditions of leases, and made repeated applications for extensions of time in which to fulfill their contracts. **These were invariably granted,"** and by 1910 **"only one of the companies had actually constructed and equipped a mill."** All the leases, however, still existed.

Every company practically turned itself into a Lumber and Sawmill concern issuing prospectuses which laid great stress on the great profits to be gained in this way; some of these stated that sawmill timber was 85% of the entire stand on their property. In some cases licenses to cut this timber were given and agreements made which granted immense advantages to these Companies over the ordinary Timber Companies, and gave the Treasury a rental of $12.80 per square mile, instead of $140 as was required in the case of a proper Timber license.

Finally came the Legislation of 1914 ("Forest Act Amendment Act," Sec. 9) **extending Pulp Leases to 30 years,** and of 1915, **extending Water Records and Licenses for 21 years, and providing for renewal for a similar period.** Of this more shall be said below.

Premier McBride on the Pulp Industry

The buoyant optimism of Premier McBride is clearly expressed in the speech of the Lieutenant-Governor, when opening the Legislative Assembly on January 21, 1915. Admitting the depression in the timber industry it is stated that this is compensated by "the success attained in the manufacture of Pulp and Paper products, which are finding brisk markets."

This recalls his election campaign of 1912, when in one of his speeches he is reported as follows:

"He went on to deal with the development of the Pulp and Paper Industry under the measure introduced by W. C. Wells, then Minister of Lands.

"(1) The Powell River Mills were now in operation after an expenditure of $5,400,000, employed 1,200 men, all whites, and had a monthly payroll of $100,000.

"(2) At Ocean Falls was another Mill on which $1,500,000 had been spent and which, in 1911, employed 1,000 men, also all white.

"(3) Over $1,000,000 had been spent on the Works at Swanson Bay.

"(4) On others at Howe Sound over $600,000 had been spent; while

"(5) The British Columbia Wood, Pulp & Paper Co. had expended $400,000.

"These men were entitled to any return that was coming to them as pioneers in the Industry." He made similar statements in the House on February 6, 1912.

Where are these prosperous concerns today? Three of them are long since bankrupt, and instead of about 2,400 men, the Ocean Falls, Swanson Bay and B. C. Wood-Pulp & Paper Companies **altogether now employ 3 men as caretakers.** Their capital has been largely wasted, the creditors and shareholders robbed wholesale, their workers thrown into the ranks of the unemployed, while the greedy gang of promoters have secured their hold on the plunder, because the Ministers of the Crown in B. C. failed to do their duty in protecting the public.

It is impossible to deal with the tortuous details here, but Mr. Cotsworth sets them forth in the larger booklet he is publishing. Meanwhile the briefest outline is given regarding the two most flagrant of the wrongs.

Germans Capture the "Ocean Falls"

Premier McBride did not mention in the above speech that the share Capital of the Ocean Falls Company was watered to $6,000,000, of which the **$4,500,000 above what he had quoted** as being put into development, was divided in stock between the wily "promoters" and their friends. That $4,500,000 was exacted for the 79,999 acres of Pulp-Timber and Waterpower, and the 260 acres acquired from the Government in January, 1907, by the Bella Coola Development Company as per agreement below (see also Forestry Report, p. 25). For these leases the Public Treasury gets (or is supposed to get) 2 cents per acre, and even that paltry total of $1,600 was paid through the usual "Trust Co." employed to hide the exploiter's names from the public.

The following excerpts from the Agreement demonstrate how the $4,500,000 was taken:

"Agreement dated the 23rd day of October, 1909.

"Between Ernest Walker, of the first part, and the Ocean Falls Company, of the second part.

"WHEREAS the party of the first part in consideration of 800,000 Preference shares and 3,500,000 common shares in the capital stock of the Ocean Falls Company, Ltd., and the sum of Two Hundred Thousand Dollars in Cash, agrees to sell, and the party of the second part, agrees to purchase Lot 31 in the Coast District of British Columbia, containing 260 acres more or less, together with the Water Rights and Water Licenses appurtenant and together **with the two Wood-pulp leases** numbered 1 and 2, both dated 9th January, 1907, and given to the Bella Coola Development Company.

"The said shares ($4,300,000 worth) hereinbefore mentioned are to be issued and the ($200,000) cash paid, as soon as the said properties have been validly transferred to the party of the second part, and the consent of the Chief Commissioner of Lands given to the assignment of the said leases.

"IN WITNESS whereof we have this 23rd day of October, 1909, hereunto attached our names.

"ERNEST WALKER,
"Ocean Falls Company, Ltd.

"SIGNED in the presence of
"W. W. GRIFFIN

"H. PERCY GORST,
"Chairman, Shareholders' Meeting.

"W. E. HASKEWS,
"Secretary, Shareholders' Meeting."

But this is only the first stage of the progress of these two Pulp Leases, which brings them into the hands of the Ocean Falls Co., with the consent of the Chief Commissioner of Lands. Here they remain for a time, while a multitude of innocent "shareholders," chiefly resident in Great Britain, are drained of their life-long savings to meet the over-capitalization of $4,500,000.

Then comes the flotation of the "Pacific Mills, Limited," by Fleishhacker Bros., a German Syndicate in San Francisco, to take over all the assets of the bankrupt "Ocean Falls Co." Briefly put it amounts to this: This German combination have been deliberately allowed by the B. C. Government, during the war, to float $10,154,500 of stock, **through the registration of a $500 Company in the Attorney-General's Department on November 27, 1914.** (File 2270, Registrar's Office.) By that means Mortimer Fleishhacker and Herbert Fleishhacker, with William Pierce Johnson (all of San Francisco), each received one-third of those 10,154,500 shares in the "Pacific Mills, Limited," which they are using to swallow up the Ocean Falls' inflated capitalization of $6,000,000, together with the Pulp Mill and the 79,999 acres of Pulp Timber, Waterpower and the small oddment of 260 acres freehold.

How These Germans Dictate B. C. Laws

On the same file in the office of the Registrar of Companies is another document of great interest in the light of subsequent events. The following are extracts:

"**Agreement** dated the 26th of January, 1914.

"Between **J. Hamilton Benn** and **N. F. O'Brien, of London (England),** as sub-committee of Committee representing Bondholders of the First and Second Mortgage issued by **Ocean Falls Company, Ltd.,** hereinafter termed the first parties of the First part, and **Mortimer Fleishhacker, Herbert Fleishhacker** and **William Pierce Johnson, of San Francisco,** hereinafter called the second parties of the Second part.

"**Whereas,** by an Agreement bearing even date herewith, and made between Archie B. Martin, Receiver of Ocean Falls Co., Limited, of the First Part, **Western Canada Trust, Limited,** of the Second Part, and the First Parties hereto of the Third Part, and the Second Parties hereto of the Fourth Part, the said Archie B. Martin agreed to sell to the Second Parties all the properties and assets of the Ocean Falls Co., Ltd., except certain book debts, bills receivable, logs and lumber mentioned in Schedule "B," theretofore for the consideration in such agreement mentioned.

"**And Whereas,** the whole of the consideration passing to the said Vendor under the said Agreement is receivable by the First and Second Bondholders of the said Ocean Falls Co., Ltd., or to the said Western Canada Trust, Ltd., as Trustee for the said Bondholders and no part thereof will be available for the unsecured Creditors of the Company.

"**And Whereas,** there is due by the said Company to its unsecured Creditors the sum of $310,000.00, or thereabouts, being the balance due to such Creditors after giving credit for the sum of $300,000.00 paid in Cash—being full settlement of all labor claims, and all debts under $1,000, and approximately 33 1-3% of the total amount of the Creditor's Claims outstanding at the time of such cash payment.

"**And Whereas,** the parties hereto are desirous of making some further provision for the unsecured Creditors of the Company, and the Government of British Columbia have expressed their desire and intention to assist the parties in making such provision and with that view the said Government have consented to grant certain concessions and rights in connection with the property and Assets agreed to be sold by the said Archie B. Martin to the Second Parties, and the Second Parties shall transfer or cause to be transferred fully paid Ordinary Shares in the Capital of the New Company hereinafter mentioned to and for the benefit of such unsecured Creditors and to the face value of their said claim.

"**Now this agreement witnesseth,** and it is hereby agreed as follows:

"(a) That upon the grant by the Government of the Province of British Columbia **of a valid extension of three years** in time from the extensions **relieving the owner** of said 2 Pulp leases, dated January 9, 1907, **of the necessity during that period of said extensions,** of operating a Pulp Mill as in said Leases required.

"(b) And upon the said Government issuing in lieu of said 2 existing Pulp Leases, **a new Pulp Lease in the name of the second parties,** or their nominees, embracing the said areas now covered by said Leases, **with a term of thirty years** from the 1st day of January, 1914, with a fixed royalty of not more than 25 cents per cord during the term thereof.

"(c) **And upon the Officials of the Government having such matters in charge giving an assurance that the Government will assist said New Company in selecting additional lands** containing a sufficient reserve of timber so that the same, together with the timber covered by said Lease (or Leases) in sub-division (b) described, will enable such new Company to operate continuously during a 30-year period, **such additional reserve of Timber being estimated at 2,000,000,000** (two thousand million) feet, and will grant to the said new Company a Lease for said additional Timber areas upon the most favorable terms obtainable.

"(d) And upon the said Government granting to the second parties an agreement **definitely fixing at rates not in excess of rates prescribed by the Water License now held** by the Company, **for a period of 21 years,** the fees

to be paid for the Water License held by the Company to be organized by the second parties and reserving the privilege permitted to be granted by Section 317 of the Water Act.

"The second parties will upon the happening of the events referred to in this clause, hand to the Trustees $310,000 in shares for the unsecured Creditors [condensed from 3 clauses].

"Reference is hereby made to the said Contract between the parties hereto and the Receiver of the Ocean Falls Company, Ltd., and the Western Canada Trust Company as though the same were herein fully incorporated.

"In witness whereof the parties hereto have hereunto set their hands and seal. [No signatures.] Filed and registered 27th November, 1914.

"(Signed) H. G. GARRETT,

"Registrar of Joint Stock Cos."

All this in plain terms simply means that this German Syndicate, under the pretext of securing the Creditors of the bankrupt Ocean Falls Co., with the consent and assistance of the B. C. Government, receive all the Assets of that Company (over 80,000 acres of timber, etc.), 2,000,000,000 feet of timber additional, and such legislation as they shall dictate, in return for which they hand to those creditors $310,000 in shares in the Company they proceed to capitalize at $10,154,500.

Not a word is said about the shareholders in the defunct Ocean Falls Co., nearly all of whom are resident in the British Isles.

Notice the date of this agreement—January 26, 1914—and see what happened:

(1) **The Government of British Columbia immediately passed and made law the "Act to Amend the Forest Act" on 4th March, 1914, which extended these Pulp Leases to 30 years at previous rates, thus conforming to clause (b).**

(2) **On March 6, 1915, in the very last afternoon of the recent session they rushed through Bill No. 77, "An Act Respecting the Use of Water by Pulp and Paper Companies," which in the identical terms of the Fleishhacker Agreement extends "the water records and licenses" "for a period of 21 years," "at the rates specified in the agreement," which may be made by the Minister of Lands** with any existing Company which may desire to secure "the assets and undertaking of an existing Company." It is also enacted that the licenses may be extended for a further period of 21 years. This satisfies clause (d) of the German agreement.

(3) On March 1, 1915, when Mr. Parker Williams asked in the Assembly, "Has any undertaking or promise been made to any parties that pulp leases will be granted?"; also what leases had been granted during the year 1914, Hon. W. R. Ross replied by merely referring to the lease to be granted to the B. C. Sulphite Fibre Co. for 211 million feet, **and never mentioned the agreement or lease to be given to the Fleishhacker Co.**

These Germans already controlled 134,371 acres of pulp timber through the Powell River Pulp Co., and it seems impossible to conceive that, in handing them this 79,999 acres also, the Government of B. C. would have so prodigally promised them an additional 2,000,000,000 feet solely in the interests of the "unsecured creditors."

Friends Profit and the Public Lose in Quatsino Deal

In 1904 and 1906 two Pulp Leases at Quatsino, covering 55,669 acres and about 25,000 horse-power Water Records, were secured by a Victoria Syndicate headed by Mr. C. H. Lugrin, editor of the "Daily Colonist." These have been held by different "promoters" and Companies for about ten years though the legal conditions have never been fulfilled. They are now estimated as worth $4,500,000 to pulp-makers—exclusive of Royalties. In 1908 Mr. Lugrin and his friends received about $80,000 for these concessions by transferring them to W. Greely Kolts, an American exploiter. They got about $1.44 per acre, while the B. C. Treasury was supposed to get 6 cents (3 years rental). Kolts, in 1909, transferred them to the Western Canada Pulp & Paper Co., getting $1,500 cash, $100,000 in shares and $30,000 commission for the "deal."

Seven months later Kolts induced this Company to sell to the B. C. Wood-Pulp & Paper Co. which he himself and a confederate had formed. Out of this deal Kolts was to get $8,000 cash and $170,000 in shares. In 1910, circulars issued to shareholders in the B. C. Wood-Pulp & Paper Co. state these leases will soon be worth $2,000,000.

The subsequent tortuous manipulations of these leases by certain "promoters" (including Lester W. David, of Chicago), aided by Messrs. Ellison, Ross and Bowser, Ministers of the Crown, through which the people of B. C. have been dispossessed of property worth $4,500,000, are set forth by Mr. Cotsworth in his forth-coming booklet.

The correspondence on file in the office of the Minister of Lands shows that Lester David, at one stage of the game, followed Mr. Bowser to Ottawa to secure his influence in a certain transfer. From there Mr. Bowser wrote the Minister of Lands to put through the deal. This was done by agreement between the Minister and Lester David, dated 29th May, 1911, for a fee of $10, although there were $2,227 arrears in rental on the timber alone. David never fulfilled the terms of agreement, and up till January, 1915, the arrears, now nearly $8,000, had not been paid.

V. COMPANY PROMOTIONS AND FINANCIAL STRINGENCY

The Pulp and Paper Company "promotions" alluded to above are only typical of hundreds of such gross exploitations of the people by which thousands of our most worthy and hard-working citizens have been reduced to poverty, and from which they have received absolutely no protection by the Legislators and Administrators of law in this Province. **The real cause of the Financial Stringency, Business Depression and Unemployment in British Columbia today is not the war,** but the artful operations by which the money of honest investors has been diverted from real development of provincial resources into the crooked channels of speculation, company promotion and exploitation.

Much of this has been done under what practically amounted to Government patronage, witness the following letter:

"TO THE PUBLIC: "Victoria, B.C., Nov. 26, 1912.

"The standing, ability and reputation of the officers and directors of the Albion Trust Co., Ltd., the broad scope of their plans and their large capital and extensive business experience, make it an enterprise which will benefit the people of Western Canada as well as its stockholders.

"(Signed) PRICE ELLISON,
"Minister of Finance,
"British Columbia."

The use to which such a letter was put in the spoliation of the public is plain from the following, written after almost a year of injury done to those who put their confidence in the above public endorsement of what turned out to be a wholesale swindle:

"Aug. 19th, 1913.

"Messrs. Albion Trust Co., Ltd.
"Victoria, B. C.

"Dear Sirs: We are instructed by Hon. Mr. Price Ellison to notify that he will institute proceedings for an injunction to restrain the publication at any place in any way of a letter signed by Mr. Ellison and addressed to your Company, unless your Company forthwith publish the fact that the letter is withdrawn.

"The Official reports of the return in the Canadian and English Press will have the effect of notifying the public that the letter is not backed by Mr. Ellison at present.

"Yours very truly,
"EBERTS & TAYLOR,
"Per B."

In keeping with this was **the literature sent out by the Dominion Stock & Bond Co. with the same Minister's name upon it as President of the Company, in order to sell land at prices from $27.50 to $40 per acre, much of which had been got** from the Government at $1 per acre.

Personal inspection and summation of the Registry Books and papers in the office of the Registrar of Companies, show that such Companies have been sanctioned without any adequate control, with such results as were made famous in the case of the Dominion Trust and a host of others equally fraudulent.

Amazing Capitalization Sanctioned by Government

The "Tabulated List" of Limited Liability Companies issued in 1912 shows that there were allowed in B. C. **no less than 4,760 such Companies,** floated mostly on "watered stock" and **reaching the amazing capitalization of $1,177,509,445, which averages more than $3,000 per head for every man, woman and child in the Province**—a record unheard of. This does not mean that this amount was ever attempted to be raised, but that groups of five or more men were authorized to exploit the people and resources of B. C. to that extent.

That vast sum is still far short of the full total, as it does not include the larger Limited Companies in B. C. which have their headquarters elsewhere, such as the following:

The Canadian Pacific Ry. Co.'s Mileage in B. C.
The Grand Trunk Ry. Co.'s Mileage in B. C.
*The Pacific Great Eastern Ry. Co.'s Mileage in B. C.
*The Canadian Northern Pacific Ry. Co.'s Mileage in B. C.

PAGE			HEAD OFFICES IN
71	nor the B. C. Electric Co.'s	$40,000,000	London, England
74	Canadian Western Lumber Co.	10,000,000	Toronto
84	British Canadian Lbr. Corp.	20,000,000	Quebec
84	Canadian (Dunsmuir) Coal	15,000,000	England
85	Canadian Explorers, B. C. portion	5,000,000	Quebec
91	Mackenzie & Mann Co.	5,000,000	Toronto
92	Prince Rupert Hydro Elec. Co.	5,000,000	Quebec
96	B. C. Packers' Association	4,000,000	New Jersey, U. S. A.
96	Corbin Coal & Coke Co.	5,000,000	Spokane, U. S. A.
98	Telkwa Mining Co.	5,000,000	Seattle, U. S. A.
100	Empire Lumber Co., B. C. portion	6,250,000	Delaware, U. S. A.
103	North America Timber Hold. Co.	15,000,000	Delaware, U. S. A.
691	B. C. Breweries	5,000,000	Canada
808	Canadian Northern Town Prop.	10,000,000	Toronto

And others too numerous to mention, beyond the above which total 150 Millions of Dollars.

*Add to this the known $80,000,000 for the C. N. R. and P. G. E. Guarantees, making another sub-total of $230,000,000 exclusive of the C. P. R. and G. T. P.; and bringing the grand total up to $1,407,509,445.

There are a few "Reconstructed Companies" in the 1,200 Million Dollars listed, but they are more than counter-balanced by the many other B. C. Companies, controlled from outside B. C., with separate capitalizations of less than $4,000,000 each.

The gross injury put upon this Province and its people by this immense over-capitalization and the consequent ruinous failures of such concerns as the Dominion Trust, Albion Trust, C. H. I. C., Alpha Mortgage Co., National Finance, &c., &c., could have been easily prevented by such a measure as the "Sale of Shares Act," now in force in many parts of America and Europe. This Act, as in force in Manitoba for the last three years, has effectively controlled all company promotions, and is well-known to the Attorney-General of B. C. During last session, before Mr. Bowser introduced his Amendment to the Company's Act, Mr. Cotsworth interviewed Speaker Eberts and requested him to urge the Government to adopt this "Sale of Shares Act," for the proper protection of the people against such exploitations as instanced above, but without result.

VI. PUBLIC ACCOUNTS

For the average elector who may take the trouble to look into the bulky volume of "Public Accounts" the feeling is inevitable that it is an absolutely hopeless task to try to find where or how the public money goes in detail. Expenditures are so frequently lumped together in confusing totals, names and details so frequently missing, that the statistics are often unreliable and practically useless. Large sums can be squandered or entirely disappear and even the expert find it impossible to check them properly.

Only a few illustrations of how the public funds are used can be included here, and totals only given to save space.

For the year 1902-1903, just preceding the entrance to power of the

McBride Administration, the total Revenue, divided by the population of that day shows $11.44 per head. After 10 years, 1913-1914, the total is $26.70, or, deducting the "not permanent" items for Chinese Immigration, Land Sales and Fees, which come to $6.70, we find the total Revenue per head of population to be $20; an increase of $8.56 per head in the ten years.

With this we must **compare the expenditure,** which in 1902-1903 was $19.90 per head, and in 1913-1914 was $40.70, being $20.80 increase; i.e., **the increase of expenditure per head in the 10 years is $12.24 above the increase of revenue for the same period.**

B. C. REVENUE, EXPENDITURE AND BALANCES

Year	Revenue	Expenditure	Deficit	Surplus
1902-3	$2,044,630	$3,393,182	$1,348,552*	
1903-4	2,638,261	2,862,794	224,533*	
1904-5	2,920,462	2,302,418		$618,044
1905-6	3,044,442	2,328,126		716,316
1906-7	4,444,594	2,849,480		1,595,114
1907-8	5,979,055	3,686,350		2,292,705
1908-9	4,664,501	3,749,171	(Nine months)	915,330
1909-10	8,874,742	6,382,993		2,491,749
1910-11	10,492,892	8,194,803		2,298,089
1911-12	10,745,709	11,189,024	443,315	
1912-13	12,510,215	15,412,322	2,902,107	
1913-14	10,479,259	15,762,912	5,283,653	
1914-15	10,048,915	13,742,010	3,693,095	As per public
1915-16	7,034,615	11,163,056	4,128,441	estimates
McBride Government Totals			$16,450,611	$10,927,347
Gross Deficit				$5,523,264

* Mostly for Bridge at New Westminster.

The above figures from the Public Accounts and Government's estimate prove that during the last four years and present year the whole surplus accumulated during the preceding seven years has been exhausted with an additional $5,523,264.

In the Department of Agriculture alone the expenses reach a total that averages $17 per head for every occupier the 1911 Census records as being on the land. And this does not include the heavy expenses for printing, stationery, postage, etc., which brings the total up to about $20 per head. $245,836 of expenditure on this Department is not placed directly to its account, but scattered under Miscellaneous expenditures from "votes" 240 to 257 and elsewhere, so that the real facts are hidden.

In the **Attorney-General's Department** the estimates for Constitutional Litigation and general law costs have leaped from $6,000 when Mr. Bowser took office to $40,000 in 1914. But these estimates were overrun in his first year by $10,000, and in the second by $15,000; and the total expense for this purpose in seven years reaches approximately $196,000, while we only know of one Constitutional case that has been won in that period.

The **Public Debt of B. C.,** as given in the "Public Accounts" for 1913-1914, would seem to be now reduced to $1.35 per head of the population, as against $5.23 per head in 1903—a reduction of 75 per cent. But the fact is that it is **really being increased to $11.88 per head; more than double the amount in 1903, or nearly 9 times the $1.35 per head indicated by the 1914 Accounts.** The last "Estimates" show an increase from $1.35 per head of population to $2.94, but this does not include the $8.94 per head falling due as interest on the tremendous Railway Guarantees imposed on the country by the McBride Government, a total of $3,507,608 per year. (See below on Railway Burdens.)

Bogus Assets in Balance-Sheet

Turning to the Provincial "Balance-Sheet," on p. 9 of the "Public Accounts," we find, directly above the signature of the Auditor-General, the **"Balance of Liabilities over Assets" for this Province to be $7,227,183.31.**

The "Assets" given, however, include some items which should properly be removed and so would increase this liability by almost $250,000.

The $15,525.33 due for "Advance to Farmers for seed in 1895 (re Fraser

River floods)" is 20 years old and cannot now be collected, as some of the men are dead and most of the others have moved away.

Another false "Asset" is the $232,975.20 paid for Interest on the Bonds of the Nakusp and Slocan Railway. **The Government handed that Railway over to the C. P. R. in 1912.** But the worst is yet to come.

Deliberate Suppression of Millions of Arrears

On January 26, 1915, Premier McBride solemnly told the Legislators that there was upwards of $14,000,000 or $15,000,000 due to the B. C. Treasury by land purchasers in arrears ("Province," 27th January, 1915). Three days later Hon. W. R. Ross stated the amount was only $9,020,000 ("Province," January 30). Which of them are we to believe? Or did neither of them know? Let us see.

On pages 9 and 19 of the Journals of the Legislative Assembly of B. C., is recorded the fact that on the 20th January, 1914, "On the motion of Mr. Williams, seconded by Mr. Place, it was **Resolved,"—**

That an order of the House be granted for a Return showing the total sums overdue the Treasury from:

1. The Sale of Townsite Lots.
2. Sale of Agricultural Lands.
3. Timber Licenses.
4. Timber Royalty.
5. Purchase, Lease and Rental of Coal and Petroleum Lands.

That Return which should have been in the "Public Accounts" ready for use of the people's representatives in the Assembly, was presented (vide page 19), on January 28, 1914, by the Hon. Mr. Ross, in 5 lines without any details, thus:

1. Sale of Townsite Lots	$3,127,695
2. Sale of Agricultural Land	9,667,618
3. Timber Licenses	Nil
4. Timber Royalty	187,666
5. Purchase, Lease and Rental of Coal and Petroleum Lands	10,784
	$12,993,763

These figures were read by Mr. Ross, **but were carefully omitted from the printed page in both the "Votes and Proceedings" for that day, and the "Journals of the Legislative Assembly."** They were discovered by Mr. Cotsworth pigeon-holed in the Clerk's cupboard long afterwards. These figures are of immense importance to the people of British Columbia, since they **represent assets of practically $13,000,000 that should be given in the Public Accounts of this Province. Why were they suppressed? Has the Government refused to place that amount on record, because payment must wait till its friends have sold at large profit to the actual settler?**

That this omission was intentional is proved by the fact that when Mr. Parker Williams, in the recent Session, on February 23, 1915, secured an order for a "Return" covering the very same details up to December 31, 1914, **the "Return" was never made, and Premier McBride, 11 days later, stated it could not be prepared in time before the House closed.** But the Return of the previous year **had been presented in 8 days,** and then suppressed. These facts are in handy-ledgers and returns could be made in short time.

The fact is the Government were afraid to disclose the large sums owing to the Treasury for Royalties, Licenses, Leases and purchases of the provincial lands and resources. Nor dare they give out the names, addresses and vast land areas held by their confederates who owe most of the **$13,000,000** the arrears due this Province.

N.B. The total arrears shown in the Dominion Public Accounts are only $15,575,126, which is practically equalled by B. C. if interest were added to the arrears due to this Province.

In this connection it may be mentioned that the Provincial Ledgers reveal some interesting things that seem to require close investigation.

Re Pasture Leases, Folios 205 ff. show that nine men hold more than half the pasture leases issued during 1909, each about 1,000 acres, for which the rental is $150 per year. **These were all issued in 1909, yet only one year's rental has been paid, though all are held in care of the firm of Bowser, Reid & Wallbridge.**

In the case of **Oyster Bed Leases,** which run for 21 years, Folios 266 to 274 reveal the fact **that every one held in care of Bowser, Reid & Wallbridge has been cut to a yearly rental of 50 cents per acre, while all others pay $1.** The proper amounts (in case of those held in care of the Attorney-General's firm) have been crossed out and the lower figures written in, while most of them are several years in arrears.

Colossal Burdens Imposed by Railroads

One other item of public indebtedness is all that may be touched herein. It has become so notorious it needs no discussion, yet the colossal burden it will inevitably place on the people of this ill-fated Province demands some reference.

In 1909 the agreement made with the Canadian Northern Railway, by which the Bonds of that Railway were guaranteed, both Principal and Interest, was finally **completed by Messrs. McBride and Bowser before they even consulted the Executive Council.** This was so unconstitutional, and threatened to injure the Province so seriously, that the Ministers of Finance and Lands both immediately resigned, the former, Hon. Capt. Tatlow, stating that he knew it was practically impossible for the C. N. R. to pay the interest on the Bonds, and the Province would inevitably be called upon to pay it. Also he claimed that Messrs. Mackenzie & Mann would keep coming back for more money until they landed the Province in serious financial difficulty.

In February, 1912, Premier McBride brought in a Bill to provide for further extension of the C. N. R. lines. In his speech in the House, on February 22, he stated, "Our present contract in this Bill . . . is in the same terms as the agreement of two years ago, and the same conditions are involved." "I would say that the most prejudiced critic will agree that the Canadian Northern has been a factor of tremendous benefit—a God-send to British Columbia, and a blessing to the people of Canada." ("B. C. Magazine," February, 1912.)

What are the facts today? The "Public Accounts" show, on p. 27, that this Province has guaranteed both Principal and Interest at 4 to 4½ per cent. of this Company's Bonds to a total of nearly $48,000,000.

The following table shows the Guarantees for this and others:

Canadian Northern Pacific Ry.	$47,950,000	Principal, and Interest at 4½%
Pacific Great Eastern Ry.	31,710,000	" " " 4½%
Nakusp and Slocan Ry.	647,072	" " " 4%
Total	$80,332,072	

Also a total of Railway Subsidies to Kettle Valley Ry. of $1,550,000.

According to answer made to Mr. Parker Williams on February 5, 1915, a further amount of $10,000,000 will be needed to complete the P. G. E. Ry. between Vancouver and Fort George, "over and above the Provincial Guarantees" already given.

According to "Journals of B. C. Legislature for 1914," pp. 134-35, the Canadian Northern Pac. Ry. Co. had previously applied for 7,365 acres for Townsite purposes, out of which they have already made millions by real estate exploitation.

Nothing is more morally certain than **that the people of this province will have to pay the interest of this huge indebtedness, as it has always had to do in other cases for the past 12 years, as the following table shows** (Public Accounts, p. 21):

Railway	Yearly Interest B. C. Paid
Nakusp & Slocan	$26,200
Shuswap & Okanagan	51,000
Victoria & Sidney	6,030
Towards which Victoria City pays yearly	9,000
Approximate Yearly Interest paid for Railways	**$92,230**

How can it be done in a province where 90% of the best accessible land is in the hands of unscrupulous combines, where every great natural resource has been alienated wholesale from the people who are being forced to bear these criminal burdens, who are already suffering untold miseries through unemployment and hardship directly resulting from such greed and fraud as is outlined in these pages?

Thorough Investigation Needed

The whole story is not told here. Only the most thorough and impartial investigation, by absolutely reliable and highly-trained investigators, into the whole course of public affairs for years past, can lay bare the data for the complete story. Never has there seemed graver cause for such an inquiry in the interests of a people robbed and spoiled. All names and addresses of Companies, Syndicates and individuals who have knowingly engaged in the exploitation of the Province or its people, or shared in the plunder, should be published without fear or favor, and the guilty parties in Governmental or other circles made to stand by the consequences.

It is the urgent duty of the people of British Columbia to demand that such measures be taken, either by a Royal Judicial Commission appointed by the Dominion Government, or by a Royal Commission from the Imperial Government at London.

Our appeal is to the conscience of the people irrespective of party. If this Province is to be saved from economic and social ruin, and from further political degradation; if the heritage of its people is ever to be restored to them, it can only be done by all right-thinking men facing the present situation, demanding most thorough investigation and calling to strict account those who have brought about these conditions. For men of all parties this is the supreme duty of the present hour.

APPENDIX A

Table showing the "Answers to Questions 5 to 13" suppressed by Agricultural Commissioners' Report. The answers sent in show that out of the 29 Provincial Assessors, only 9 reported any Government Land for Settlers within 20 miles of Roads or Railways, as seen below:

District	Gross Area Acres	Acres for Cultivation
Fort Steele	15,000	3,750
Golden	50,000	30,000
Kamloops	2,400,000	600,000
Kettle River	28,266	2,000
Nicola	920,442	30,000
Hazelton	100,000	50,000
Prince Rupert	2,177,200	43,544
Slocan	1,000,000	2,000
Vernon	1,267,200	63,360

Deducting Kamloops' and Vernon's 663,360 acres needing costly irrigation before "Settlers" can possibly earn a living upon it, leaves 161,294 acres as available for settlement within 20 miles of Railroad or Wagon Road throughout the whole province.

APPENDIX B

Table of Applications to Purchase Crown Lands in British Columbia during the years 1908, 1909 and 1910.

Year	Date	District	Agent's Name	Acres
1908	April 16	Cranbrook	James Fisher	10,000
	May 21	Omineca	James A. Hickey	15,000
	July 16	Omineca	Chas. E. Mahon	28,000
	July 16	Skeena 1	W. W. Clarke	10,000
	July 23	Omineca	Hartly A. Cullon	15,000
	July 30	Skeena, Q.C.I.	Alfred C. Garde	12,000
	July 30	Skeena, Q.C.I.	Angus Beaton	7,000
	Oct. 22	Skeena, Q.C.I.	Geo. B. Campbell	13,000
	Aug. 6	Cariboo 1	Allan Stewart	15,840
	Dec. 3	Cranbrook	Geo. O. Leask	19,200
		10 "Stakers" averaged 14,504 acres in the total of		**145,040**
1909	Jan. 7	Skeena, Q.C.I. 1	F. B. Allard	17,000
	April 22	Fort George	Richard Grayston	10,000
	April 29	Fort George 1	W. Hay Meikle	9,600

Year	Date	District		Agent's Name	Acres
1909	April 29	Skeena		James Watt	14,000
	May 27	Fort George		Chas. H. Pinker	7,400
	July 3	Omineca		James Dorsey	10,000
	July 3	Omineca		Wm. H. Wilson	10,000
	July 10	Skeena		A. E. Johnston	13,000
	July 2	Omineca		Frank Watson	16,000
	July 15	Omineca		B. W. Huckell	9,000
	July 22	Omineca		Jno. J. Matz	10,000
	July 22	Fort George		D. E. Harris	10,000
	Aug. 5	Omineca		Matt Haller	23,000
	Aug. 12	Cariboo		Philip White	17,000
	Aug. 12	Omineca		Frank Watson	12,800
	Aug. 5	Omineca		Robt. Leake Gale	14,000
	Aug. 26	Omineca		Matt. Haller	12,800
	Sept. 2	Omineca		John Dorsey	12,800
	Sept. 9	Omineca	2	A. Beaton (went to stake coal)	12,800
	Sept. 30	Omineca		Anton Oleson	18,000
	Sept. 30	Omineca		J. W. Davis	7,000
	Oct. 7	Fort Fraser	1	D. D. McPhail	44,800
	Oct. 14	Skeena, Q.C.I.	2	F. B. Allard	28,000
	Oct. 21	Cariboo	2	W. Hay Meikle	20,480
	Nov. 26	Omineca		F. H. Watson	20,000
	23 "Stakers" averaged 16,508 acres in the total of				**379,680**
1910	Jan. 20	Skeena	2	Allan Stewart	6,400
	Jan. 20	Omineca	2	Frank Watson	46,000
	Feb. 17	Cariboo		B. W. Dutcher	16,640
	Feb. 17	Cariboo	3	W. Hay Meikle	14,000
	Mar. 3	Fort George		A. E. Johnston	12,000
	Mar. 3	Cariboo	1	W. R. Harrison	16,800
	Mar. 3	Fort St. John	2	W. R. Harrison	50,500
	Mar. 10	Fort George	1	Fred C. Johnston	11,500
	Mar. 24	Cassiar	1	Robt. Macdonald	16,800
	Mar. 24	Cassiar	2	Robt. Macdonald	15,260
	Mar. 24	Cariboo	2	Fred C. Johnston	14,200
	Mar. 31	Cariboo	4	W. Hay Meikle	8,900
	April 7	Lillooet		Jonathan Graham	14,080
	April 7	Lillooet		J. P. Cunningham	15,000
	April 7	Cariboo	1	R. T. Alexander	17,920
	April 14	Victoria		J. W. Williams	6,000
	April 21	Skeena, Q.C.I.		J. G. Johnstone	17,900
	April 21	Cariboo	1	W. H. Harrison	9,200
	April 28	Cariboo		Jas. Hofercamp	14,500
	April 28	Cariboo	1	Geo. E. Bowes	6,600
	April 28	Cariboo	1	P. G. B. Boedeker	6,600
	April 28	Lillooet		J. D. Cunningham	6,000
	April 28	Skeena, Q.C.I.		E. J. Tingley	7,680
	April 28	Fort George	2	Geo. E. Bowes	52,220
	May 12	Cariboo	1	James Shepherd	6,000
	May 12	Fort George		S. J. Henderson	6,600
	May 12	Cariboo	1	Fred Shepherd	17,400
	May 12	Cariboo	2	James Shepherd	18,000

Year	Date	District		Agent's Name	Acres
1910	May 12	Cariboo	1	Jas. F. Wood	12,000
	May 19	Hazelton	2	D. D. McPhail	6,400
	May 19	Cariboo	1	Henry A. Porter	12,000
	May 19	Hazelton	3	D. D. McPhail	8,000
	May 19	Sayward		A. J. Gordon	14,000
	May 19	Skeena	1	Arthur Robertson	19,200
	May 19	Skeena, Q.C.I.		O. W. Rogers	10,000
	May 5	Fraser Lake		D. H. Hoy	9,600
	May 5	Omineca		Geo. Ogston	14,000
	May 5	Cariboo		James Deacon	25,000
	May 5	Lillooet	5	W. Hay Meikle	6,400
	May 26	Fort George		W. V. Bowron	19,200
	May 26	Fort George	2	R. T. Alexander	7,000
	June 2	Fort George		Chas. Crowhurst	12,800
	June 2	Fort George	2	P. G. B. Boedeker	8,000
	June 10	Cariboo	1	H. L. Walters	9,500
	June 9	Lillooet		W. W. Wood	12,000
	June 9	Omineca	1	S. P. Dunlevy	12,000
	June 9	Cariboo		Wm. Dale	12,500
	June 9	Cariboo	1	C. H. Walker	12,000
	June 9	Cariboo	2	W. H. Sanders	10,000
	June 9	Cariboo	2	S. P. Dunlevy	10,000
	June 9	Cariboo	1	W. H. Sanders	10,000
	June 16	Lillooet		J. S. H. Rowbottom	20,000
	June 16	Fort George	2	Jas. F. Wood	36,000
	June 23	Cassiar	3	Robert McDonald	38,000
	June 23	Cariboo		Peter Hamilton	10,000
	June 23	Cariboo	1	Hans P. Gellstadt	24,000
	June 23	Cariboo	2	Hans P. Gellstadt	14,000
	June 23	Cassiar	4	Robert McDonald	13,000
	June 23	Omineca		Sam Rossetti	12,000
	June 23	Skeena		Thos. C. Watson	12,000
	July 7	Cassiar		Jas. W. Smith	32,000
	July 7	Cariboo	1	W. W. McKirdy	26,800
	July 7	Kamloops		Robert Sparrow	15,000
	July 7	Cariboo		Wm. West	12,800
	July 7	Kamloops		Jas. McVittie	6,400
	July 7	Skeena		Frank Dix	8,000
	July 14	Fort George		Wallace Cunningham	10,000
	July 14	Cariboo and Lillooet		John D. Nelson	12,900
	July 14	Cariboo		J. F. Beatty	12,800
	July 21	Cariboo		Jas. Livingston	10,000
	July 21	Cassiar		Frank R. Strohn	7,600
	July 28	Lillooet	2	W. H. Harrison	15,000
	July 28	Lillooet		Geo. Fairbairn	10,000
	Aug. 4	Lillooet		James Wilkins	13,000
	Aug. 4	Peace River		J. E. Longton	28,200
	Aug. 18	Omineca		Jas. H. Pettry	30,000
	Aug. 18	Fort George		Eugene Croteau	34,000
	Aug. 25	Omineca	2	Jas. H. Pettry	62,800
	Sept. 1	Skeena	2	Arthur Robertson	18,000
	Sept. 8	Cariboo	3	James Shepherd	40,400
	Sept. 8	Cariboo	2	Fred S. Shepherd	15,000
	Sept. 8	Cariboo		Donald McCallum	9,800
	Sept. 15	Cariboo	2	C. H. Walker	9,000
	Sept. 22	Coast		Fred C. Jones	22,500

Year	Date	District		Agent's Name	Acres
1910	Sept. 22	Cariboo		A. P. McInnes	12,800
	Sept. 22	Skeena, B.I.	1	B. L. Tingley	22,400
	Sept. 22	Skeena		John Dybbarn	12,800
	Sept. 29	Skeena		L. C. Rattray	12,800
	Sept. 29	Cariboo	2	W. McKirdy	14,000
	Sept. 29	Omineca		Albert Goulet	13,000
	Sept. 29	Skeena, Q.C.I.	3	Arthur Robertson	12,800
	Oct. 6	Nelson		P. H. Siemen	10,000
	Oct. 6	Fraser Lake	2	Henry A. Porter	8,200
	Oct. 6	Cassiar		Angus J. Macdonald	7,000
	Oct. 13	Fort Fraser		E. E. Knight	8,400
	Oct. 13	Skeena, B.I.	2	B. L. Tingley	20,000
	Oct. 20	Cariboo		O. B. Allan	25,600
	Oct. 20	Cariboo		A. G. Davis	10,000
	Oct. 20	Peace River		Carl J. Kirk	18,000
	Oct. 27	Cariboo	3	Hans P. Gellstadt	36,400
	Oct. 27	Cassiar		Daniel Macdonald	14,000
	Oct. 27	Cariboo	2	Harry L. Walters	22,400
	Oct. 27	Cariboo		Jno. Wm. Allan	22,400
	Oct. 27	Cassiar		Alfred Woodcroft	10,000
	Nov. 3	Lillooet		Philip Macdonald	11,400
	Nov. 3	Cassiar	3	W. H. Harrison	11,000
	Nov. 3	Cariboo		George McGee	15,840
	Nov. 3	Cariboo	4	H. P. Gellstadt	16,000
	Dec. 31	Skeena	2	W. W. Clark	6,400

84 "Stakers" averaged 20,831 acres in the total of 1,749,840

The above "Applications" to Purchase Land were abstracted from the "B. C. Gazettes" by W. W. Baer and published in the Victoria "Times" on 6th December, 1913.

The figures 1 to 5 are inserted in middle column to indicate those "stakers" who exploited several subsequent areas.

Land Areas "Staked" and Applied For by 117 "Stakers" in 3 Years

Arranged According to Districts

Land District	1908 Acres	1909 Acres	1910 Acres
Cariboo	13,000	37,680	642,700
Cassiar			175,060
Coast			22,500
Fort Fraser and Lake		41,800	26,200
Fort George		37,000	209,320
Hazelton			14,400
Kamloops			21,400
Lillooet			135,380
Omineca	58,000	188,200	189,800
Skeena	10,000	27,000	138,000
Total for G. T. P. and C. N. R. Areas	**81,000**	**334,680**	**1,574,760**
Cranbrook	29,200		
Nelson			10,000
Peace River			96,700
Sayward			14,000
Skeena, Q.C.I.	34,840	45,000	48,380
Victoria			6,000
Total for Other Districts	**64,040**	**45,000**	**175,080**
Total those 117 "stakers" staked	**145,040**	**379,680**	**1,749,840**

Names of the leaders who during these initial three years staked more than 20,000 acres here follow in alphabetical order:

Agent employed—	Acreage staked before Dec. 31, 1910	Agent employed—	Acreage staked before Dec. 31, 1910
F. B. Allard	45,000	W. McKirdy	40,800
O. B. Allan	25,600	D. D. McPhail	58,000
Jno. Wm. Allan	22,400	Jno. D. Nelson	25,800
Geo. E. Bowes	58,800	Jas. H. Pettry	92,800
Eugene Croteau	34,000	Arthur Robertson	50,000
S. P. Dunlevy	22,000	Jas. Shepherd	64,400
Hans P. Gellstadt	90,000	Jas. W. Smith	32,000
Mat Haller	35,000	Allan Stewart	22,240
W. R. Harrison	67,300	B. L. Tingley	42,400
W. H. Harrison	35,200	C. H. Walker	21,000
A. E. Johnston	25,000	H. L. Walters	31,900
Fred C. Johnston	25,700	Frank Watson	74,800
F. C. Jones	22,500	Jas. E. Wood	48,000
Chas. E. Mahon	28,000	Sub total for 30 "stakers"	1,282,820
W. Hay Meikle	59,380	Bal. staked by others listed	991,740
Robt. Macdonald	32,000		
Robt. McDonald	51,000	3 yrs. total for 117 stakers	2,274,560

That is 16% beyond the 1,953,490 acres which the 1914 B. C. Year Book on page 387, records as "purchased" during the years 1909, 1910 and 1911, which (allowing for "over-lappings") corresponds, because the "Sanction to purchase" is generally recorded next year.

APPENDIX C

SUPREME COURTS of CANADA and B. C. DECLARE Such "STAKING" of LAND by "POWERS OF ATTORNEY" ILLEGAL

Supreme Court of Canada
(Vol. XLVIII, Page 558)

1913—*Oct. 28, 29, *Nov. 3.

James H. Brownlee (Plaintiff) Appellant; and Harry McIntosh (Defendant), Respondent.

B., who laid out and inspected Crown lands as a government surveyor, furnished information to the defendant and an associate which enabled them to secure choice locations, comprising over 7,000 acres of these lands, in the names of a number of persons nominated by them and employed as "stakers." Subsequently B. assisted in the disposal of the lands thus secured to innocent purchasers under an arrangement with the defendant and his associate that he was to participate in any profits which should be obtained on such sales. In an action by B. to recover compensation for the services he had rendered in regard to these sales:—

Held, that the circumstances disclosed a scheme concocted in opposition to the policy of the British Columbia "Land Act," and in violation of its provisions respecting the disposal of Crown Lands; consequently, the agreement, being tainted with the character of the scheme, ought not to be enforced by the courts.

Mr. Justice Duff, in giving judgment, records these vital facts:

"The plaintiff bases his claim upon a contract which he alleges he entered into with the defendant and his associate Garnham in the spring of 1911, by which they agreed that if the plaintiff would assist them in selling certain lands in respect of which they then had a contract of purchase with the British Columbia government they would remunerate him. The land in question comprises about 7,000 acres in the northern part of British Columbia. These lands had been surveyed by the plaintiff under contract with the government. In the preceding autumn the plaintiff, acting for the defendant and his associate, had applied for the purchase of the lands in the names of different persons—there were ten or twelve parcels in all—nominated by them; and the applications having been accepted he had procured

the execution of conveyances by the plaintiff under contract with McIntosh. For this the appellant was paid 25 cents an acre. Later, in the spring of 1911, according to the plaintiff's story, McIntosh and Garnham made the further arrangements already mentioned upon which the action was brought.

"It is perfectly obvious that the scheme entered upon and successfully carried out by McIntosh and Garnham, through the agency of the plaintiff, was a fraud upon the 'Land Act.' The conditions upon which surveyed public lands might be purchased, in 1910, were those laid down in sections 34 and 36 of the 'Land Act' of 1908; and one of these conditions is expressed in sub-section 11 of section 34, in the following words:

"34.—(11) 'No person who has given notice that he has applied for permission to purchase lands under the provisions of this section shall be entitled to give notice of his intention to apply for permission to purchase any other lands under the provision of this section until after he shall have either abandoned his application for permission to purchase or acquired a Crown grant of the lands for which he had previously given notice of his intention to apply for permission to purchase, and shall have obtained a certificate from the Commissioner that he has improved the said land to the extent of three dollars per acre; land which is bona fide cultivated shall be deemed to be improved land, and in other respects section 22 of this Act shall apply: Provided always, that no person shall purchase more than one tract of land, of whatever extent, under this section, until the above-mentioned improvements have been completed in accordance with the provisions of this Act.'

"McIntosh, Garnham and the plaintiff would not, of course, be entitled to purchase, under the provisions of this section, more than three separate tracts of land without having complied with the conditions as to improvements. The plan adopted to evade these provisions was to make a number of applications in the names of the nominees of McIntosh and Garnham. There can be no question that the real applicants were McIntosh and Garnham. The scheme was to obtain Crown grants of these lands in violation of the provisions of the statute, although in professed compliance with them, and then sell the lands to purchasers, who, in the ordinary course, would know nothing of the contrivance that had been resorted to. Any agreement entered into for the purpose of carrying out or facilitating the carrying out of this fraud upon the 'Land Act' would be an agreement which it would be the duty of the courts to refuse to enforce as soon as the character of it should become apparent. The contract set up by the plaintiff under which he agreed to assist in the sale of the lands is necessarily tainted by the character of the scheme as a whole. It follows that the action ought to be dismissed. For these reasons I concur in dismissing the appeal with costs."

SUPREME COURT OF B. C.

Victoria, March 23, 1914.—The practice of land speculators staking lands wholesale in the names of persons from whom they obtain powers of attorney was declared by Mr. Justice Macdonald today to be an illegal extension of the right to stake by an agent given in the 1907 Amendment to the Land Act. In this he follows Mr. Justice Duff, who has declared that such a practice is a fraud upon the province.

Important Judgment

Mr. Justice Macdonald deals with the matter in a most important judgment, dismissing Robert W. Clark's claim for damages from George W. Swan for misrepresentation of the value of the land staked. His lordship's attitude toward the practice that has become so prevalent since the government provided this loophole for party friends, is all the more emphasized by the fact that he held the claim to be a good one on its merits, at the same time that he put the plaintiff out of court because of the fraudulent nature of the staking.

Clark was desirous of obtaining a large quantity of land in the Naas Valley and arranged with one H. N. Boss to stake it under the Land Act for purchase from the Provincial government. Boss, in turn, employed Swan, and acting under instructions from the plaintiff, supplied defendant with the names of persons who would be used as ostensibly desirous of purchasing such land. The defendant was to receive 25 cents for every acre of land so staked and reported upon.

Report Misleading

It was claimed by the plaintiff that Swan's report was grossly misleading and had been so found by eastern investors. In the course of his judgment his lordship says:

"The defendant seeks to escape liability on the ground that the whole transaction in which the parties were engaged was contrary to public policy as being an evasion of the Land Act and thus illegal. It is quite apparent that the persons whose names were used by the defendant in staking the land were not really intending purchasers from the government, they were simply being utilized for the purpose of enabling the plaintiff to secure a number of sections of land contrary to the provisions of the Act, which provides that only one section can be purchased at one time. This practice of using names for staking has been too prevalent in the province and was recently considered illegal by the Supreme Court of Canada in Brownlee vs. McIntosh."

His lordship, dismissing the action but without costs, held that no right of action could spring out of an illegal contract, and that the plaintiff was not entitled under such circumstances either to damage or to recovery of money paid.

APPENDIX D

ABSTRACT SUMMARY OF 1,052 LAND PURCHASE APPLICATIONS

Vide "B. C. Gazette," week ending 3rd October, 1912 (One Week Only)

Occupation of Applicants		Acres	%
Married Women		48,402	10
Spinsters		36,490	8
Widows		10,569	2
Nurses		3,799	1
Sub-Total for Women		99,260	21
Clerks and Stenographers (partly women)		40,056	9
Industrial Workers, as below		93,760	20
Contractors	5,520 ac.		
Cooks	4,720 "		
Loggers	5,549 "		
Miners	7,120 "		
Prospectors	5,900 "		
Shoemakers	5,600 "		
Various	59,351 "		
Mechanics, as below		34,360	7
Carpenters	11,010 ac.		
Machinists	3,480 "		
Mechanics	2,560 "		
Printers	10,440 "		
Various	6,870 "		
Merchants and Manufacturers		54,260	12
Professional Men		49,991	11
Real Estate Agents and Brokers		34,955	8
Laborers (mostly cities)		34,274	7
Farmers and Ranchers (mostly in cities)		24,079	5
Totals		464,995	100

Most of the 5 per cent. described as Farmers and Ranchers are like those above them—merely speculators. Probably not one per cent. of the 1,052 miscellaneous Applicants will clear or use one of those 464,995 acres.—James Scott had "staked" 74,040 acres, and Robert Cross 62,080 acres.

N.B.—In the same "Gazette" G. M. Beirnes "staked" 30,720 Acres of Coal, and A. D. Lloyd 26,880 acres.

These men thus "staked" 57,600 Acres of Coal in one season.

SATURDAY SUNSET PRESSES, VANCOUVER, B. C.