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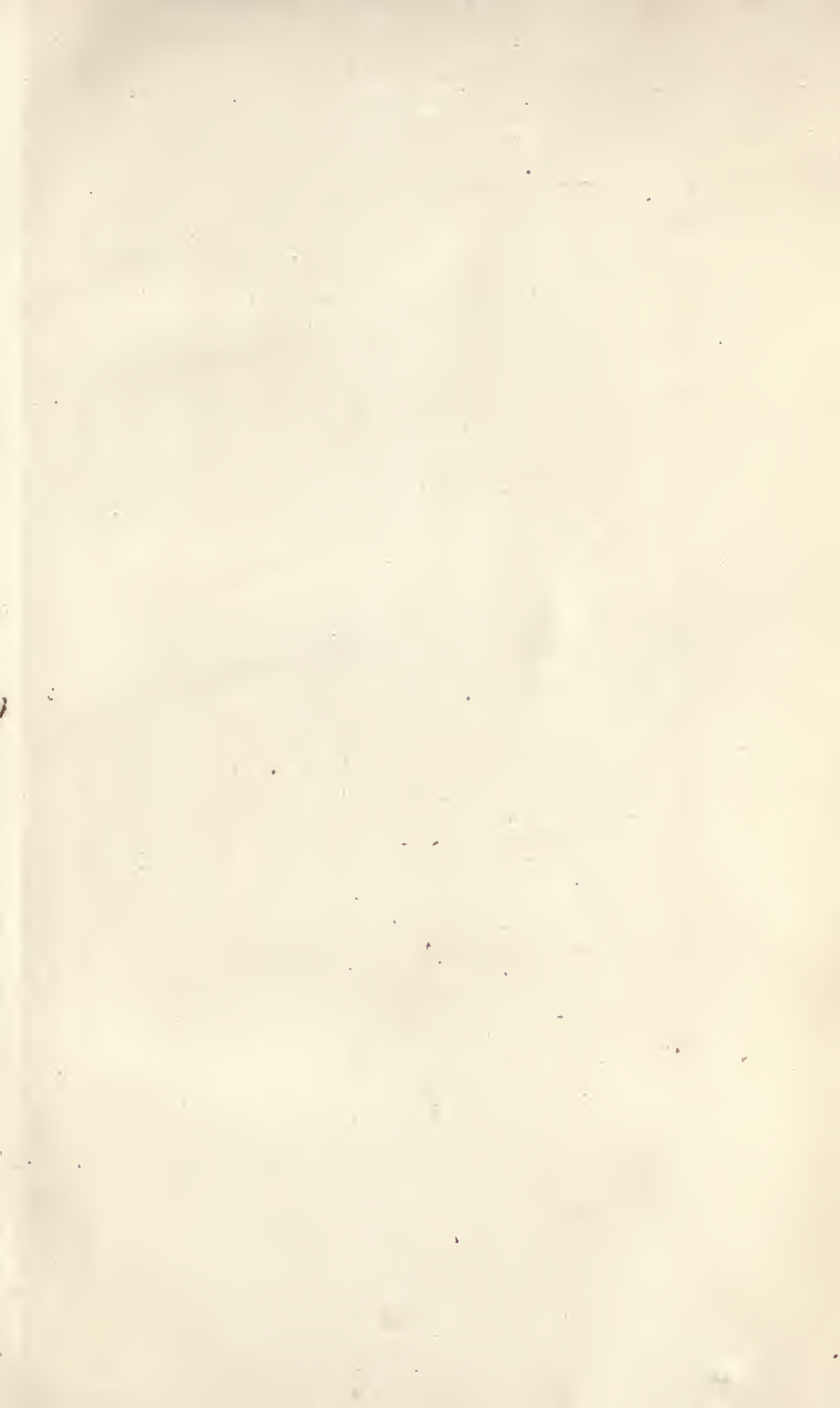


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Report of Proceedings

— OF THE —

**AMERICAN
MINING
CONGRESS**

Fifteenth Annual Session

Spokane, Washington, Nov. 25-29, 1912

—

Published by the American Mining Congress
At the Office of the Secretary Denver, Colo., 1913

Report of Proceedings

of the

American Mining
Congress

Fifteenth Annual Session

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1912

UNIV. OF
CALIFORNIA

Published by the American Mining Congress

At the Office of the Secretary, Denver, Colo., 1913

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PREVIOUS SESSIONS OF CONGRESS.

	DATE.	CITY.	PRESIDENT.	ADDRESS.
1st	July, 1897 ¹	Denver, Colo.	Hon. Alva Adams,	Pueblo, Colo.
1st	July, 1897	Denver, Colo.	Hon. L. Brandford Prince,	Santa Fe, N. M.
2d	July, 1898	Salt Lake City, Utah.	Hon. L. Brandford Prince,	Santa Fe, N. M.
3d	July, 1899 ²	Milwaukee, Wis.	Col. B. F. Montgomery,	Cripple Creek, Colo.
3d	June, 1900	Milwaukee, Wis.	Col. B. F. Montgomery,	Cripple Creek, Colo.
4th	July, 1901	Boise, Idaho.	Hon. L. Bradford Prince,	Santa Fe, N. M.
5th	Sept., 1902	Butte, Mont.	E. L. Shafner.	Cleveland, Ohio.
6th	Sept., 1903	Deadwood and Lead, S. D.	Hon. J. H. Richards,	Boise, Idaho.
7th	Aug., 1904	Portland, Ore.	Hon. J. H. Richards,	Boise, Idaho.
8th	Nov., 1905	El Paso, Texas.	Hon. J. H. Richards,	Boise, Idaho.
9th	Oct., 1906	Denver, Colo.	Hon. J. H. Richards,	Boise, Idaho.
10th	Nov., 1907	Joplin, Mo.	Hon. J. H. Richards,	Boise, Idaho.
11th	Dec., 1908	Pittsburgh, Pa.	Hon. J. H. Richards,	Boise, Idaho.
12th	Oct., 1909	Goldfield, Nev.	Hon. J. H. Richards,	Boise, Idaho.
13th	Oct., 1910	Los Angeles, Cal.	Dr. E. R. Buckley,	Rolla, Mo.
14th	Oct., 1911	Chicago, Ill.	John Dern,	Salt Lake City, Utah.
15th	Nov., 1912	Spokane, Wash.	Samuel A. Taylor,	Pittsburgh, Pa.

¹Temporary.

²Passed to June, 1900.



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Colorado—BULKELY WELLS.
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REPORT OF THE PROCEEDINGS

OF THE

Fifteenth Annual Session of the American Mining Congress.

Spokane, Washington, November 25-29, 1912.

MONDAY, NOVEMBER 25, 1912.

Opening Session.

2:00 O'Clock P. M.

The Fifteenth Annual Session of the American Mining Congress, held at Spokane, Washington, November 25-29, 1912, was called to order by Mr. Graham B. Dennis, Chairman of the Local Committee, Temporary Chairman of the Convention, at 2 o'clock.

THE CHAIRMAN: I want to thank the ladies and gentlemen for their reception of the delegates expressed by your presence today.

I wish to introduce the Very Reverend Charles Hicks, Dean of All Saints Cathedral, who will offer the invocation.

VERY REVEREND CHARLES HICKS: Let us pray. Almighty God, Maker of Heaven and Earth, we thank Thee as the source of all good things, the Giver of every good and perfect gift; the Heavens are Thine and the Earth, and all that therein is. Thy hands fashioned the hills, and the gold and the silver and the precious things of the earth all are Thine; and Thou didst make them and in Thy wisdom and power were they created. Accept our recognition of Thy sovereignty; our grateful acknowledgment of all Thy mercies, and that Thou hast given to us more than is given to others. Help us, we beseech Thee, to render more to others in the way of Christian service. Give us, we pray Thee, at this time not only a sense of Thy goodness but also a sense of our responsibility and stewardship, and may such a consciousness of our vocation come to us that mankind everywhere may be helped and blessed through our life and activities. Give us also in all our work and endeavors an appreciation of the things of the spirit, and may we never lose sight of spiritual values or the one eternal reality, possessing which all other things are added unto us.

To this end, bless this convention here assembled; may all its deliberations and consultations be to Thy glory and the prosperity, honor and welfare of the people. Save us from all error, ignorance, pride and prejudice, and of Thy great mercy vouchsafe, we beseech Thee, so to direct and sanctify our actions in all our doings that peace, happiness, truth, justice, harmony and righteousness may be established among us for all generations. Hear us in these our petitions and unto Thee shall be the praise and the glory both now and forever. Amen.

THE CHAIRMAN. Members of the American Mining Congress, Ladies and Gentlemen: The Governor of the State of Washington, who I regret cannot be with us, but his representative on behalf of the people of the State, the Mayor of Spokane on behalf of the residents of this

city, and the President of the Chamber of Commerce will each in turn extend to you a cordial welcome.

It falls to me as President of the Spokane Chapter of the Congress to have the honor of making the opening address, and to extend a welcome on behalf of the miners of the Northwest, and to express our deep appreciation of this great honor and privilege bestowed upon our city by the gathering of the members of the American Mining Congress.

We acknowledge no superior calling than ours in all the great activities that go to make up a life of endeavor; and while we reverence and respect each and every factor ordained to human progress, we justly accord to ourselves that it is the miner only who reveals to mankind the buried elements of creation, and turns them to the uses and account of man.

Associated, as the profession is with the great and creative sciences, and thus a power, it has been the means of not only amalgamating particles of the creation of Providence into a magnificent whole, but has brought them under subjection and control, enlarging the intelligence, the civilization and the enlightenment of the world.

The symbol of associative strength and advancement, proven by actual experience as well as scientific demonstration, finds its counterpart in the mathematical **three** and the triangle.

Having attained the fifteenth year, or three times five years, of our associate existence, I am impressed with the assurance of strength which those years vouchsafe, and building upon that triangled foundation, we may surely look forward with confidence to the permanency of the Association and to the ultimate attainment of that larger usefulness and completeness, the hope of which was the inspiration of its birth. Though neither philosophy may propound nor science may explain, yet the significance of the numeral **three** and the triangle have from the shadows of mythology down the long corridors of history to the present day—in science, in mechanics, in Holy Writ, in poetry, in rhetoric, in the multifarious affairs of men—always borne a peculiar and strange significance. The triangle in mathematics and its applied branches—mechanic, architecture and mensuration; the three basal elements of physics, the common habit of thinking in periods of three, and finally, the strength of the God-head represented in Trinity.

The Association has completed the fifteen years of its existence. It has described the three sides of a triangle, which denotes the strength of its associate life.

Paramount to all achievements, the Association has gained in stability and strength, being founded upon a rock as permanent as that of Gibraltar. Its strength is its purpose; its stability the character of its organization. Its mission is to bring into closer relationship those of the craft, and will not only cement the Union but inculcate the spirit of brotherly co-operation, so as to be a lasting benefit to each other. Its inspiration is the "Golden Rule," and neither doubt nor fear can wreck it upon the shoals of time. Born in the purple, the folds of its garment have graciously surrounded it; nourished by the hand of Providence, accentuated by the elements of determination, it has developed into a strong factor for usefulness, applicable alike to individual and universal influence.

Its influence is upon the present and passing generation, and in accord with the accomplishment of its aims, humanity alone shall be its judge.

It is my great privilege today to speak on behalf of the Miners of the Northwest—to champion their cause for sturdiness, energy, intelligence and hospitality—and to say to you that theirs are great hearts, and that in this great mountain country, a country filled with diversified and commercial minerals, the latch-string of every cabin hangs outside the door bidding you entrance.

If you should find anything lacking that might have contributed to your comfort or pleasure while in this city, it is not, I can assure

you, because our hearts were too sluggish or our hands too indolent to provide it.

Many of the brilliant gentlemen who will address you during this convention have been blessed with the "gift of tongues." With thundering words of eloquence rolling upon your ears like the majestic music of the spheres, they will arouse you to heroic purpose and resolve, or perchance, by mellow cadence as of the flute and the lyre, move your hearts to gentleness and your eyes to tears.

But to me, my friends, has been given only the humble endowment of hard labor, the gift to work with a pick and shovel beside my brother miners along the unblazed trail of everyday affairs. Therefore, much as I would like to entertain you with an epic of the heroism and achievements of the Miners of the great West, I must leave song and verse to others.

And yet on such an occasion as this, I cannot pass over the subject altogether without stopping, for a moment at least, to pay tribute to the brave, dauntless, big-hearted pioneer miner and prospector of this great western country, whose beneficiaries we all are as we sit here today gathered together in this great meeting.

Even that sublime song-writer, Job, found the dauntless courage of the miner of that long-ago day the fit subject for one of his rarest didactic poems of surpassing sublimity.

I am indebted to Dr. R. W. Raymond, of the American Institute of Mining Engineers, for the following original translation and paraphrasing of this wonderful lyric.

"Silver and gold
 Needing to be refined,
 Iron and brass ores
 Are won underground,
 The miner presses to the very boundary of the darkness,
 And searches to that limit, the rocks
 As dark as death.
 Down and away from human abodes
 He sinks his shaft,
 In which, forgotten by the feet
 That pass overhead,
 He swings suspended.
 Above him the earth produces food,
 But underground, plowed by fire,
 It has gems for grain and gold for
 Clods in the soil.
 His trail is invisible, even to the keen-eyed
 Birds of prey,
 Nor has it ever been traveled by prowling
 Beasts—
 Even the bold lion who goes fearlessly
 Everywhere.
 Again he attacks the hard rocks,
 Overturning even the mountains by the roots,
 And cutting new channel,
 Lays bare the river beds,
 In which his eye discovers
 Every precious particle.
 He prevents streams from leaking
 And brings forth the hidden treasure."

My friends, when I consider what this great audience I see before me represents in the industrial life of the Nation and of the world; and when I consider that the men and women seated here have come from every part of this great country of ours as well as from many foreign shores, and that many of you answer to names that the winds of fame have carried to the four corners of the earth, because of your great

achievements in the scientific, industrial and financial world; and when I contemplate the program prepared for this mining Congress and realize the many profound subjects of large and national importance that are to be discussed and determined in this Convention, I am impressed with the conspicuous fact that the day of the "Pack Mule Overland Flier" and the heroic life of the frontier mining town is rapidly passing.

While every true progressive must welcome the dawn of the larger day, and buckling on his armor, go forth to meet the rising sun, nevertheless it is wholesome now and then to turn our thoughts backward lest in the pride and conceit of achievement we should forget the hand that rocked the cradle of our birth.

Indeed, to no other industry does this nursery simile so well apply, and not by metaphor alone, but literally; in fact, the infant mining industry was rocked in a cradle.

First by the horn, then the cradle, then the arrastra, then the stamp mill, the smelter, the cyanide tank and the electric furnace have the precious metals that form the monetary systems of the world been winnowed from the secret hiding-places in the earth.

We congratulate ourselves that the twentieth century has discovered the law of miracles, and with just pride we boast of our scientific achievements.

We have seen the arrastra supplanted by the 800-stamp mills of Homestake and Treadwell; we have seen the old pack-trail of the mountains obliterated by the steel-ribbed roadbed, and have heard the bray of the pack-mule drowned by the shrill whistle of the giant Mallet locomotive with its burden of a hundred cars, each laden with a hundred thousand pounds of our precious ores, screeching and dashing with the fury of a demon from continental shore to shore.

As one looking down from a planet, we have stood on Alta Butte at Anaconda and gazed in wonderment at that marvelous panorama of Washoe Smelter, self-contained world of human activities. In the silent night we have listened to the deep-toned thunder of those giant crushers and monster rolls, whose cruel jaws and relentless molars mercilessly flay and crush and forever grind to finest powder the hitherto unresisting rocks—battle royal between the great forces of nature, in which the contending water, gathered and harnessed for war, and using man-made weapons, is engaged in deadly conflict with the adamantine walls of earth's great treasure vaults.

Dumbstricken with wonder and admiration, we have stood watching that marvelous scene of the terraced floor of this great smelter, over which a great stream of crystal water, released from the raging battle with the rocks below, and under the glare of a thousand incandescent lamps, flashing like ten thousand bayonets in the sun, comes dashing, foaming, rushing down, down, down that imposing terraced declivity of 700 feet, reckless of its steps and mad with the joy of freedom.

We have gone down to the furnace floor and watched the steady flow of the incandescent molten metal as it pours from a thousand discharges of the great furnaces, like putrid fires of hell vomiting from a thousand serpentine throats, but quickly to be chilled by contact with the cold world into ingots of precious metal and sent out by train-loads into the markets of the world to sway the commerce of empires.

But we have not yet seen all of this great twentieth century monument of the mining industry. Let us step outside again, and craning our necks backward, look up into the heavens. There tapering up, up, up, seeming to pierce the very nebulae of the stars, rises the greatest smokestack in the world.

Can it be possible that human conception dares thus to scale the clouds and human hands to lay brick and mortar at the very threshold of the heavens? Think of the craftsman who climbed to that dizzy height, soaring by the pier he builded beneath his own feet, with only the stars for hand-holds.

See that great volume of white vapor, like incense burning from a lofty altar of the gods, rising higher and higher, and now, as though

it had impinged the wall of the infinite dome, gently breaking and spreading into a filmy nimbus of infinite sinuosity and grace.

And when standing upon and contemplating the superb and dizzy heights of the grand and majestic Coeur d'Alenes, those mighty piles of metallic creation, and below their canyons, their great mines, tunnels, ore dumps, mills and camps, the soul fills with the graciousness of a great and kind Providence which made it possible, and a Harry L. Day, a Eugene Day, an August Paulson, a James F. McCarthy, a Stanley A. Easton, a Bradley, a Patrick Clark, a John A. Finch, a Culbertson, a Hammond, a Sweeny, and a lamented Greenough and Wardner, men that other ages have equalled but not surpassed, men of energy, perseverance, intrepidity and intelligence, who out of the very intrepidity of their souls hewed the trail, drove the pick, dared to do, surrendered the comfort of home and home ties, that state and nation might profit, and future generations reap the joy. Such men, Gentlemen of this Convention, are of the salt of the earth, whom a monument built of gold would illy honor, but whose real honor lies and rests in the memory and the hearts of men.

As stated in my foregoing remarks, we are assembled for the first time in the city of Spokane, and for the fifteenth in the life and history of the American Mining Congress, to carry forward the wise and admirable purposes of this association, and join hands in the effective service of one of the great branches of human industry.

The object of all industry is to achieve and advance the well being of humanity, to win by expenditure of intelligence, muscle and mechanical appliance, livelihood for the passing generations, and the crown of honor and fame for those who add to that knowledge, which is the understanding of the productions of Nature, and how to turn them to men's good.

Curiosity as to these myriad productions of Nature is an instinct as old as the Garden of Eden, and the pages of Holy Writ reveal to us how the rebellious use of primeval curiosity, that resistless passion to gather the fruit of knowledge—to taste its tempting substance, and drain one draught of its fascinating juice, was punished by expulsion from that garden of joys, and the condemnation of man to gain his bread by the sweat of his brow.

Be that legend the literal and inspired record of man's first entrance into the career of industry, or be it a splendid poetic fable, it is surely the eternal truth.

By our own industry we have lived these thousands of years—by our own industry we have risen from primitive ignorance and savage rudeness of life, until upon industry rests the solid and enduring fabric of our ever progressing civilization, and if curiosity, which is the spirit of investigation, drove us out of paradise, slowly under that modern form of curiosity we call science, man is surely shaping the march of progress toward a new paradise of intelligence, of comfort, of beauty and of charm. Thither we and our industries are tending.

Those colossal monsters of human construction, the kingdoms of the world, arise, flourish, decay and are cast into the dust-heap of the ages, but the highest achievement of labor, the science and arts of human industry, are handed on over the graves of empires, from century to century, from land to land, from race to race, ever magnificent, ever beneficent.

We who are assembled here belong to that army of workers who, undaunted by the solid adamant of the everlasting hills, delve our way into the dark and rayless regions of the earth's stout crust, and win the useful minerals.

What we call the science of mining came down to us from hoary antiquity, and has grown, like all other of the human arts, from the rudest beginnings in the early infancy of our race, ages and ages before the sun of history rose above the horizon of recorded time.

Onward, onward and ever onward, marches the industry of mining, one by one we have cast away the rude appliances and methods of the

past; one by one we have seized the new weapons of modern practice, and organized them into a harmonious whole, till the miner who began in ages past by fashioning a hammer out of a river pebble, and wearing a chisel out of a wayside stone, and clipping the glittering specks from some chance outcrop, has become the broad-minded scientist versed in minerals and the world's structure, a possessor of the secrets of chemistry, a wielder of mechanical power, a harnesser of lightning.

Many before me have reached this last stage of development as full masters of the great art of mining, and have contributed their eminent part of the wonderful progress which is one of the glories of the early years of the new century.

Can we doubt that this Association, so richly endowed with professional knowledge, will put its great shoulder to the wheel, and still urge the onward march?

From many snow-enamelled and cloud-capped mountain crests—from the pine-shadowed shoulders of remote and far-separated ranges, a thousand rills of water follow their devious pathways downward through forest and canyon, by valley and meadow and village, ever growing, ever uniting, till at last all these trivial water courses and modest brooks become the broad stream, over each rock in the rapids of which there hangs a bridal veil, and over each cataract a shroud that rolls on through the plain of Spokane. Rain drops and snow crystals have become the one proud river, and here in the midst of this splendid young city, suddenly by a single leap it develops a large and splendid measure of energy useful for the industrial needs of man now and hereafter so long as this rock-ribbed continent shall stand above the waters of the encircling sea. Such is the mighty result of combination; so may it be with our confluence here.

Like the drops of wind-scattered rain, like wandering snow crystals tossed by prodigal clouds from some far-off crag, we start from a hundred sources, and, gathered in the channels of our several industries, and urged by the gravitation of our mutual interests, you enter the gates of Spokane, which are ever wide and hospitably opened to the influx of mining manhood.

With us, gentlemen of this Association, it remains to complete the parallel I have drawn. It is for us to follow the poetic parallel of that fair river and here in Spokane, nurtured and sustained by this great Association, to convert the flow of our lives into one great and enduring mining power.

As man's mechanical skill turns the energy of the cataract into a useful and docile force which he can transmit near and far to serve a hundred useful purposes, so may we here combine and develop a great, beneficent, intellectual energy which we shall transmit to the remotest confines of our cherished Northwest, for the lasting benefit of the men and industry of mining.

But, my friends, let us come back to earth. We are no longer at Anaconda gasping in wonder and admiration at the great Washoe smelter, nor upon the silver and gold tipped crests of the Coeur d'Alenes, nor wrapped in the splendor of the history and personality of its men. We are here in the city of Spokane at a meeting of the members and friends of the American Mining Congress, assembled for mutual encouragement and interchange of ideas, and for the more serious business of discussing and determining many questions of grave and vital importance to the mining business and to the welfare of the nation.

This is a gathering of men of a high order of intelligence and education, men who have done big things and who stand for one of the greatest factors of American progress and prosperity.

The Washoe smelter, the Bunker Hill and Sullivan, the Hecla, the Standard and the Hercules mines of the Coeur d'Alenes, are only some of the great achievements connected with the industry this Congress represents. During this Convention, no doubt, we shall hear of many others equally great or greater. The men present are those who have accom-

plished these great things. We have just cause for pride and rejoicing over our achievements.

But returning for a moment to the thought suggested in the early part of these remarks. What of the pioneer prospector and brave miner of the early day mining camps of the West, and particularly of our own dear and beloved mining country, those of the Coeur d'Alenes, Republic, Crow's Nest Pass of British Columbia, Phoenix, Colville, Chewelah, Boundary, Slocan and Elk City camps, enshrined and honored with the names of Jay P. Graves, Byron N. White, D. C. Corbin, Conrad Wolfe, Clark, Harper, Kearney and others, the sun of whose days is now rapidly setting, but who blazed the trail into the wilderness over which we have traveled to our present greatness and shall continue to travel to greater things?

It is for them I speak, lest in our pride and self-importance we forget—forget the debt of gratitude we owe.

My friends, it is with this thought in mind, as well as to provide for your pleasure and entertainment that the loyal citizens of Spokane, the Chamber of Commerce, the Mining Men's Club, L. K. Armstrong, its able president; the Ad, Rotary, Enakops, Real Estate and other clubs have prepared an exhibit reproducing the familiar scenes of early life in the mining camps of the West. To the "Spokane Diggins" you have a hearty welcome.

And now, ladies and gentlemen, I find that I am not half through saying what I would like to say, and yet I have already taken up more of your time than I am entitled to.

I would like to show you a map of Washington, Idaho, Alaska, Oregon, Montana and British Columbia and point out to you the locations of the many mining districts of this Northwest country, and the railroads that traverse it, making Spokane the great commercial mining center of this vast country. I would like to tell you something of the present activity in the many camps, and the vast as yet undeveloped territory, so that you might put two and two together and judge for yourselves how great the future development is likely to be.

I would like to review the history of Spokane in order to convince you that this city, its capital, its brains, and its labor has been, and will continue to be, the prime inspiration of the mining development of this entire Northwest country, and to persuade you that the true mining spirit, with all of its courage, large-heartedness and zeal, is the quickening impulse and passion of our people.

And then I would like to whisper in your ear the secret of our ambition to make the city of Spokane the permanent headquarters of the American Mining Congress, and what we propose to do for you, to build for you a great Mining Temple, if in your wisdom and generosity you should yield to our appeal.

But I realize that it would be in bad taste to thrust this subject upon you so early in the proceedings, and especially in these opening remarks of welcome. There will be time and place for that.

And now, ladies and gentlemen, thanking you for your kind attention, I have the honor to introduce to you our honored mayor, Dr. W. J. Hindley, mayor of Spokane.

MAYOR HINDLEY: Mr. Chairman, Ladies and Gentlemen: When I came into the Armory this afternoon the good minister, the Dean of All Saints' Cathedral was leading you in prayer. I have attended several preliminary meetings held in the interests of this great conference, this meeting of the American Mining Congress, but this is the first time that I can think of that such a conference was opened with a prayer, and I didn't understand the why, because I saw nothing serious in the mineral markets, why the mining men should be prayed for, but looking down the program, beginning with this splendid address by Mr. Dennis and ending with about fifteen others, I can easily understand why you people needed praying for. (Laughter.) When the Chairman referred to the flows of oratory that would fall upon your ears during these conference days and then got busy with such terms as "filmy nimbus,"

"ethereal," "sinuosity" and others, I was just wondering what was going to happen to the rest of us.

I am reminded a little of the son of the farmer in the East who came West. They didn't hear from him for a number of months until one day they got a telegram which said in terse words, "Your son John was killed this morning." Of course, the farmer was very badly broken up over the news, and after they had calmed down and talked it over they decided to have the body sent home for interment. So they telegraphed back to the friend who had originally telegraphed them saying, "Your sad news received. Send on the remains." And they were a little surprised to receive an answering telegram from the friend saying, "There are no remains. Your son John was kicked by a mule." And that is the way I felt when Mr. Dennis got through with his speech. I simply felt there were no remains after he had concluded his own address for the rest of us, and yet the spirit and eloquence of that address has struck a high note and those of us who follow will certainly have to be up and about our business if we intend to keep pace with that address.

You remember the story of the man who was riding down the trail and happened to see a drover with a herd of cattle. One of them became foot-sore and laid down on the trail. He couldn't get it up; he kicked and he cussed and he did everything he could think of to the critter, but the critter laid upon the trail. The traveler, who happened to be a physician, took a small bottle out of his pocket or bag and dropped a few drops on his hand and then rubbed it upon the critter. He had no more than touched him with this acid, or whatever it was that was in the bottle, when it jumped up to its feet and made over the hill, and the last they saw of it was going over the sky-line with its tail over its back. And the man said, "Stranger, I don't know what you have got in that bottle, but you had better rub a little on me because I've got to catch that critter or lose my job."

Now, I don't know what kind of a bottle Dennis had after dinner, but if I am going to keep up with him, I know from the burst of oratory that came from his lips that I had better be rubbed with some of that bottle, too, or I will be subject to the recall.

I welcome you here this afternoon, delegates from every state in the United States and Canada; I welcome you here because of what you are and because of the people whom you represent, because of the great interests that are concerned in your deliberations and whose futures are involved in your conclusions. Spokane extends to you a hearty welcome today, and I trust that when you leave our city it will not be with that quotation of that beautiful parable, one of whose statements is written thus, "I was a stranger and ye took me in." Mining men, however, have something coming to them in that line. I can say to you very frankly, however, that if any of you have been away from the great mining centers of the West for a number of years, I have it on good information that there are still some local properties that have not been fully marketed and you might be waited upon in your hotels or places of assignment before your conference closes.

I welcome you here, gentlemen, first because of the history of your great industry. Some of us have been informed Tubal Cain was the first known instructor of every artificer in brass and iron; but I claim a greater antiquity for you in your industry than that of Tubal Cain. I say to you that your industry was old when Adam and Eve were expelled from the Garden of Eden, and the Bible itself is the proof upon which I rest that statement, for you remember when Adam and Eve were expelled from the Garden of Eden there was an angel placed at the entrance with a flaming sword, and where could the sword have come from if there had not been minerals before that day? Your industry is as hoary with antiquity as the pyramids of Egypt and goes back to the ancient civilizations that lined the banks of the Nile and the banks of the Ganges. In fact, I think that our ancestry who carved their places of abode in the hills and the cliffs deserve no small part of our gratitude,

and have no small measure of obligation coming to them from the men of the American Mining Congress of today. I regard you men as having been identified with the growth and evolution of the human race through the various changes that our geologists outline in their scientific works, showing how man has started from a very humble origin, and how he has mined and how he has worked at the various minerals and metals and formed them according to his will, so that into it he has brought an intelligence and an endeavor that characterizes the Twentieth Century for its success, and it is on these things and on this antiquity that I make for you no idle boast.

I welcome you to this new city, a product of the mining industry, whose streets are lined with magnificent buildings and institutions that have been made possible, many of them, through the investment of the fortunes that have been dug from the hills of the wonderful Northwest.

I welcome you, ladies and gentlemen, because of these things today. Then I welcome you because of the contribution you have made to my welfare; but not only to my welfare, but to the welfare of every other man, when we think of the agencies that have lifted the burden from men, lifted it from the toil-bent shoulders of men and laid them on the mind, the intelligence, by which great machinery has been called into service and these burdens transferred largely to the mechanisms that have been evolved from the mechanical skill and art of man. None of these would have been possible had it not been for the men who delved in the hills; men with the vision and the fortitude; men with that splendid courage of their convictions, who have made available the great storehouses of nature. The steam engine, the steamboat, the locomotive and the aeroplane and many of these things are due to you and your kind; due to the contributions that you have made for them and for their products. I say to you today that had it not been for the mining industry the modern city would have been an impossibility; mankind would still have been living in his tepee; man would have been sustaining his body with the berries and nuts, feeding himself with the natural products that could be gathered with his fingers from the bush and taken from the stream; that he would still have been a savage and a barbarian. But you have lifted him by means of the opportunities you have provided for him to that stage in his evolution in which the palmist of the twentieth century would find that even man, who was made in the image of God, is not a little lower than the angels, but in the achievements and purposes of his life has had things given to him that the angels themselves might well envy.

I welcome you, therefore, ladies and gentlemen, today because of your contribution, and in the last place, I welcome you because of the splendid democracy of your organization. There are men here representing the extremes of mining activity, and in this organization you are here, some of you representing the coal mines and some the copper mines and some the silver mines and some perhaps the sulphur mines—we don't know whose those are, because the sulphur has a rather downward tendency and that would fit in rather nicely with the brimstone idea that was spoken of in Mr. Dennis' address a moment ago—but there seems to be no difference in the lines of activity in which you mining men engage. You stand upon a common platform of equal rights and privileges as you meet here today, and you stand for that democracy that centralizes your interests and establishes a commonality of purpose; you stand for that democracy which makes you greet each other's opinions as worthy of consideration though expressed in the heat of debate and controversy, and doubtless some of the great national issues will be discussed on this floor, and they will excite much oratory and much heated debate, in which your mettle will be tried; but still you will give weight and consideration to each other's opinion in a way that will be worthy of the democracy that characterizes your organization. I only wish that the old world was as far advanced in establishing that democracy as you are in your organization. While there is no difference, practically, between the coal miner and the copper miner and these

others, still there is a difference in the ranks of men that come to use the products of the mines. The social conditions of the day still make a great distinction between the goldsmiths and the blacksmiths, between the millwright and the diamond-setter; and yet the world today could do without its goldsmith and its diamond-setter, but it could not do very well without its millwright and its blacksmith. We are moving, however, towards the new industrial democracy in which we appreciate men not because of the fineness or gentility of the work that they do, but because of their honorableness and their integrity, because of the contribution that they make to the welfare and the progress of their time; and there is coming a new sense of our appreciation of the men who have found their life's work in lowly pursuits, and in a Congress recently held in this city—practically under your auspices—we had the prospector, the man who used the muck stick, the man who drove the drill, as well as the man who furnished the money and the man who sold the mining stock. They were altogether, and it was a great family of common interests. It was a unique organization, I think, in mining activities. We are looking forward to the day when not only will this be true in mining activities, but in all activities of our great American civilization. We are looking forward to the time when we shall pay our due tribute to the men who bring to our tables, to our great markets and to our great exchanges the products of their toil and who are making this world what it is for us today, the best world that men ever lived in. We may not live to see many of the things achieved whose futures we are now planning, but we will see the prophecy, and in that prophecy some of us will be well repaid. We may not live the nine hundred sixty and nine that old Methuselah lived, but I feel that it is better to live the sixty-nine years in America than the other nine hundred away back there in ancient Palestine. It is because of this new spirit, it is because of this new note of confidence, it is because of this new comradeship that has sprung into our activities and relationships in general in which you stand as pioneers that we welcome you to the City of Spokane.

May these days of yours be splendid days, ushered in by the sunshine as it flows through the windows this afternoon, and greeted by the smile that is on our faces and the warmth that is in our hearts. May this Fifteenth Conference of the American Mining Congress be the best ever held, and whatever the conclusions reached, whatever the decisions arrived at in your deliberations, may they all tend to fulfill the ideal of that grand old Scottish bard as he looked forward to the great democracy that was to be when he said: "Then let it come as come it may, and come it will for a' that, when man to man the world o'er shall brithers be for a' that."

I thank you.

THE CHAIRMAN: Mr. Mayor, I wish to thank you, sir, for your kind references; but, ladies and gentlemen, knowing that I had better and bigger men than myself to follow me, I took it upon myself to prepare my talk. That is my only excuse, my only reason. The eloquence of Doctor Hindley, I knew what it would be—as you have heard it. It is my pleasure to introduce another one of our City. In Spokane we have many who have done what they could for the betterment of the city and for its upbuilding; and it seems meet that we should be addressed by one of our foremost citizens, a gentleman who is President of our Chamber of Commerce. He is here today representing the Governor of this great State as well as the Chamber of Commerce. I have the pleasure and honor, ladies and gentlemen, of introducing to you Mr. Robert Insinger.

MR. R. INSINGER: Mr. President, ladies and delegates to the American Mining Congress: After the two eloquent addresses you have heard I am quite sure you will not expect from me anything but a very short but sincere welcome. I was rather disappointed that the Governor should not be here but I have a telegram from him which I will read to you: "Impossible for me to be in Spokane to welcome Mining Congress. May I ask you to act for me in this pleasant task? M. E. Hay."

I want to assure you, ladies and gentlemen, and delegates of the American Mining Congress, all of you, that he is sincere in stating that he regrets not being able to be here, but most of you know that he has been away from his duties several times and that he has attended some meetings here in Spokane lately, and that it would be impossible for him to return at such short notice. I think that the Governor in selecting myself, did some injustice to you in not choosing among the more eloquent speakers and the more prominent citizens of Spokane, but I suppose he wanted to make it plain by selecting the President of the Chamber of Commerce to address you in his name that he considered the Mining Congress as being of the utmost importance to the business interests of Spokane, and of the Inland Empire. All of you know that in its circumference are mining industries of different kinds, of gold and copper and coal and lead and zinc, and as you know Spokane is in the middle of a circle that goes from the Rocky Mountains to the Cascade Mountains, so it is no wonder that we consider that the Mining Congress is one of the most important congresses that we can have.

I am not going to trouble you by quoting you the details of what the mining industry means in this Inland Empire, and we have in this audience probably a large number of men who are better posted on this than I possibly can be. I can only assure you of this that the time was when Spokane was in the dumps and the town after a severe panic was practically bankrupt and it was the mining industry that put the town again on its feet and made it the city that it is today. That is an example to show what the mining industry means to this city.

I would like to say to you, I suppose it is proper to say it, that you are the most important congress that ever came to this city, but I beg you to excuse me from saying that because I have had occasion to address several other congresses and I have always had the temptation to tell them that they were the most important congress, but I never did. But, as a matter of fact the mining industry, however important it may be, is not the most important we have. The most important industry we have in this great country is agriculture. On this line, agriculture, we have had a large number of congresses and conventions for several years past. We have had conferences of dry farming associations and agricultural meetings, and irrigation conventions and apple shows, and just before you came to this city we had a meeting of the Great National Grange, and at each of these occasions we have been glad to see them, but we have not told them that they are the most important. But we are no more glad to see them than we are to see you.

Usually at these different congresses a large number of resolutions are passed and a large number of requests are made to the state and the national congress for changes in the laws and the administration of the laws affecting each industry. The Granges have made them. You will probably make them. And when the Dry Farming congress met and the Country Life congress and the Irrigation congress meet they all make resolutions, and I have no doubt but that you will do the same. You will, after your deliberations, not only consider the matters that pertain to the technique of your profession, that will make you prevent waste, that will make your vocation more profitable, not only to you but to the whole country, but you very probably and very properly will consider such changes in the administrations of the laws of the nation and state as you consider necessary for the proper exercising of your industry, and so it will be impossible for either the national government or either the governor of the state or the President or rather for the trustees of the Chamber of Commerce to in all cases reconcile some times conflicting resolutions. But we can heartily assure you that both the governor of the state and myself will listen to your resolutions with a sympathetic ear, and that the arguments that you bring forward will have due influence both with the governor and the authorities of the state, and with the Chamber of Commerce. However, we all of us recognize that your industry is an industry that is largely determined

by the acts of the government and it is up to you to formulate your desires to the government, and anything that you hope to pass, Mr. President, I hope that you will not be backward in asking us for full assistance in these matters.

As I promised you, I will be short. There is only one subject I would like to talk about and it is a very short one. As I said before, many industries are represented in this city of importance and yours is one of them, and as such, gentlemen, I can probably enlist your sympathies from another side. You have all heard it said and have often read it that we are a practical people, given purely to the making of dollars; that we are not specially given to poetry, nor to romance of the soul; but I think if you consider one point you will find that we have more romance and more poetry in the minds of the American people than in any nation in God's world and it is due entirely to the pioneers and the mining men of the United States. The country, and the west particularly, was opened up by the pioneers and the mining men who forced their way through the arid wastes and desert and led the homesteaders to the valleys. They blazed the way over the mountains for the railways that bound the east to the west. They have impregnated the American character with this desire to take some chances and with this spirit of adventure and this spirit of poetry that permeates our literature and makes the American people different from any people in God's world.

Mr. President, and ladies, and delegates to this congress: In the name of the Governor of the State, I bid you a hearty welcome to the state, and in the name of the Chamber of Commerce I bid you a hearty welcome to anything in which we can help you, and while you are here we hope you will have a pleasant time. I thank you.

THE CHAIRMAN: Ladies and gentlemen: I want to introduce to you the man who has made it possible to complete the arrangement successfully for the holding of this convention in Spokane. He has some statements to make to you which you should know of. I introduce to you, ladies and gentlemen, Mr. Sidney Norman. (Applause.)

MR. SIDNEY NORMAN, (Spokane, Wash.): Mr. President, ladies and gentlemen: On behalf of the local entertainment committee I wish to make a few announcements which I hope you will bear in mind. In the first place the reception to the president, Mr. Taylor, will take place at the Spokane Club tonight. That will be an entirely informal affair, and we hope every man here will be at the club with his wife or sweetheart. Tomorrow at the Chamber of Commerce it will be American Mining Congress day at their weekly luncheon. The President of the Congress with several other officials will be guests there and every delegate is invited to be at the Chamber of Commerce at 12 o'clock. The luncheon will be over promptly at one, so that we shall not lose any time. On Wednesday the Ad Club has made special arrangements for the entertainment of the delegates to the American Mining Congress at their weekly luncheon to be given at the hall of the Doges at Davenport. There will be no ladies present at that luncheon. All be there. The ladies' reception which is given in honor of the wives of the delegates to this convention will take place at the Inland Club, at three o'clock on Wednesday. We hope that all the visiting ladies will be there and that also that the local ladies will make it a point to be there to help welcome the visitors. On Thursday night it will be Ladies' night out at the Spokane Diggin's. We have prepared a splendid vaudeville programme for them. We will see that a dance is provided throughout the entire evening and everybody will have a pretty good time. I hope that every delegate will be there with a lady; and by the way I wish to announce in that connection that tickets for the ladies were not provided in the coupon book. If you will let the man in charge at headquarters know that you have brought the ladies with you he will see to it that a ticket for you is given to that lady. Friday night in regard to the Coeur d'Alene excursion. As you probably know we will be Stag night at the Spokane Diggin's. The last announcement is

are going to take a special train trip to the Coeur d'Alenes on Saturday leaving at 8 a. m. The delegates, or at least a part of them, as many as we can accommodate, will be taken free. Tickets will be placed with the man in charge of headquarters on Thursday morning. We are trying to arrange a trip to Republic also but so far we have not had sufficient reservation to justify us in that.

THE CHAIRMAN: The special and peculiar pleasure that I have as Chairman today is to introduce to you a gentleman who is one of the foremost men in the industry of mining, a man whose fame is nation wide, a man who has done as much for practical mining as any man, within the bounds of this country. Little did I think when a boy that it would ever be my privilege from the rostrum to announce as big a man or as good a man as Mr. S. A. Taylor of Pittsburgh, President of the American Mining Congress. Ladies and gentlemen: I now introduce to you the Honorable S. A. Taylor, who will preside over your further deliberations.

PRESIDENT TAYLOR: Ladies and gentlemen: After the introduction that has just been given to you I fear that I will not be able to measure up to its specifications, but fortunately for me, the organization which we represent at this time has not delegated to its President the entire duty of replying to these invitations and to the hearty welcome which we have received; but in behalf of the American Mining Congress, I wish to say to you, Mr. Chairman, and all of those who have spoken that we appreciate very much the very hearty and gracious welcome.

The Mining Congress in its past has endeavored to meet from time to time in different locations in the United States that would be central to the mining industries of different kinds. When you are back in the East, in Pittsburgh, we speak of the West and think of Chicago; when you come to Chicago they speak of the West and they think of Denver; when you come to Denver they speak of the West and they think of Salt Lake and Butte, and when you come to those places again they speak of the West and think of Spokane. I don't know where would be the center of the mining industry in the United States, but I thought as the speaker was mentioning the fact that here should be erected the great temple of mining, that possibly Spokane is not far from the center of the mining industry of the United States of America. If we could conceive in our minds for a moment some great Colossus standing in Spokane with arms outstretched, say for twenty-five hundred miles in length which would sweep the boundaries from Nome, Alaska, to the great southwest and to Texas and that would take in the placer mines of California and the mines of Mexico and would include and would sweep the great northwest from the Hudson Bay to the great mines of Pennsylvania and the east and include practically all of the mining industries in North America, Spokane would not be a bad location as a center of mining. I am not going to detain you at this time only again to thank you in behalf of the Mining Congress for this splendid reception. In accordance with the custom of the organization, I am going to call on those who have been delegated to respond to the splendid words of welcome. We hope that these responses will not be extended, not to exceed a five minute period each. We will call as our next speaker the representative from the Peruvian government, Mr. Glenville A. Collins.

MR. COLLINS: It is very unfortunate that the Minister of Peru is not present at this important gathering. The position of a substitute is not satisfactory to the country or the congress. Peru is very much interested in the mining industry. In fact, mining is paramount in that country. Most people think that Peru is very far off, but on completion of the Panama Canal, Peru will be within three thousand miles of New York City; in fact, a lesser distance than from San Francisco. Peru is largely dependent upon the United States for its supplies for the mining industry and naturally looks to this country for the solution of many of its problems. That country of four million

five hundred thousand people, situated between the lofty Andes and the Amazon and the Pacific Ocean, produces petroleum in quantities second only to the United States. Its mines range in altitude from sea level to seventeen thousand feet in height and are often dependent upon splendid pieces of railroad construction in order to get to them.

Peru is greatly interested in the deliberations of this Congress and hopes to derive much that will be of benefit to itself. I thank you. (Applause.)

THE PRESIDENT: The next speaker will be Mr. E. Jacobs of British Columbia, Canada, our sister country on the north.

MR. JACOBS, (Victoria, British Columbia): Mr. Chairman, ladies and gentlemen: It gives me much pleasure, on behalf of the delegates from British Columbia who are here today, to acknowledge with many thanks and much appreciation the cordial welcome extended to us, among the many other visitors, by the citizens of Spokane. I am here in an unofficial capacity, but as I have long been and still am actively engaged in giving publicity to matters relating to the mining industry of British Columbia, I am glad to have been given this opportunity, by Mr. Callbreath, Secretary of the Congress, to tell you something in a general way of that industry.

Of the 382,000 square miles of territory in British Columbia, approximately 300,000 square miles is known to be extensively mineralized, and today most of this remains a virgin field for the prospector and investor in undeveloped prospects.

British Columbia is part of the great Cordilleran belt which, in South America, Mexico and the Western United States, is recognized as one of the greatest mining regions of the world, noted principally for its wealth in gold, silver, copper, and lead—unparalleled for continuity, extent and variety of its mineral resources. In Canada and Alaska this belt maintains its reputation, though for the greater part unprospected. In Canada, where it also has enormous resources of coal of excellent quality, it has a length of 1300 and a width of 400 miles. It is pre-eminently a great mining region.

Ten years ago Mr. Bernard MacDonald, who for several years was managing Rossland mines, read before the Canadian Mining Institute a paper on "Mining Possibilities of the Canadian Rockies," and in that he showed that in Mexico the Rocky Mountains had yielded of the precious metals alone a production of \$5,500,000,000 over a length of 1700 miles, or an average of \$3,142,857 a mile; in the United States, \$4,500,000,000 or \$3,461,538 a mile along a length of 1300 miles; while in Canada the total had reached only \$166,000,000, or \$103,759 a mile for 1700 miles. Later, Mr. MacDonald remarked: "It is fair to assume that the Rockies in Canada will yield a quantity of the precious metals equal to that produced by them in American or Mexican territory—mile for mile of their length—when equally developed." (The value of the gold and silver produced in British Columbia during the nine years that have elapsed since Mr. MacDonald spoke is about \$60,000,000.) It should be noted that much of the Cordilleran belt in Canada is in British Columbia.

Let me add, in passing, that the area and probable coal content of the coalfields of Western Canada have been placed by Mr. D. B. Dowling, of the Geological Survey of Canada, at 37,000 square miles and 169,000 million tons of coal (or 97 per cent of that of the whole of Canada) as against 432 square miles and only 5212 million for Nova Scotia and New Brunswick, which have long been the chief coal-producing provinces of Canada. The estimate for British Columbia is 1351 square miles and 40,225 million tons of minable coal.

The first known discovery of mineral in British Columbia was made near the eastern shore of Kootenay Lake, in 1825, by Mr. David Douglas, a Scottish botanist, who was investigating the flora and fauna of that district. Later, Hudson Bay Company trappers made bullets from the lead ore outcropping there, while in 1864 Mr. (afterward Senator) George Hearst of California took in a small open-hearth furnace and smelted some ore, but the low grade of the bullion he obtained, the

long distance from market, and the absence of transportation facilities, discouraged him so that he abandoned his enterprise. Late in the eighties Dr. W. A. Hendryx and associates from Connecticut and Minnesota, who had been on Kootenay Lake for sport, became interested and acquired the property, afterward erecting a lead smeltery in the neighborhood, but they, too, eventually gave up the venture as unprofitable. Today, a New England man (Mr. S. S. Fowler), a Columbia University graduate, in the capacity of general manager, is operating this property, now known as the Bluebell mine, for a French company—the New Canadian Metal Company.

Coal was first discovered in British Columbia in 1835 by Hudson Bay Company officials at Fort Rupert, Vancouver Island. In 1851 mining operations were commenced at Nanaimo, also on Vancouver Island, and later the chief market for the coal produced was found in San Francisco, to which city much of it still is sent. The Nanaimo mines are now owned by a San Francisco organization—the Western Fuel Company. Up to date more than 22,000,000 long tons of coal has been produced by Vancouver Island mines.

In 1858 gold was found on Thompson and Fraser Rivers, and 1860-1861 the enormously rich placer-gold fields of Cariboo were opened. It is an old story how people hurried from San Francisco in thousands; how they crossed the Isthmus of Panama, or rounded Cape Horn, or plodded wearily overland from Canada and the United States. Wrote the historian: "Victoria became a city in a day, and the Mainland solitude was converted into a crown colony in a year." Since then those gold fields have yielded about \$50,000,000, and are still being worked profitably.

In the late eighties the production of lode metals—silver and lead—was commenced; in 1893 gold was added, and the next following year copper was produced.

Concerning mineral production—The aggregate value of all minerals produced in British Columbia to the end of 1911 is on official record as \$397,696,000, of which approximately \$72,000,000 is for placer gold, \$65,000,000 for lode gold (total for gold, \$137,000,000), \$32,000,000 for silver, \$26,000,000 for lead, \$65,000,000 for copper, \$122,000,000 for coal and coke, and \$15,000,000 for miscellaneous minerals.

The aggregate value of the mineral production of all Canada for 26 years, to 1911, inclusive, is \$1,235,525,000. Of this total British Columbia's proportion is about \$333,696,000, or between 26 and 27 per cent. It is a striking fact, indicating the great increase in recent years, that 37 per cent of British Columbia's production was made in the last five years, while more than half—about 51 per cent—was that of seven years, 1905-1911.

A word or two as to individual properties. The Granby Consolidated Company has mined and smelted to date more than 8,000,000 tons of copper ore, from which was produced about 191,000,000 lb. of copper, 3,000,000 oz. of silver, and 465,000 oz. of gold. Its gross receipts for nine fiscal years, June 30, 1904-1912, have been nearly \$33,000,000, and its expenditures \$25,600,000, leaving net earnings \$7,400,000, of which last-mentioned amount more than one-half has been distributed in dividends. Today the company has, in its mines in Phoenix camp, Boundary district, between 6,000,000 and 7,000,000 tons of ore "estimated in sight." Its smeltery at Grand Forks, B. C., is stated to be the largest copper reduction works in the British Empire. In 1910—last year was a broken year—it mined and smelted 1,178,000 tons of ore at a cost, including converting (but not marketing) of copper, of \$2.50 a ton. Today its smelting and converting costs (not including mining) are about \$1.20 a ton of ore. In its new mine at Hidden Creek, Observatory Inlet, it already has, "estimated in sight," more than 5,000,000 tons of ore, having an average copper content of between 40 and 50 lb. to the ton, and engineers report at least as much more of "probable ore." All Boundary district mines have, together, produced about \$60,000,000 worth of ore, gross value.

Rosland camp's production has totalled about \$55,000,000. The Consolidated Mining and Smelting Company's Rosland mines have produced 3,376,000 tons of ore, with a gross value of \$45,000,000, this including 1,624,000 oz. of gold. That company's St. Eugene mine, in East Kootenay, developed and long operated by Messrs. James Cronin and John A. Finch of this enterprising city of Spokane, has produced 1,015,000 tons of ore, which contained 5,319,000 oz. of silver and 227,615,000 lb. of lead, having together a gross value of \$10,526,000. The company's lead and copper smeltery at Trail, B. C., has treated in all years 3,144,000 tons of ore and concentrate, having a gross value of \$52,167,000. The Betts' electrolytic process for refining lead was first used on a commercial scale at Trail, under the direction of Mr. Jules Labarthe, now general manager for the Mason Valley Mines Company and here with you today as a delegate from Nevada.

Permit me, in conclusion, to briefly refer to the mining laws of British Columbia. I have with me for free distribution a number of copies of a pamphlet printed for the Department of Mines, Victoria, B. C., in which those interested may find a synopsis of these laws. It is claimed for them that they are very liberal in their nature and compare favorably with those of any other part of the world. The Coal Mines Regulation Act is considered about the best in force in the British Empire—perhaps in the world. Sir Richard McBride, premier and minister of mines for British Columbia, when addressing the Canadian Mining Institute a few weeks ago, said: "We do not say that this legislation is perfect and stands for the last word in the way of mining regulations, but we do claim that it is an immeasurable advance on any legislation in a similar direction heretofore attempted in any of the provinces of Canada, and has well proved the wisdom of having it placed on the statute books of the province." And what is of equal importance, the mining laws of British Columbia are enforced.

Mr. President and gentlemen, I thank you for your kindness in having afforded me this opportunity of addressing you briefly concerning mining in British Columbia, and for the attentive hearing you have so considerately given me.

THE PRESIDENT: The Secretary wishes to make an announcement.

SECRETARY CALLBREATH: I desire to announce that the Resolutions Committee is made up of one representative from each state and province represented in the Convention selected by the delegation. I desire to ask each state delegation to hold a caucus and be prepared at the opening session tomorrow morning to announce its member of the Resolutions Committee. Please remember that the work of the Resolutions Committee is the most important of the Convention and select your best men for this committee. Let each delegation be ready to report at the opening session tomorrow morning the name of its member of the Committee on Resolutions.

THE PRESIDENT: We will now hear a response on behalf of Alaska by Mr. George E. Baldwin of Valdez, Alaska. (Applause.)

MR. BALDWIN: The American Mining Congress has with great liberality given one session of its deliberations here to the discussion of Alaskan affairs, and to take up any of your time now would certainly be imposing on that liberality. I wish to thank you, Sir, for that and to thank the citizens of Spokane on behalf of the Alaska delegation for the magnificent reception we have received (applause).

THE PRESIDENT: We will next hear from Colorado, Mr. J. F. Erisman of Denver. In his absence I think we will have to call on Secretary Callbreath.

SECRETARY CALLBREATH: May I delegate this honor to Mr. Wolcott, who is also from Denver?

MR. E. L. WOLCOTT, (Denver, Colo.): Mr. Chairman, ladies and gentlemen: I have been substituted for Mr. Erisman who was called on to respond to your address of welcome for Colorado.

I am not going to make an excuse for Colorado because Colorado doesn't need an excuse when it comes to the mining business. A very large part of the metal miners of the United States today got their first knowledge of mining in the state of Colorado. From one end of the metal mining sections of the country to the other it has been my pleasure to travel in the interest of this great association and I have yet to find a camp in which I failed to find an ex-Coloradoan, a man who had begun his mining experience in the grand old state whose atmosphere is so clear that you can see a donkey wink five miles off. In the state of Arizona there is a river known as the Hasayampa. When a tenderfoot arrives in Arizona he is taken to this river and after he takes a drink from the cool waters of the Hasayampa he never again speaks the truth. That doesn't apply to Colorado. But when a tenderfoot strikes the state of Colorado and he gets one breath of the ozone which comes down from the mountains, he never knows there is another state in the Union.

In 1893 our state was known as a silver producing state. Then silver was demonetized. You remember the great panic that swept this country. Well, the mining men of Colorado said, All right, if you don't want silver we will give you gold; and Cripple Creek began to trickle its eighteen million dollars a year into the channels of trade.

I want to bring greetings from the great state of Colorado. The American Mining Congress had its birth there. It has its headquarters there. It has endeavored to assist in bettering mining conditions all over the country. We hope to reach every point where mining is done and that through the Mining Congress every need of the mining industry may find its most effective expression. I thank you.

THE PRESIDENT: The next speaker will be Mr. Paul Clagstone of Clagstone, Idaho.

MR. CLAGSTONE: Mr. Chairman, and gentlemen of the American Mining Congress, gentlemen of the welcoming committee, ladies and gentlemen: In expressing the appreciation of the Idaho delegates to this hearty welcome, I wish to say that it is with unusual pleasure that we attend a mining convention held in the city of Spokane. The active and energetic citizens of Spokane have been most prominently identified with the mining development not only in British Columbia, Montana, Washington, Oregon, California and Nevada and other parts of the Northwest but their energies have perhaps been most prominently identified with the development of the great mining resources of the neighboring state of Idaho.

When the great gold camps of Pierce and Boise City were on the wane, gold was discovered in the heavily timbered mountains of the Coeur d'Alenes, and while the rush to this new gold field was still at its height the world was startled by the discovery of silver lead ore bodies of unusual extent. The development of extensive ore bodies of this extent in a new and rugged country is usually attended with considerable delay but due very largely to the enterprise and activity of the Empire Builders of Spokane, not only capital was provided but also means of transportation for the development and for an outlet for these great mines. The result was a remarkably rapid development of these great silver lead mines which in a short time came to be known as among the greatest in the whole world.

At the present time Idaho is not known as strictly a mining state. Great areas of irrigated land have been developed in the last few years and other agricultural resources have come to the front, vast timber lands have been opened up, water power has been developed and there has been a great growth of the stock industry so that Idaho, the Gem of the Mountains, at the present time is known as a state of varied resources. In spite of the fact that these new resources have come so prominently to the front, however, the mining industry of Idaho has not by any means declined and the state Bureau of Immigration informs me that at the present time the annual output of Idaho in minerals amounts to between twenty and twenty-five million dollars.

We should like to take you to our great gold camps and other mining camps of Idaho; we should like to show you the great production which is at present taking place by means of modern dredges of gold in the old Boise Basin country; we should like to take you to Belleville where recent strikes of great richness have recently brought those camps to the front; we should like to show you the lead mining opportunities of the country of the Seven Devils, but your stay is of such short duration that this would not be practical, and our state is of such a great extent that this would be impossible in the short time at our disposal, but I am glad to say that arrangements have been made to show you the great mines of the Coeur d'Alenes, and next Saturday and Sunday we are looking forward to extending to you a real Idaho welcome.

We, in Idaho, are acquainted with the well-known hospitality of Spokane and we are looking forward to a week not only of most interesting discussion of vital importance to the mining industry but also to a period of royal good fellowship. Certainly in no other city in the country could we find fellowship, good fellowship and hospitality of a like quality and in very few of them could we find hospitality equal to that which is always extended to us here in Spokane. It is as well, I suppose for the interests of the mining industry that these meetings should be changed from year to year to different cities, but I know that the Idaho delegates at any rate look forward to the time when its regular rotation shall bring us once more to this energetic city of energetic and enterprising citizens whose activities have done so much toward the mining development of the Northwest. I thank you. (Applause.)

THE PRESIDENT: The next speaker we have is from Illinois, Mr. David Ross, the State Commissioner of Labor, Springfield, Ill.

MR. ROSS: Mr. President: I had no intimation that this honor was to be thrust upon me and that I was to talk for Illinois on this occasion and I don't know that I could better explain my unexpected connection with these exercises than by relating the story of the gentleman whose wife caught him in a rather caressing attitude with one of the house-maids. She said, "Mr. Wilson"—and that was the first time she had used his last name in their twenty years of married life—"I am surprised." He said, "My dear, you are not. You may be shocked but it is me that is surprised." So much after all depends on the viewpoint. The old lady whom time had left with but two teeth, thanked God that they were set opposite each other. And the boy who was unlucky enough to lose two of his fingers found some consolation in the fact that he had reduced by at least twenty per cent, the labor of washing and manicuring. I guess Aristotle after all was right when he said there was no such thing as absolute knowledge and founded a philosophy based on the proposition that what we know or what we think we know is conditioned on something else, and that all knowledge is relative. For instance, the delegates from the East, so called, who dropped into your city this morning could form no intelligent conception of what the city of Spokane with its splendid street car system and its great business institutions and banks and people mean. But the man who lived here in 1880 when you had only three hundred people and who has grown up through all these evolutions understands more correctly what Spokane means now. It is necessary to get that relative, that comparative, that contrasting view in order to comprehend just what it means. I sometimes illustrate that by relating the experience of the gentleman who looked for the first time into a blast furnace and he asked the gentleman who was operating it if he thought hell was any hotter than that and the gentleman who was operating the furnace had been raised in my church, the Presbyterian church, and his education on the subject of Hell when he was a young boy had not been neglected, and he looked into the wondering man's eyes and said, "My friend, if when you shuffle off this mortal coil you should locate in the Bad Lands and some sorrowing, suffering, sympathetic soul would

hand you a saucer full of that, you would think it was ice cream" (laughter).

Our President Taylor emphasized the same thought in his reference to the West. I think it is Kipling who tells us "the East is East and the West is West, and never the twain will meet." Well, I have been busy in the last fifteen years of my little life in trying to locate the West. Illinois a week before last was considered the West. We were a long ways from what the people supposed was the East and yet I have traveled three days and three nights from Chicago to find myself in the beautiful city of Spokane and I have not yet reached the limits of the Western country. Why, it is not so very many weeks ago when a native of Illinois, if he had dropped unexpectedly into Wall Street, New York, would have created a riot. They would have regarded him as a man with daggers in his belt and dynamite in his boots and today, this week, we are classified with the effete East, representing a civilization that is more or less fixed in its notion and feels sometimes alarmed when you Western fellows start us to think on some modern economic problem. (Applause.)

I have an impression that God Almighty reserved a great section of this North American continent here on the western coast that it might be peopled by great men and strong women. You could not have developed the infinite resources of this great country except you had the peculiar kind of people fitted for that sort of work, and you have them here in the West and the great Northwest and they are carrying on that work, and in carrying it on they are forwarding the mighty purposes of modern civilization and the so-called goody, goody people of the East, from Illinois—I suppose that now is the East—are waking up to realize the extent of the obligation they owe the progressive men and the progressive women of this Western country. Why, the idea that a woman, our mother, our wife, our sister, was entitled to enjoy all the rights that we enjoy is a Western idea. It came out of the West. And after looking into it somewhat particularly, we are only adopting it now in spots here and there in the East. After awhile you will succeed in educating us, (applause) and will elevate the standard of this common life of ours.

Now I have exhausted my limit, Mr. Chairman.

(Chorus of "Go on, go on, go on.")

THE PRESIDENT: You may proceed, Mr. Ross.

MR. DAVID ROSS: What a story the facts tell. In the printed programme there is an article written by Sidney Norman telling what has happened here in the last comparatively few years. That story will be worth millions of dollars to the West and to the Northwest. It is going to invite attention to the great resources and to your wonderful possibilities, and I wasn't surprised, because I had met Mr. Norman before. The main function of his life is to call attention to the good things and then to bid the whole world to come in and help him enjoy them. It is the typical spirit of the West and that's what makes it absolutely impossible to make a full and adequate response to any western welcome. It is too wide; it is too generous; it is too comprehensive. Your mayor and your officers of the city invite us not only to the city of Spokane but to the Northwest. That is the spirit of the West. Among the figures referred to by Mr. Norman is the fact that in 1880 there were but three hundred people in Spokane and in 1910 the census figures credit you with having 104,000 and you have more now, because two years have elapsed since that census was taken. In other words, in the thirty-two years you have multiplied your population four hundred times, notwithstanding the International law that you cannot under normal conditions double more than once in twenty-five years. If you can only maintain that ratio of population increase for the next thirty-two years Wall Street will want to borrow money from Spokane. And in the meantime you will be under the necessity of petitioning the Government of the United States to lease a few extra valleys in which

to extend the limits of your city, assuming of course that we are to go on the leasing system.

I shall not waste further time now. There are others you want to hear, but I shall be glad later to speak of some of the progress that is being made in important ways coming out from the West,—of the legislation intended to recognize the democracy of this people and of the regulations to which you are all committed by law, the evident purpose of which is to distribute more equally the prosperity and the wealth which the labors of your men and women have brought forth, and that above and beyond all you will keep in your mind's eye forever the importance of promoting not only the individual interests but the common welfare and I regard much of your modern legislation in these Western states as headed directly that way and that the rest of the country, recognizing its debt now will continue to honor that obligation by imitating you. So far as I am individually concerned I am already a convert to many of the tenets to which your Western civilization is committed and I am willing to do my little part in the little place where I live to extend the benefit and the value of that example. We shall long remember our obligation in an economic way and in other ways to the brainy and hardy pioneering and progressive people of our great West.

And now, Mr. President, just a word again to repeat the spirit with which we have been received by your people, by the representative of your Governor, by your Mayor. I don't know, of course, what the local conditions are in Spokane but if the quality of the administration of your Mayor is anywhere near a reflection of his ability as a man and his eloquence as an orator, the power of recall which you have wisely incorporated in your local law will never be invoked here (applause). No need for it, and though it is well that you should have that check on unworthy officials that, like many other things was regarded as a Wild West idea, but even in that the effete East is becoming reconciled to it and in many places we are adopting that policy along with others which your genius and good sense originated.

Your committee on Entertainment, headed by Mr. Norman, have provided a bill of fare which most of us will find difficult to assimilate. In fact, if we maintain our relations with your Entertainment Committee, there will be little time left for our business discussions. I have been in a great many places but I never saw anything like it. Here is a little coupon book that is practically a pass-port to everything in Spokane except the city prison, including your vaults, your street car lines, your automobiles, your clubs, your libraries, your schools, your theaters, everything that is intended to go to and foster what is best in a man's make-up and to make pleasant our brief stay in this city, has been provided for by the committee. Personally, speaking for myself, and I think I speak for all the other delegates, we feel under a thousand obligations to you and we shall exhaust ourselves, if necessary, in the attempt to participate in the many good things which you have provided for us. I thank you.

THE PRESIDENT: Mr. Hywel Davis, President of the Kentucky Coal Operators' Association of Louisville, Ky., is next on the program. Is Mr. Davis in the house? It appears not. We will next hear from Mr. W. B. Shackelford of Missouri.

MR. W. B. SHACKELFORD, (Webb City, Mo.): Mr. Chairman, ladies and gentlemen: I did not know I was on for a response for Missouri until I picked up the programme this morning. Now, there came with me two good orators from our corner of the state and I flipped a dollar this morning to see which one of them was to make the address. One of them won, but he would not accept, so, in behalf of Missouri, I want to respond with our greetings to the State of Washington and the city of Spokane. I went pretty thoroughly over the city yesterday evening, studied out the programme of arrangements that had been made by your live organizations for the entertainment of the delegates while here, and it looks to me like they were working in

harmony and had a splendid system for everything, which reminds me of a little story that I heard of a Jew pedler. This Jew pedler started out with his pack on his back and came to a flat building and he thought perhaps I can sell some of my merchandise so he goes around to the back door, knocks on the door and says, "Can I show you—" Bang went the door in his face. He came around to the front door and he tried to show his merchandise there but was kicked out of the front door and out onto the front steps. He saw the door open in the hallway and he thought he would go up to the third floor and work down. A big man came to the door and kicked him down the steps and threw his bag after him into the street. The pedler gathered himself up and began to rub his shins saying, "My, what a system." That is what I think of Spokane. I believe we are going to have a good time. We are also going to accomplish results in this convention. We are from Missouri and while we don't have everything down there, like some other states, we have got a pretty rich corner in it and while perhaps we are not doing so much as some other people in mining, there are a whole lot of us doing it and our delegation is truly glad to be present here with you. I thank you.

THE CHAIRMAN: The next on the list is Honorable W. R. Allen, Governor of Montana.

GOVERNOR W. R. ALLEN: Mr. Chairman, ladies and gentlemen of the American Mining Congress: I indeed regret that it is growing so late and that the limit has been placed upon us so that I cannot respond in an appropriate manner to the splendid words of welcome that we have heard this afternoon. I want to say to you, Mr. Chairman, to the citizens of Spokane and the people of Washington that the people of Montana extend to you their cordial—their hand of friendship and fellowship and cordially thank you this afternoon for your splendid greetings and words of welcome. We are neighbors of yours. Your interests are identical with our interests. Your people are identical with our people. Your citizens came across the great plains to settle up these mountains and valleys at the same time that our citizens came across the plains and I want to say to the gentleman from Illinois, the reason why we have such a splendid citizenship as this is that in 1848-52-65, we plucked the best from the Eastern states, brought them across the plains and settled them upon the plains and in these valleys and put them at work in these mountains delving for the precious metal. We have builded here a splendid commonwealth. We are pouring today into the treasuries of the world the wealth that is coming out of these grand old mountains and that will continue to pour forth as long as time exists. Mr. Chairman, in response to your Temporary Chairman, I want to say to you this afternoon on behalf of the people of Montana that we appreciate the kindly words that he said. I want to assure him that the men who today are working on the dizzy heights of those tall smokestacks of the Washoe smelter of Anaconda, who are delving deep in the musty depths of Butte, who are up on the timberline on these snow capped mountains that tower towards Heaven's dome, those men who are toiling in the fields, on the mountains, and in the valleys appreciate the fact that you have here a thriving and prosperous community and that here we can come to you and find solution and sympathy in time of trouble, and in time of peace and prosperity and plenty rejoice with you.

Now, Mr. Chairman, just call me when my time is up. I would like to talk to you about legislation; I would like to say to you a great deal on some of the men like Marcus Daly, Senator Clark, and scores of other great men and of what they have accomplished, not only for Montana, but for the entire mining world. I wish I had time this afternoon to say something to you about the wealth that exists in those mountains and hills of Montana. I wish I could say to you something about the enterprises that have been builded as a result of the values found there. I wish I could say something to you about the splendid resources of the state of Montana, but time does not permit. I wish I

could say something to you about the laws that have been protecting and governing the industry, and discuss those laws with you that we might profit by your experience, but time will not permit. I would like to say to the gentleman from Colorado, I believe that while the people of Montana may not be able to observe a donkey wink five miles away we can observe a hoodwink five hundred miles away.

I want to say to you that we are going to strengthen our laws in that direction, and I appreciate the fact that we have here as representatives from Montana some of the nation's greatest mining engineers and they will have something to say to you before adjournment of the Congress, and I hope that I may be permitted at some future time to address you when we have more time, and I thank you very much for these cordial words of welcome (applause).

THE PRESIDENT: The next will be Oklahoma.

MR. J. P. McNAUGHTON, (Miami, Okla.): Mr. Chairman, ladies and gentlemen, and members of this Convention: I am here representing the State of Oklahoma, which is one of our youngest states.

Our delegation represents what is conceded to be the greatest lead and zinc Mining District in the United States. Our Oklahoma mines being a part of the Joplin district and only 26 miles southwest. The combined districts' output this year will reach nearly eighteen millions of dollars.

Mineral was discovered in our district in 1907 while drilling for water for farm use four miles north of Miami. At a depth of ninety feet in soft ground, showing a face of ore down to 120 feet, carrying 20 per cent disseminated lead and zinc ore. The output of 1907 was less than one thousand dollars. Since that time there has been 25 of the largest concentrating plants erected with a tonnage of from 150 to 200 tons each.

After the camp was thoroughly started deeper drilling was done and at a depth of 220 feet richer ore was encountered down to a depth of 300 feet, and the richness of dirt increased to as high as 40 per cent, as it came from the ground. The output for 1912, will reach nearly if not quite one million dollars. Today this once beautiful prairie of only a few years back is dotted for miles with mines and drills and concentrating plants that show to the world that there are live men in Oklahoma, and yet there is plenty of room for others, and all are invited.

Twelve miles east of Miami in Ottawa county is a deposit of a polishing material known as Tripoli. Up to a few years ago all of the Tripoli that we used in this country was imported from Tripoli, Egypt. These mines in Egypt became exhausted and now we have the largest body of the same material that is known to exist at the present time in the United States, and we are exporting this material to all foreign countries as well as supplying the demand of the United States. This is the greatest polishing material known and the numerous uses to which it is being applied makes the demand greater than the possible supply of the manufactured article. The Oklahoma Tripoli Company will soon have completed a mill of two hundred tons daily capacity, and this company now has orders booked ahead for several months in advance. The visible supply of Tripoli amounts to more than a million tons. This will be another great industry added to the wealth of our mines with our lead, zinc, tripoli, coal, asphalt, gas and oil, all of which we have, you must concede that we have all the necessary wealth to make us a little kingdom of our own. I thank you (applause).

MR. H. R. HARRIMAN, (Seattle, Wash.): Mr. President: These addresses are very interesting and very educating but unless this is an exception to all previous sessions, a great many delegates have in their pockets or concealed about their persons, resolutions bearing upon important subjects to be considered by the resolutions committee. I, therefore move that we adjourn in order that the states may get together and appoint their members on the resolution committee so that we can put them to work.

MR. A. M. WHITE: I second the motion to appoint a resolutions committee from the different states, one man from each state represented in the convention.

THE PRESIDENT: You have heard the motion, but before putting that motion I am going to ask Mr. Denis to make one announcement.

MR. G. B. DENNIS: At the request of the president, I wish to state that there will be tonight at the Spokane Club, a reception for the delegates and their ladies and friends. All of you delegates, ladies and friends are invited.

THE PRESIDENT: The secretary has a statement to make.

SECRETARY CALLBREATH: I only desire, Mr. Chairman, to correct the impression that the President's address is to be delivered here. This address will be given at the Spokane Club this evening.

Upon motion duly made and seconded the meeting was adjourned to meet at the Spokane Club at 8 p. m.

MONDAY, NOVEMBER 25, 1912.

Evening Session.

The evening session was occupied by the annual address of the President, which will be found at page — of this report, followed by a reception to the President and officers.

TUESDAY, NOVEMBER 26, 1912.

Morning Session.

President Taylor called the meeting to order at 10 a. m.

THE PRESIDENT: The first thing on the program this morning is the making up of the committee on resolutions, and as the secretary calls the name of the state, each state will announce the member selected to represent the state on the resolutions committee.

Members of the committee were announced as follows:

Resolutions Committee.

Alaska.....	J. L. Steele.
California.....	H. Foster Bain.
Canada.....	H. B. Brown.
Colorado.....	D. W. Brunton.
Idaho.....	H. F. Samuels.
Illinois.....	David Ross.
Kansas.....	T. J. Vest.
Mexico.....	Lester R. Budrow.
Michigan.....	F. G. Goggin.
Missouri.....	John M. Malang.
Montana.....	W. R. Allen.
Nevada.....	Jules Labarthe.
New Mexico.....	T. H. O'Brien.
New York.....	John R. Burton.
Ohio.....	C. S. Johnson.
Oklahoma.....	J. P. McNaughton.
Oregon.....	H. N. Lawrie.
South Dakota.....	Robert L. Daugherty.
Utah.....	Jos. F. Merrill.
Kentucky.....	Hywel Davies.
Texas.....	A. M. White.
Virginia.....	Thomas L. Watson.
Washington.....	Maurice D. Leehey.

SECRETARY CALLBREATH: The Resolutions Committee will meet immediately after the morning session in the room in the left hand rear corner of the building, for organization and for the selection of Chairman and Secretary, and such sub-committees as it may desire to

select. A stenographer will be in attendance to assist your work and any other needed facilities will be furnished on request.

Concerning the introduction of resolutions, allow me to say that any member of the convention is entitled to introduce resolutions. Our by-laws require all resolutions to be read by the Secretary and referred to the Resolutions Committee without debate. Upon the report of the resolutions committee they will be acted upon by the convention. Every member of this convention who believes that some subject should receive the attention of this convention is urgently requested to prepare in a concise form the matter which he desires presented to the convention for consideration.

THE PRESIDENT: We will resume the responses by the states to the addresses of welcome which were begun yesterday, and I would just like to emphasize the necessity that the talks be brief, not more than five minutes. We have with us Mr. John R. Burton, who will respond for New York. (Applause.)

MR. JOHN R. BURTON: Mr. Chairman, ladies and gentlemen: It may seem queer to you that a man from New York should come out here and talk to you about mining. We have no mines in New York State of any particular importance, but we furnish the capital for the development of mines of all description. In furnishing this capital it is also necessary for us to pay strict attention to the nature of the properties presented to us for our consideration.

I, personally, am not interested in mining, and never have been the holder of any stock in mining corporations. The newspaper business has been my field, and a few years ago a paper was started by the newspaper men of New York which I financed, and the policy of this paper was to secure the elimination of the dishonest, or get-rich-quick broker. This paper is called "The New York Curb," and those of you who are familiar with the fight that we have been making against the crooks who offer fictitious securities, know that we have been very successful and have secured the conviction of a number of the dishonest element. But for the benefit of those who have been unfortunate enough as not to have read our paper, I will say that we have today practically cleansed the entire financial district of the larger cities from the gentry who ply their trade at the expense of the widows and orphans who should not invest money in enterprises offered by these people. Today we have in the public prints the story showing us that the government is now prosecuting some of the various men whom we warned our readers about.

I am out here to see what is going on and to see and watch the deliberations of this Congress particularly the interest and the methods that the American Mining Congress will adopt for the safety of the investors in mining securities.

If you will go back about three years, you will remember that the whole country was infested with bucket shop and get-rich-quick artists, whose specialty was the discovering of a mine over night. The next step would be to incorporate a company and flood the country with literature about the wonderful prospects and tell in glowing language of the profits to be made on a property that never existed. It was only recently that statistics of the Post Office Department showed that over three million per annum has been taken out of the pockets of the poorer class of people by these crooks, and it is certainly up to the American Mining Congress to take a decided stand, and the members of the Congress should support the officers in order to bring back repute and money for development work.

It is a shame that a man with money cannot take care of it himself, and has to have the protection of some one else to keep him from giving his money to the crooked promoters. But it is nevertheless a fact that we have today information in our hands that some of our very successful business men are among the biggest contributors to these crooked promoters, actually believing that if they will place their money with them, that they will get back a fortune in a short while.

Gentlemen: I assure you it is a pleasure to be with you, and I want to pledge to you the support of "The New York Curb," and say in conclusion that we will do everything in our power in the elimination of dishonest promoters and hope to have your help.

THE PRESIDENT: I am going to call on Dr. H. Foster Bain to respond on behalf of California.

MR. H. FOSTER BAIN, (San Francisco, California): Our official representative, Mr. Storms, the State Mineralogist, seems not to be present. This should really fall upon him. I don't know that there is any particular thing I can say, but my position is something like that of a minister in Colorado a few years ago in the time of the free silver excitement. You may perhaps remember a preacher who was traveling in a strange town and was called in to officiate at a burial. He didn't know anything about the man that was killed. He had never seen him and he didn't have an opportunity to ask anybody about his past habits so he knew nothing to say about him. So he opened with a few general remarks and then he paused and said perhaps some friends of the deceased might be able to say something about the gentleman and his career. Nobody said anything and there was a long pause, and finally one man in the rear got up and said, "Well, gentlemen, if there is nobody who wants to say anything about the deceased, I would like to take a few moments to say something about that burning question, the crime of 1873, the ratio of 16 to 1." If there isn't anything else for a Californian to talk about, he talks about the Panama-Pacific Exposition of 1915.

Wherever I go people ask questions about what we are doing about the exposition, what its plans are, and how far along it is? In answer I may say that at the head of the exposition is an engineer who has earned large bonuses in private business by getting his work done on time and ahead of time. In one particular case he had charge of the construction of a power plant in Southern California, and his firm received over four hundred thousand dollars for exceeding the guarantee,—doing better work than was expected, and getting it done ahead of time. We may safely assume that Mr. Moore and his associates will get the exposition done on time. They have already begun the work on the grounds. They are dredging and preparing the docks, building the service building, and are fencing the grounds. They have made over three hundred sketches for the various buildings. They have their work in such shape that if they should start to build their buildings now they would have them done eighteen months before the exposition, with the result of facing the fire risk and the necessity of keeping a watchman there all the time. For these reasons it doesn't seem practical to start much building now.

There are forty-eight states and nations that have accepted the invitation to exhibit at the exposition. A very large success, so far as exhibitions are concerned, is now assured. A number of the departments have been organized, but there are some that have not been, and the fact that interests us especially is that the mines and the mining department have not been organized and no person has been appointed as commissioner. California miners have been trying to bring pressure to bear upon the exposition authorities to get this department organized for the reason that it takes a long time to get mineral exhibits ready. It is a hard thing to get the mining men to exhibit, since they have no pecuniary interest in doing so. Machinery men are anxious to get their exhibits in because they make money by doing so, but it won't particularly help a copper mine or a gold mine to exhibit. There is no special reason why a miner should make an exhibit at the exposition except from a broad educational point of view. It is necessary to appeal to the highest motives of the mining men in order to get them to exhibit. Dr. J. A. Holmes, a man who has had charge of mines and mining at the St. Louis exposition, told me that the most successful exhibits come from the companies who made the least amount of money by making them, and I think that is generally true.

One of the plans for the Panama Exposition is a great engineering congress. It is proposed that the various engineering societies meet in San Francisco in 1915. An effort will be made to get the engineers of the world there at one time. The exposition authorities have asked me to request the American Mining Congress to keep their program clear with a view to meeting in San Francisco at that time. We would like to have the date 1915 reserved.

So far as I have seen the plans for the exposition grounds, I can say without any reservation that they will give us one of the most beautiful pictures that has ever been given.

THE CHAIRMAN: The time is up unless the Congress wishes to extend the time. (Applause.) I might say that a motion is always in order to extend the time of the delegate.

MR. ROBERT NEILL (Florence, Idaho): I make a motion that Mr. Bain's time be extended for five minutes in order to enable him to continue his talk.

Motion was duly seconded and carried.

H. FOSTER BAIN: Mr. Chairman, there are only a few words more that I might say, and that is with regard to the grouping of the exposition buildings. This will be unique, in that instead of series of buildings along avenues, there will be a series of courts, following the old Californian mission style of building around a court, so that the designer of the buildings instead of building four walls fronting outward is building four walls fronting inward. Now aside from the beauty of the conception it has the advantage that it will prevent any long avenues down which the winds can sweep. In California we unfortunately have pretty strong winds. We say unfortunately because it is unfortunate for the tourist; it fills his eyes with dust and his nose as well, but they are of great benefit to California and the Pacific Coast, as they are the trade winds, that give us our pleasant climate and that have helped us with our commerce and have brought a large amount of business to California.

Mr. President, I only want to say that we shall be delighted to see you in San Francisco in 1915, if we don't see you sooner.

THE PRESIDENT: The next person that we will call on is Mr. Burton A. Wright, representing Ohio.

MR. WRIGHT: Mr. President and ladies and gentlemen: My presence here as a delegate from Ohio is, I believe, due to a recent visit to my old home in Columbus. For the past two years my work has been in the Northwest and I have made Seattle my home. When I came here yesterday I felt that I was rather up against it as I was the only one from Ohio, but this morning I am glad to note that there is someone else here who is a resident of Ohio and no doubt more closely in touch with mining affairs in that state. It gives me great pleasure at this my first meeting of the American Mining Congress and to respond in behalf of the great State of Ohio.

THE PRESIDENT: South Dakota will be represented by Mr. Robert L. Daugherty, State Inspector of Mines.

MR. DAUGHERTY: Mr. President, ladies, gentlemen and delegates to the American Mining Congress: It gives me great pleasure to respond in behalf of the great State of South Dakota, and I only wish I could do the State justice. You probably have already heard of the discoveries of gold in the Black Hills by the Sioux Indians and Father DeSmeith. The Black Hills then were a part of two Indian reservations. Mining started in reality in 1876, or soon after the United States Government took the Black Hills away from the Indians and turned it over to the citizens of the United States. Mose Manual discovered the first quartz mine in the Black Hills. Since that time the mining industry in the Black Hills has grown from infancy until at the present day we have a tonnage of over two million tons annually with a gold output of over eight million dollars and a silver output of something over two hundred and twenty-five thousand dollars a year with many other minerals of value.

The state can't boast of the largest output of gold or silver, but we can boast of having one of the greatest gold mines on the face of the globe. It treats over one and a half million tons of ore annually. In the last thirty-four years it has gradually increased from a small plant until now it has one thousand stamps dropping steadily, all driven by electricity. The Black Hills average generation of electrical power in the different streams amounts to eleven thousand horsepower, and we have waterflow enough in those streams to generate five times that horsepower if it was all utilized.

The country is not well developed, because we have no bonanzas and we are not troubled with wildcat investment schemes. We have large deposits of low-grade ore, which, with our modern methods of mining and milling, can be treated with profit. I think we are treating the lowest-grade ore in the United States, with one exception, and it is the greatest dividend payer we have in the state. Probably some of the mining men here will be surprised that the assayed value of this ore is two dollars and sixteen cents per ton.

The lay of the land is ideal for working these low-grade ores cheaply. We have an undeveloped country, and the reasons that I and all mining men give is on account of the ore being of low grade and capital seeking an investment usually wants something that it can get returns out of in fifteen minutes or less.

I thank you, Mr. President and gentlemen, for your attention.
(Applause.)

THE PRESIDENT: Oregon will be represented by Professor H. M. Parks.

PROFESSOR H. M. PARKS: Mr. Chairman and gentlemen: I understood that another gentleman from our State was to have this honor. However, as he is not present I will say in behalf of the Oregon delegation that I am glad to thank the citizens of Spokane for the spirit of welcome which we received from this platform yesterday, and to say also that there is beginning to be an organized movement in the State of Oregon for the development, for the real development of the mineral resources of that state. I will just take a moment to call your attention to it.

In the rapid development of the Northwest, Oregon, like other states, has turned its attention largely to agriculture at the present time, and through our agricultural colleges and other sources many hundreds of thousands of dollars have been spent annually in the investigation of agricultural resources. There is of late a feeling among mining men of the State of Oregon that the mining industry, the mining and geological industry—I will put it that way a little more particularly—should be included in that “back to the soil” movement, so called. In other words, the “back to the soil” movement in Oregon, and this Northwest country, should reach back to production, back to basic production, and that the mining and geological industries should be included in that movement. Therefore, I say there is an organized movement being started among the mining men of Oregon today to include the mineral industry in this “back to the soil” movement. We, as people of Oregon solicit your support in this movement.

I am very glad to be here at this Convention, and I thank you.
(Applause.)

THE CHAIRMAN: Utah will be represented by Mr. George H. Dern.

MR. DERN, Salt Lake City: I am very glad to have this somewhat belated opportunity to say on behalf of the Utah delegation that we are grateful to our neighbors of Spokane for the kindly reception they have accorded to us. We appreciate the cordial words of welcome that were spoken yesterday afternoon and the entertainment that has been provided for us during our stay in the city. I was impressed as I listened to the things that were said about Spokane yesterday afternoon with the similarity between Spokane and Salt Lake. It seems to me that the two cities resemble each other in many respects.

They are about equal in population. Spokane is the headquarters of several important mining districts; so is Salt Lake. The city of Spokane was very largely built up with the money that came from the mines; so was Salt Lake. Spokane has an important agricultural territory tributary to it; so has Salt Lake. I understand that Spokane is spoken of as the "Capital of the Inland Empire;" we in Utah speak of Salt Lake as the "Center of the Solid West."

There was something said about centers here yesterday afternoon. Now, as Mr. Ross said, a great deal depends upon your viewpoint, and perhaps I ought to explain our viewpoint about the center of things. We feel—and we think we are justified by the map—that Salt Lake is at the center of the West. We are the hub. Everything radiates from Salt Lake. At the end of one spoke of the wheel is—

A VOICE: The rim.

MR. DERN: Is Spokane. Butte is at the end of another spoke; Denver at the end of another; Los Angeles, San Francisco and Portland each at the end of another. Salt Lake City is the center, or the hub, from which they all radiate. That is the Salt Lake viewpoint. You will observe that we are more modest than Boston. Boston claims to be the hub of the universe; we only claim to be the hub of the western half of the United States. Of course, this situation presupposes a good deal of importance on the part of the City of Salt Lake. Possibly the importance of Salt Lake is not perfectly apparent to all of you.

For instance, this roll call of the states is made in alphabetical order, consequently Utah comes very near to the tail end of the procession. I daresay that this method was adopted as a measure of safety for the President of the Congress, because if he had to call upon the states in the order of their rank as mining states, he might put himself in danger of personal violence at the hands of jealous delegates from rival states. I am sure if that plan had been followed, Utah would have been called on early yesterday afternoon instead of being left over until this morning.

I might mention another point that has perhaps made a good many people in the United States thing Utah is rather insignificant, and that is the number of electoral votes she casts in a presidential election. I must admit that in this respect we rank rather low; but I am sure that we have not been any less conspicuous for that reason this year. I want to say that our production of electoral votes is no criterion whatever of our mineral production. We may be close to the tail end of the roll call, but when it comes to mining we feel that this is but another example of the old adage that the last shall be first. And although our political rank may be low, that doesn't prevent us from looming up in the front rank as a producer of minerals.

I cannot claim that Utah is the very first among the states in mineral production, but we confidently hope that we shall be, sooner or later, provided it doesn't become too fashionable to take care of posterity, and let the present generation shift for itself the best it can. Men used to say, "Why should I do anything for posterity? Posterity has never done anything for me." Now, we are beginning to reverse the proposition to some extent; but it is to be hoped that we will not let our altruistic motives carry us to such extremes as to starve ourselves in order to give to generations yet unborn opportunities which may be so out of date by that time that they will have no use for them. (Applause.)

THE PRESIDENT: Mr. Thomas L. Watson, State Geologist, will respond in behalf of Virginia.

MR. WATSON: I only arrived in Spokane this morning; hardly a few moments ago was I aware that I would be called upon to make the response of welcome on the part of Virginia. I assure you it is a very great pleasure to me to attend this the first session of the American Mining Congress on my part, and I bring the greetings to you from the Old Dominion. I thank you. (Applause.)

THE PRESIDENT: Washington is to be represented by Colonel W. T. Perkins, of Seattle.

COLONEL PERKINS: Mr. President and Members of the American Mining Congress, both men and women: I supposed when we adjourned yesterday that we had finished these responses and that we would be noted in the morning papers as having also spoke, something like the politician who also ran, if he occupied the tail end of the string of votes. Yesterday I recalled during the afternoon session the story as was aptly told by the mayor in his words of welcome to us about the poor boy who had been kicked by the mule, and there "wasn't no remains." And when we got through with the roll call and through with Oklahoma I thought it particularly applied to the audience—there wasn't no remains. And I think the coroner possibly ought to be congratulated this morning on having got together so much of the remains as we have with us this morning.

In saying a word on behalf of Washington in response to the address of welcome, I feel that I occupy as its Vice-president somewhat of a dual capacity; or, in other words, I speak both as a host and a guest. As a guest, I appreciate the words of welcome given to the State by Spokane expressed through the President of the Chamber of Commerce in behalf of the Governor of this State to you, gentlemen, from all the States in the Union. On behalf of the Washington delegates as a host I wish to say Amen. We as miners and interested in the mining interests of the country, welcome you to this great state of Washington and the Northwest. As I glance at the vacant chairs, which were yesterday occupied by the Mayor, President of the Chamber of Commerce and the other representatives of the good city of Spokane, in behalf of the miners of the State of Washington outside of Spokane who are here as guests of this city, I wish to thank them for their cordial words of greeting which expressed so much the typical western greeting, and I know that we all accept it in the generous spirit in which it is proffered, and the magnificent entertainment which our coupon book shows they have planned for us. It already has had an auspicious beginning. I know that we shall appreciate it from the beginning to the end. I know that I voice the sentiments of all those representatives from the western part of the State beyond the Cascade Mountains coming from the seaport cities of Puget Sound. We expect with the aid of this great inland city of Spokane to help develop the commerce of Alaska and the Pacific Coast. With the opening of the Panama Canal—to be celebrated by the great exposition about which we have just heard from the gentleman from California—this wonderful development is going to surpass any development of the commerce of the Atlantic. I know that I appreciate equally well on behalf of the miners of this Great Inland Empire their sentiments, and of the surrounding mining camps; and therefore on behalf of all the mining interests of this great State of Washington, we sincerely thank you, gentlemen of Spokane, for the entertainments you are giving us.

THE CHAIRMAN: That finishes that part of the program, and the Secretary will make some announcements in connection with the program this morning.

SECRETARY CALLBREATH: For the first time in a convention of the American Mining Congress we are short on set addresses and long prepared papers. A number of prominent men who were expected to be here, from different causes, are not able to be present. And so it enables us now without intending it to meet a criticism which has often been made that the conventions of the Mining Congress were occupied with too many set papers and to follow the suggestion that it would be very much better if the discussion could be carried on by the members present who understand the several subjects, and in that way we would come nearer to getting a real expression of opinion regarding the subjects under discussion. I am glad of an opportunity to try out the plan and to give consideration to questions which I think every mining man feels an interest in. We

propose this morning to submit for discussion from the floor the question, "How can the small investor in mining stocks be best protected?" It is desired that everybody present shall present his views on this subject.

We had expected Mr. W. H. Storms, State Mineralogist of California, to lead the discussion. I understand that Mr. Storms has prepared a paper on this subject, but will not be able to present it personally. If you will pardon me, and if the President will permit, I will be glad to make a few introductory statements to show what has been done in connection with this question by the American Mining Congress.

The first effort culminated in the approval by the Denver convention of the recommendation of its committee favoring what came to be known as the Pardee Law. The Pardee Law was supposed to be an improvement on the California Law, being the same in principle, but more comprehensive in its scope. In other words, the California Law applied only to corporations, while the so-called Pardee Law applied to corporations, joint stock companies, individuals and partnerships. The purpose of that law was to make any misrepresentation about the stock of a mine which was offered for sale a misdemeanor. Many people believe that the present law covers that point. It does not. The law of false pretense requires that four conditions shall prevail before a conviction may be had: First, that a misstatement was made; second, that the falsity of that statement was known by the party when making it; third, that somebody must believe that statement, and fourth, that, acting upon that belief, he must do some act to his detriment, must part with his money. Now, it is difficult to find all of those four conditions in conjunction, except in very rare instances. Another difficulty has been that the man who has parted with his money in a foolish way, as the man does when he buys stock in a thing that he knows nothing about, is a little ashamed of his foolishness, and will bear his loss in silence rather than admit his foolish act. We have hoped by this law to make it a little more risky for a man to misrepresent about his property. The Pardee Law, with slight amendments, has been adopted in a considerable number of states, the last being Massachusetts.

It was the intention of the American Mining Congress to urge the enactment of this law in all of the States, and particularly those states where mining stocks are offered for sale, and then to create an agency through which we can assist the state authorities by special legal assistance in the prosecution of those who violate this law. The man who is approached with a dishonest proposition and finds it out before he is caught will tell you about it, and pride himself upon his superior acumen in ascertaining the fact that somebody has tried to mulct him; while the man who has parted with his money in a fake scheme will probably not tell you because of his desire to avoid notoriety and also because he couldn't get his money back.

This was the first step. It has been realized by the officers of the Mining Congress that this is one of the most vital questions to the West, in that our western hills are filled with prospective mines needing money for development. Prospects are the raw material out of which we manufacture mines. We need money in that manufacturing industry. There is no industry to which the investor can turn with more hope of success than to the manufacture of mines, not only for his own benefit, not only to the benefit of the Western States, but for the benefit of the nation as a whole. And therefore we need to protect the mining investor.

The eastern investor in mining stocks today is a gambler. The eastern investor wants to be something else than a gambler, and we want him to be. We can make him such by giving him the advantage of what we know about mining development. It is said that mining is a gamble, and I believe, gentlemen of this Convention, that it is a statement which we should combat with the very best ability that is in us. Life insurance is as safe a business as there is in the world today. It is considered absolutely safe, and yet the insurance of one

man's life is the most risky thing that can be undertaken. The development of one prospect is a risky proposition; the development of fifty well-chosen prospects, honestly and intelligently, will assure the production of a mine the value of which will cover the investment in all of the others. In other words, if through co-operation or corporation we may apply to the development of our mines the same principle which is applied to life insurance, we may not only make mining a legitimate business, but we will protect the eastern investor. We may secure for the West that great development which we need. But in doing this we must be careful. We have a very delicate proposition to handle, because of the fact that the prospector has a prospective value in his claim above its apparent cash value. If he were forced to sell it, he might sell it to you for five hundred dollars or five thousand dollars, but it might have a value of five million, or less.

A VOICE: Or more.

SECRETARY CALLBREATH: Now, he is entitled when he puts that prospect into the corporation to receive more than the five hundred dollars which might be the most he could sell it for in cash today. And therefore, if we adopt a plan like the law in the State of Iowa, that no corporation stock shall be issued as paid up except it be fully paid up in cash or its equivalent, we would put an embargo upon the prospector turning his claim into the corporation, if he could only receive in the stock of that corporation the five hundred dollars which might be considered the actual cash value of his prospect as it is today. Now, we must frame some plan by which the prospector who puts his property into a corporation may receive a proper share of the prospective value which may thereafter be developed. He should have no right to take profit from the sale of prospect stocks. The investor has a right to know that the greater part of his money is honestly and intelligently spent in development work.

If the prospect shall be made into a mine, the investor and prospector should each have a just share of its ownership and profit. The prospector or promoter has no right to realize on the millions which he may honestly believe his property is worth until that value is taken from the mine.

Under the law of many states, both east and west, a corporation is authorized to issue ten million dollars in paid-up capital stock, based on a postage stamp in value. This is the other extreme, and under this plan our states practically give sanction to what is a palpable fraud.

In approaching this subject, I wish you gentlemen would devise some plan by which we may protect the investor in mining stocks; first, because we want to protect him, and second, because we want him to help in the development of the mining industry in our states.

We can't hope to get him to invest his money in our mines unless he has a fair run for his money. He is willing to lose if he loses fairly. He is not satisfied when the money which he subscribes for mine development is used for paying other expenses and absorbed by the promoter himself. I have been told by promoters that it costs seventy per cent to raise money for the development of a mine. This ought not to be and it will not be when we have given a reasonable guarantee to the investor that his money is to be spent in development work. With that guarantee I believe that our now idle prospects would be under development in every part in the West, and more money would be available for that purpose than we would be able to furnish the scientific and technical and engineering brains to invest properly. I need to beg your pardon for interpolating these remarks, but it seems to me that a statement of what the American Mining Congress has done should be presented to you. I hope you will take this matter up vigorously, and that as a result we may create a committee which will develop a comprehensive plan which will put us in fair favor with the eastern investor, which will show that the West is anxious to treat him right and give him an opportunity to participate in its wonderful resources. I thank you.

THE PRESIDENT: We would like to have a full discussion of this subject, and as the responses are made to it, I wish the party speaking would give his name and State, so that the reporter can get the record in proper shape.

GOVERNOR W. R. ALLEN, Butte, Montana: This matter is one that I wanted to talk upon, and I am very glad that it has been mentioned this morning. I have given this subject some thought and consideration. In the not distant past I had visions of being in a position where I might be able to assist in the passage of a law similar to the one mentioned by our Secretary, for the protection of not only the investors but also the mine owners and prospectors. I consider this question of vital importance and I wish to state briefly my idea of the law as it should be framed.

I think we can solve the question quickly and effectively; I think we can, in a measure, curb the large trusts we hear so much about today; I believe we can begin at the bottom of this evil and by proper regulation and supervision prevent the formation of these large aggregations of capital; of watered stock that is sold to the unsuspecting public. I fully appreciate that we must do everything possible to assist the prospector, who takes the worst of it, at the best; who labors in the mountains year after year, depriving himself of the comforts and pleasures of life; blazing the trail of progress and development and, in most cases, receives but little reward; these pioneers are benefiting humanity—laying the foundation for mammoth industries. Some have grown wealthy, but few in proportion to the total; these men we must protect; we must give them every advantage. Most prospectors are honest men, most of them are a little visionary and overly optimistic; hope and optimism are needed when he plunges into the wilderness on scant rations, drives his tunnel or sinks his shaft without any guaranty of ultimate success.

The complaint generally heard from the investor is not about the prospector but about the promoter. The promoter can secure an option on an unpatented piece of property or make a location for the purpose, incorporate a company, sell stock and expend nothing in the development, even though the property has some merit. The investor should feel that he is dealing more directly with the prospector; the plans of the promoter should be laid bare to the investor and, in my opinion, this can only be done by having state supervision. My idea would be to frame a law along these lines: When a company is organized for the purpose of selling stock it should be compelled to file statements with the Commissioner of Corporations, or some other department of state, before license to sell stock be granted. The information on file should state whether the property was patented under option or the work was being done upon located ground; amount of capital stock; what they proposed to sell the stock for; what the money was to be used for; what percentage was to be paid in officers' salaries, etc., and that semi-annual statements be furnished to the state department; compelling the company to invest at least seventy-five per cent of the proceeds received from the sale of stock in substantial improvements or assets; tell the truth and the whole truth.

Most mining properties, especially those that are in process of development, contain a large element of chance; there are many investors willing to take this chance if they know their money is going to be honestly expended in the development of the property; the returns in many cases are large, which justifies investments of this character; but the business has suffered severely during the past few years on account of wild cat promoters who had no interest whatever, other than to secure the money from the sale of stock, never intending to develop any properties. The mining industry today throughout the Northwest offers larger returns upon the investment than any other industry; there are thousands of prospects that can be developed into dividend-paying mines by the investment of small sums of money. We must put the business upon a more substantial basis than it has been

in the past; we must say to the investor in mining properties: "While we cannot guarantee that the proposition offered will develop into a dividend-paying mine, we can say that the money received from the sale of stock will be expended in developing the property, less a reasonable commission." Should such a law as this be enacted by the mining states, every corporation intending to sell stock would place on file with the proper officers all the information it could secure, such as reports from mining engineers, geologists, etc. Under this plan, should I come to New York and offer stock for sale a wire to the proper state officials would bring forth the information that I was duly licensed to sell stock in a mining company and that I had on file, under oath, certain statements.

In my opinion, Montana, at the coming session of the Legislature, will pass some such law, and I want to see every western mining state do the same thing and let us protect our honest prospectors from the operations of the dishonest promoters and let us place the mining industry upon the high plane it deserves.

MR. H. N. LAWRIE, Portland, Oregon: I would like to state that what Mr. Allen has said has more than an influence on the protection of the prospector and the investor. The information so placed on record in the office of the Secretary of State is immediately available for the purpose of the State Mining Bureau or Geological Survey in more efficiently co-ordinating their forces in the field and giving to the public a more concise and accurate statement of what prospects exist for the purpose of capital investment. In the State of Oregon two years ago a bill was passed creating a Mining Bureau. During these past two years there had been numerous calls for information concerning the prospects of the State of Oregon. Knowing as the capitalist of the East does that there is very little finished development in the State of Oregon, they would like to become informed more certainly and accurately as to the prospects available for development. And in this way this information could serve a triple purpose. It would not only protect the prospector and investor, but it would also enlarge the field for the prospector, meeting the capitalist in a fair and honest way and insures development more rapidly and at a less cost and at a less sacrifice than he now has to undergo. (Applause.)

THE PRESIDENT: Mr. Johnson, you are next.

MR. C. S. JOHNSON, Ohio: I just wanted to ask Mr. Allen a question.

THE PRESIDENT: If his permission is granted.

MR. ALLEN: Certainly.

MR. JOHNSON: Whether that could be done by the National laws or by the State laws.

GOVERNOR ALLEN: I had in mind the doing of it by the State laws, with one point, however, that I wanted to bring out, and that is that before any stock could be sold in any corporation within the state or outside of the state, that a certificate should be issued by this Commissioner of Corporations or the Secretary of State giving permission to sell this stock.

MR. JOHNSON: Has that the sanction of this Congress?

MR. ALLEN: I think that is going pretty far.

THE PRESIDENT: These matters will be referred to the Resolutions Committee and they will act upon it and bring it before the Congress for action. That is the usual procedure.

F. H. STANARD, Washington: The important thing is to find who the facts were obtained from and why. If a channel is cut across a vein and the samples analyzed the investor wants to know whether that analysis is made by a responsible assayer. I think that point would come before the Department of Mines or someone who is there to submit it to. In the territory in which I am there is no one in authority to refer to when we say that there are veins of commercial importance in that country. There are some of us that know it, but the general public does not, and they don't know whether we are an

authority in that particular thing. It is a question of the authority after the situation as it exists is presented to the man who wishes to invest in it.

THE PRESIDENT: These are all good thoughts. Let us have some more.

MR. ROBERT NEILL, Florence, Idaho: I think that Governor Allen's remarks would sufficiently cover that ground. The department would go to the very fullest extent endeavoring to find the facts with reference to the mineral belt or prospect, and consequently with the law enacted as Governor Allen has suggested those things will come out and those points will be guarded. My statement or your statement or any other man's statement, without it is corroborated by others who are not interested in the property, would not be sufficient information. It would not be a sufficient safeguard to the investor. I have been in the mines for forty years and I have, unfortunately for the people that I have represented, been in the Legislatures of two States, one State in both branches of the Legislature, and Mr. Allen's statement here with reference to that is the most clean-cut proposition that I have ever heard, in any Legislature or before any Mining Congress. I believe he is on the right track.

THE PRESIDENT: We will be obliged to postpone this discussion until this afternoon, as you all know we have an invitation to the Chamber of Commerce.

On motion duly made and seconded, meeting adjourned to the Chamber of Commerce for luncheon.

TUESDAY, NOVEMBER 26, 1912.

Afternoon Session.

President Taylor called the meeting to order at 2 o'clock.

THE PRESIDENT: The Secretary will read the resolutions that are on the desk at the present time.

SECRETARY CALLBREATH: May I first read telegrams which have just been received from Mr. John Hayes Hammond and Mr. E. A. Montgomery?

The Secretary read:

Via Goldfield, Nev.—Skidoo, California, November 25.

J. F. CALLBREATH, Secretary, American Mining Congress.

Spokane, Wash.

Accept congratulations and best wishes on success of Convention of American Mining Congress, also my apology for not being present, as I intended and would have liked to be, but prevented on account of illness in my family.

E. A. MONTGOMERY.

Gloucester, Mass., November 26, 1912.

S. A. TAYLOR, President, American Mining Congress,

Spokane, Wash.

Regret sincerely impossible for me be present and meet my friends of Congress in Spokane. Hope you will have pleasant and successful meeting. When I can be of assistance to the Congress please command me.

JOHN HAYS HAMMOND.

The Secretary read resolutions numbers 1, 2, 3, 4, 5, 6, 7 and 8, as follows:

Resolution No. 1, Introduced by A. M. White, Texas.

Whereas, The most important function of the Department of the Interior is that which has to do with the administration and control of the Public Lands; and

Whereas, The greater part of the Public Lands are situated within the arid land and mining States where two distinct systems of law prevail which do not prevail elsewhere, viz., the law governing the appropriation of water and the law of extralateral rights; and

Whereas, An intelligent administration of the public domain within such States can best be given by one having a knowledge of the con-

ditions which made necessary the adoption of these separate systems of law; Now, therefore, be it

Resolved: That the President-elect of the United States, Honorable Woodrow Wilson, be earnestly requested and urged to select for his Cabinet, as Secretary of the Interior, a resident of the arid land States, who, by actual experience, is familiar with western conditions.

Resolution No. 2, Introduced by W. R. Allen, Montana.

Whereas, The natural resources of the United States are in large measure found in the western or what are commonly termed the public land States; and

Whereas, The greater portion of the business of the Department of the Interior of the Federal Government has to do with matters of peculiar moment to the States of the West; and

Whereas, By reason of this fact the people of the West are vitally concerned in the administration of the affairs of this Department of the Government; now, therefore, be it

Resolved, By the American Mining Congress, in annual session assembled in the City of Spokane, State of Washington, That the administration of the affairs of the Department of the Interior should be in the hands of a man who comes out of the West and who by reason of his intimate knowledge of the matters affecting this great mining section, is able to make his administration of the greatest value to the people of the whole country.

Resolved, further, That it is the sense of this Congress that the President-elect, the Honorable Woodrow Wilson, should select a Western man as Secretary of the Interior, and he is hereby respectfully requested to make such selection in forming his cabinet for the coming four years.

Resolution No. 3, Introduced by Advisory Committee on Mineral Statistics.

Whereas, It appears that for want of an appropriation covering the cost of the work, the Bureau of the Census is making no substantial headway in compiling and publishing the data on mines and quarries gathered during the year 1910; and

Whereas, These statistics have an important bearing on questions relating to the mineral lands of the public domain, and on all legislation relating to mines and metals;

Therefore, be it resolved, by the American Mining Congress, that an appeal be made to the Congress of the United States for such appropriation as will be adequate for the immediate compilation and publication by the Bureau of the Census of the data now at hand relating to mines and quarries.

Resolution No. 4, Introduced by A. M. White, Texas.

Whereas, It is believed that the public interest will be served by offering special inducements to the prospector and the developer of mining prospects to the end that new mines may be opened; and

Whereas, It is believed that in all cases where active development work is in progress that unproductive mining property should not be burdened with taxation in addition to the burden of risk incident to development work and that every possible inducement should be offered to stimulate such effort as will create property able to bear the burden of taxation; now, therefore, be it

Resolved: That a committee on Mine Taxation be appointed for the purpose of framing a law designed to relieve unproductive mining property from the burdens of taxation during the period of active development.

Resolution No. 5, Introduced by Butte Section of The American Mining Congress.

Whereas, Throughout the West, and more particularly in Montana, where most of the mining sections are covered by United States forest

reserves, from which a large revenue is derived yearly by the government, a large number of the most valuable mining properties and prospects are inaccessible and will remain so until roads can be constructed to them; and

Whereas, The miner and prospector is compelled to expend \$100 upon each claim in annual assessment work and to pay to the government the sum of \$5 per acre when patent is secured; and

Whereas, Each prospector and miner becomes a guard for the protection against forest fires and renders great assistance to forestry officials in preventing and extinguishing forest fires, and further, through the energy of the prospectors and miners the mining districts are developed, thereby increasing the value of all timber contiguous to such districts, in addition to assisting in the development of the country in general; and

Whereas, The prospector has always been and always will be the pioneer in discovering and developing the mining districts, and, as a general rule, they are men of small means, unable to build or maintain roads to properly exploit their properties or ship their ores, thereby becoming absolutely dependent upon those of larger means who can build said roads. These conditions have retarded development and militated against the worthy prospector; therefore, be it

Resolved: That it is the sense of the American Mining Congress, unanimously expressed, that this condition be brought to the attention of our representatives in Congress that some measure of relief may be afforded these advance agents of civilization by providing for the construction of roads in isolated mining districts located within forest reserves, and that the United States Forestry Service, upon proper showing, be required to assist in constructing and maintaining said roads.

Resolution No. 6, Introduced by Butte Section of The American Mining Congress.

Whereas, Throughout Montana prosperity abounds on every hand, and the mining industry primarily is the source of development of the State, and the discovery of mineral brought the railroads, which, in turn, assisted the farmer and stockman, the mining industry, through the Butte section of the Montana Chapter of the American Mining Congress, extends greetings to the other industries of the State.

We have enjoyed such wonderful growth and prosperity during the past few years, more especially in farm development, that it is the intention of the mining industry to assist in the development of the State along all lines to the end that Montana may become a "Greater Montana" through her allied industries.

With the discovery and development of many new mining fields and the unbounded faith of thousands of prospectors now toiling in the hills; with copper selling at upward of 17 cents a pound and all other metals bringing good prices; with the discovery of many rare and valuable minerals and with the development of fields, range, forests and streams, we feel that Montana is taking her legitimate place as one of the richest and greatest states in the Union, and the Butte section of the Montana Chapter of the American Mining Congress in session convened extends greetings to the people of this State and to the people of the great Northwest. Be it

Resolved: That it is the sense of this meeting that every effort be extended toward further cementing the relationship existing between the mining industry and other industries in the West.

Resolution No. 7, Introduced by Butte Section of the American Mining Congress.

Whereas, A great injustice has frequently been worked upon the legitimate prospector and mine owner by fakers and wildcatters, and

Whereas, A number of States are now considering the advisability of placing upon their statutes a law governing and controlling the sale of stocks and bonds within said States, and

Whereas, If a just, equitable and comprehensive law can be adopted in the various States, especially the mining States, that will safeguard the interests of the legitimate promoter, mine owner and investor, we feel that it would tend to place the exploitation of the legitimate mining enterprises upon a more substantial basis and higher plane. The State of Montana alone has thousands of prospects that can be developed into profitable mining enterprises if sufficient capital can be secured. The necessary capital can be secured as soon as the investor can be assured that the enterprise is legitimate and worthy. Therefore, be it

Resolved, That the Butte Section of the Montana Chapter of the American Mining Congress recommends unanimously that the various States coming under the jurisdiction of the American Mining Congress be urged that the next session of their legislative assemblies enact such a law.

Resolution No. 8, Introduced by Mark Bartlett et Al.

Whereas, In consideration of the fact that much of the mineral land of the United States is prevented of its full development by the short-sighted policy of the owners of the land, and inasmuch as a proper remuneration for the knowledge and energy of the mining profession is not now conserved by the present mining laws of the United States, and

Whereas, The mineral wealth of a nation is the natural possession of the whole people of a State, and the development of the mineral lands of the United States to their fullest economic extent is necessary for the welfare of the people and the material progress of the nation: Now, therefore, be it

Resolved, by the American Mining Congress, at this, its Fifteenth Session, that it approves of the enactment of the following sections into a law for the direction and control of the development of the mineral lands of the United States, and that the legal committee of this Congress be instructed to use its utmost endeavors in securing the passage, with the least delay possible, of the said law, within the various States of the Union:

1. A mineral claimant may institute proceedings in the Land Department to determine the character of any tract of land, the title to which is in the possession of an individual, company or corporation, but, in order to succeed, he must satisfy the Department that the land in question contains minerals in sufficient quantities to warrant a prudent man in spending his time and money in the development thereof.

2. Should the decision of the Department be in favor of the contention of the said mineral claimant, the said claimant shall thereafter be entitled to make entry thereon, according to the following conditions:

A. He shall pay to the owner of the said property, as liquidated damages, such sum as will compensate the said owner for the appropriation of real property, made by reason of the establishment of the said mineral claim, and that the said damages shall be assessed, according to the provisions of the State Law of Eminent Domain where the land is situated.

B. The said mineral claim shall thereafter be perfected according to the Federal laws relating to the establishment of mineral claims where such location is made upon the public lands of the United States.

THE PRESIDENT: These are referred to Resolutions Committee without discussion at this time.

MR. CLARENCE RAE, Dixon, Montana: Here is a resolution that should be adopted by the Committee or that should be read before the Congress now.

Secretary Callbreath then read motion or resolution offered by Mr. Clarence Rae.

THE PRESIDENT: Will you please take this and put it in the form of a resolution, and let it go to the Resolutions Committee?

MR. CLARENCE RAE: That was my idea. It was requested to be read before the Resolutions Committee. It is in session now and it was supposed to be read at this meeting, at the opening, so they could form the resolution.

SECRETARY CALLBREATH: This refers to the Resolutions Committee, but it will not be a resolution because it is not in proper form.

MR. CLARENCE RAE: It is not a resolution, not in its present form, because it is made up by a prospector, and I have no doubt it is not in the right form. I wish to be recognized as a Montana delegate, as a prospector for nineteen years in Montana.

SECRETARY CALLBREATH: Let me help you get it in the right shape.

MR. CLARENCE RAE: That is the idea. I thank you for that.

THE PRESIDENT: We will now take up the discussion of the morning where we left off. The question is, How shall the mining investor be protected? That is in substance the question before the assembly, and we will be glad if every person here will make brief speeches on this subject.

MR. HENRY S. VOLKMAR, Seattle: There probably will be a number of remarks yet to be made upon the question that was under discussion prior to the noon adjournment. I think we all agree that Governor Allen covered the ground very nicely, and quite generally, and one of the resolutions just offered here goes into the question. In order to put something definite before this session I desire to offer a motion which I will state in a moment. It is simply to cover this idea of protecting the legitimate prospector and mining operator in his work as against the fakes and the frauds that are scattered all over the country. We know that in order to develop a mining property that it is necessary to raise money largely by stock selling. We know that if we go back into the Eastern country to attempt to sell stock that we are immediately confronted at every turn with people who tell you that they have been robbed and faked and swindled; to them not only do "all coons look alike" but all mining propositions look alike. It is impossible for them to differentiate between the honest and the fake. I have been talking during the noon hour with a few of the delegates, and I had just a rough idea in mind that if some plan could be devised whereby all mining propositions would be required by law to be reported to some central State authority, like the Secretary of State, or a Commissioner of Mines, where a full statement of all the facts could be recorded, where, for instance, the reports of one or two recognized reputable mining engineers should be made upon that property and filed with the state officer, so that if you or I go back to the Eastern country to present the merits of our proposition and we are asked to explain what we have, in order to prove that we have a legitimate proposition, we can refer them, by wire if necessary, to the state authority for information as to the recorded facts of our proposition.

Now, Mr. Chairman, I desire to offer this motion: That a committee of five representing the states of Montana, Idaho, Washington, California, and Oregon be appointed and that Lieutenant Governor W. R. Allen of Montana shall be a member and chairman of that committee to frame a law covering this whole subject. The legislatures of the respective states will soon be assembling, and it seems to me that if we had this law formulated by such a committee, and reported back to us, that we in our respective states could get busy immediately before the coming sessions of the legislatures and get to work on a general law covering this whole subject. Probably there will be others to speak upon this subject with better ideas than have come to me, but in order to get something, Mr. President, before this Congress I offer a motion to appoint that committee.

MR. ROBERT NEILL: I second that motion.

MR. H. R. HARRIMAN: I will suggest that we make it six and add Alaska.

MR. HENRY S. VOLKMAR: Accepted.

MR. ROBERT NEILL: I very gladly accept your proposition:

THE PRESIDENT: I have no objection to accepting your motion, but the usual form is to put it in a resolution. That will apply to the general form of doing business of the Congress.

MR. VOLKMAR: Acting upon that, I will confer with some of the delegates.

MR. ROBERT NEILL: I suggest that all the mining states be upon that committee.

MR. HENRY S. VOLKMAR: All right.

MR. I. F. DAVIS, Kellogg, Idaho: Don't you think it will be better to have a smaller number on the committee? If the committee gets too large it will be cumbersome. If it has a few members it could do more than a large membership, say three, possibly five, as the gentleman who first introduced the motion suggested.

MR. VOLKMAR: That is the very thought I had in mind. A large committee is cumbersome and harder to get together, and a smaller committee makes a better working committee, and if we had the smaller committee, say six, together with Alaska, I think we can do better work.

MR. GEORGE MURPHY, Washington: I would suggest as the Committee on Resolutions will appoint a sub-committee to consider most of the resolutions, that the Committee on Resolutions appoint a sub-committee on this motion.

THE PRESIDENT: A special committee?

MR. GEORGE MURPHY: A special committee. There will be a great many on the Resolutions Committee that will have nothing to do for the rest of the days and I think they want to be busy, and I would recommend that this committee appoint such a committee to draft this law.

MR. HENRY S. VOLKMAR: Anything to get it before the Congress; but we all think that Governor Allen is the man to take it up.

THE PRESIDENT: He is already on the Resolutions Committee and we can ask him to do that.

MR. P. D. DECKER, Missouri: I feel just a little embarrassed before this Mining Congress. As I stated to the Secretary, in a little low voice, I come from Missouri. (Applause.) Now laugh. I have been over this town a little bit, and I have seen something, but I want to tell you that I have seen bigger mines than I have seen here. We have them near Joplin. I am glad that I have not moved any farther west than I am now. I feel like the rest of you, that I have been royally entertained out here, and I have been greatly impressed with these great mountains, these fine buildings, these hospitable people, these intelligent men and beautiful women. I like it most because it looks like home. I am not willing to admit yet that all the glory and all the civilization is out in this country. (Laughter.) I am glad it is as great as it is. I am glad it is so wonderful; and I wish that I could stay here long enough to know all about it, and then go back home to live. (Laughter.)

You understand that this is a game of everybody hollering for their own country; and among other things I can say in behalf of old Missouri that Governor Allen was born there. (Applause.) And I wish that it were possible for a Committee on Resolutions to settle this question as to the protection of the mining investor; but be ye not deceived, gentlemen—this is just a small, humble voice from the grand old state of Missouri, but it wants to raise the suggestion that you will never be able to do it by law (applause); and I think it is timely to make a few remarks along that line, because I believe in this Mining Congress. I believe it is doing a wonderful work in this country; but the success and efficiency of this great organization depends upon its practical sense; and I wish to remind you, and it should not be necessary for a lawyer to remind a

business man, and especially a miner, that you cannot run the mining business or any other business by the state.

Thomas Jefferson—pardon me for alluding to him, because I am from Missouri (applause)—Thomas Jefferson said in his first inaugural address—it is old, I don't know whether you ever get that kind of doctrine out here or not, but it won't hurt you, so I will give you some—he was boasting, no, not boasting; he was just speaking about the wonderful future of this great country. He was speaking about its benign religion; he was speaking about its almost boundless territory; he was speaking about its wonderful resources; and then he said, "One thing more, my fellow citizens, is necessary to make us a happy and prosperous people. One thing more: a wise and frugal government which shall restrain men from injuring one another; which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned." (Applause.) "A wise and frugal government which shall restrain men from injuring one another; which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned." (Applause.) This is the sum of good government, and this is necessary to close the circle of our felicities. This is what Thomas Jefferson said a long time ago, and this is just as true as when it was uttered by him, and it applies to the great business of mining as much as it does to agriculture and any other business in this country. In other words, the time will never come when you can conduct the mining business by a commission. (Applause.) It is all right to pass laws by the State of Montana, and Washington, and Oregon, and Utah, and the grand old State of Missouri, that will restrain men from injuring one another; but whenever you cross that Jeffersonian line and interfere with individual enterprise, you do more harm than you do good. (Applause.) And when you start to write that law you will find it harder to write than it is to talk about, because you can't run the mining business like you do the insurance business, because the mining business is not an exact science. It does not depend on the mortality table. Your country is bigger in mining properties than ours, but I want to tell you that our little delegation comes from the greatest zinc producing district in this world. That is the district of Oklahoma, Arkansas—now laugh again—Oklahoma and Missouri, and the features of mining there I apprehend are just the same as they are in the Rocky Mountains. Many a mining expert will give his endorsement to properties that will never pay. (Applause.) I know that is true in Joplin, and I suspect it is true in that grand old State of Montana. (Applause.) Time and time again experience in the lead and zinc district from which we hail has revealed the fact that land which has been condemned by experts—and also by practical miners—has yielded forth its treasures almost untold. There sits a man yonder from Joplin, Senator Malang. "His hair ain't cut but his eye teeth is." (Laughter.) He never went to college, but he knows the mining business in the zinc district from A to Z. He was reminding us as he was coming up on the train that when he was working over there in that Old Daylight Mine—you don't know about it; you ought to see it—a friend of his on some adjoining land come to him and says, "John, you are pumping a lot of water off of my mine and you are helping me, but for God's sake, don't waste your time here." Yet he kept on. Today that mine is the best mine in Jasper County Missouri. Now, I apprehend that at the time he started to dig over there in the Daylight Mine if it had been necessary for him to send in a report to the Commissioner of Mines or to the Secretary of State or to the Lieutenant Governor (applause), if he had made a report on what he had it would not have been much benefit to him or to society either. (Applause.) As Jefferson said, this government should restrain men from injuring one another.

You don't need any different laws than the farmer needs. There has been a law on the statute books of every State for a good many

years that will put the criminal in jail; and you will be better writers of law than the jurists of this country if you will be able to improve on that law. There is not a State in this Union where, if a man knowingly and willfully misrepresents a proposition to the detriment of his fellow-men, he cannot be put in jail or made to reimburse. (Applause.)

The best thing, in my judgment, that can be done is what was stated by your Secretary. Let this Mining Congress awake. Let them assist in the prosecution of the crook and the knave and the fakir. (Applause.) The trouble is not so much with the laws of the different States as it is with the enforcement of the laws in the different States. (Applause.) There could be no harm, as I see, in having a Commissioner of Mines, or somebody where you could send all the facts to. It will at least give a good job to some man, and if he belonged to the right political party I wouldn't object to that. (Laughter and applause.)

But the greatest thing that we need in this country to protect the mining investor is the dissemination of knowledge. (Applause.) In other words, let the people in this country know that it is not wise to do like the man did in the Bible, who bought a farm and then went to look at it afterwards. A man should not buy mines or mining stock without investigation. (Applause.) They wouldn't think of buying a suit of clothes without looking at it. They wouldn't buy a hat or a pair of shoes, they wouldn't buy a farm, they wouldn't buy a grocery store without looking at it and investigating it first. Why, then, should a man living in New York buy stock in a mine in Montana, or even in Washington, without making an investigation? Now, then, there is danger, too.

I wish to point out to you in putting this into the hands of a Mining Commissioner of each State, that there is danger in it because you have had them try to sell you life insurance; haven't you? What do they say? If you live in one of those States where there is a State Insurance Commissioner, whose business it is to put an O. K. on it, the first thing they show you is that the state authority has put his O. K. on that particular insurance company. (Applause.) And I have seen some of those State O. K.'d insurance companies go to the wall, too. Unless the State of Montana is going to put a financial guarantee back of a mining proposition, then it should not put its endorsement on that mining proposition. (Applause.) It is all right to have an investigation, but I don't believe the time has come yet in America when the State should transact business for the business man of this country. (Applause.)

If a man wants to buy stock in a mine, let him investigate or hire some good engineer or some prospector who has dug the dirt to look at it. (Applause.) When you hire a man to look at a farm for you, you get a man whom you know, a man who knows a farm and all the points about it, a man whom you know is your friend. Why isn't that the only safe way to buy a mine? For my part, I wish to speak humbly to you all, but I don't think much of the State supervision of mines for the protection of investors in this country.

In the first place, you are liable to put the State endorsement impliedly, you understand, upon an unworthy proposition, and can, by withholding the endorsement of the State in which a mine is located, make it impossible for the development of some of the richest treasures that God has put beneath this soil. (Applause.) And I stand here from Missouri advocating still the doctrine of Thomas Jefferson. Let the people follow their own individual enterprises. Let them look out for their own interests. Let this great American Mining Congress disseminate knowledge about the mining industry, teach young men how to mine, join practical experience with technical knowledge; let the world move on, not by paternalism, not by State regulation in all things, but by the dissemination of knowledge; and let the men with courage, men with vitality, develop this great country, from Montana and Washington to New York City. (Continued applause.)

MR. R. F. COLLINS, Spokane: Mr. Chairman and ladies and gentlemen: I, too, am laboring under the same embarrassment as the gentleman who just preceded me. I am from Missouri also. (Laughter.) And I heartily agree with the efforts that are being made. We are liable to open a greater field of fraud than that which you propose to close. Now let us see. Is there a mining expert in this room who can guarantee to any body of capitalists in the early stages of development that three prospects out of five will make mines? I don't think there is. If there is, let him put up his hand, and I will undertake to guarantee him a salary of a million dollars a year. (Applause.) Let us, as has been said, educate the people of this country to know that anything that promises large returns upon investment carries with it a certain degree of hazard.

There is another thing I would add to that, that when I, as a promoter or anyone else as a promoter in any enterprise that is entered into, that that individual's promotion stock shall not be marketed while we are raising the money to finance the enterprise. What has been the cause of the frauds to this country in the mining way? It is because of some promoter getting hold of a prospect, incorporating it, appropriating two hundred thousand to his own individual use for the promotion, and after a reputation has been developed with the people of the country on the sale of the treasury stock, he dumps his two hundred thousand individual stock on the market and steps from under. When this American Mining Congress shall make it impossible for a promoter to step out and leave the purchasers of the stock holding the bag, they will go a long way towards furthering the legitimate mining in this country. (Applause.) What we need more is that when we sell stock to a man and take him in as a partner we shall be prevented from throwing him down and sneaking from under. I would make it so that a promoter of stock or those holding promotion stocks, shall be required to hold such stock until every purchaser of treasury stock shall have been notified sixty days before any individual could sell a single share of that promotion stock. Why, you could make your mining inspectors and your boards, but they are no guarantee against fraud. I don't believe in paternalism. I believe in what the gentleman has said, which would leave the people as free as possible, but to restrain men from injuring each other. That is the whole gist of government, and that is the thing towards which these people should direct their energies. We need capital in the West. We are bidding for capital. There are thousands of men in the East who are perfectly willing to take the chances if they know they are going to get a good run for their money, and that is all they ask. (Applause.)

Any man that buys prospect mining stock and expects anything more than that ought to keep his money in his pocket and not put it in anything. (Applause.)

Who was it? Was it an expert that opened the Hercules? No. How many of the greatest mines in the West have been branded as worthless by some of the greatest experts in the country. Why, who was it that opened and started the great Cripple Creek district but a carpenter. No, I want to tell you, you can't put it on a board. I have a letter in my pocket from a certain mining inspector in a certain western state, who had "knocked" a certain mine property and a certain political gentleman, rather prominent in politics, wrote to him and told him he had no right to say what he had said about this particular prospect. And this mining inspector came right down and wrote a very nice letter, and in that letter he said, "I didn't know that you were connected with that property. If I had, I wouldn't have said what I did." Then he went on to say that he had not been on the ground at all and didn't know anything about the property. When you go to establishing bureaucrats and commissions to investigate and give an O. K. you will open a greater field of fraud than the one you are attempting to close. (Applause.) Not only that, but you will strike down the greatest industry in the world today, mining. (Applause.) Who is it that has

produced the three billions of dollars of gold in the United States? It has been the man who was not afraid to take a chance. He packed his burro and went out into the mountains, the prospector, the developer. The men who go in and turn the earth and blast their way in and take the treasures from their hidden places. Commissions are not what you want; you want to stop these promoters who start out and lose their nerve—make them stay with the company. They stay with the company six weeks, six months and get the things going well, and say I don't think it will make a good mine; here is where I get out. I want that man made to stay until the rest of them get out, and when you go that far I believe it as far as any governmental agency can safely go. I thank you. (Applause.)

MR. A. W. PATERSON, Lewiston, Idaho: Gentlemen, I can hardly agree with the two gentlemen who have just spoken to us on mining investments. I have had a little practical experience in the mining field and also in an endeavor to raise money, and I believe that the first thing that mining men should consider is the fullest protection that can be given to the man that has given his money into the venture that we believe will produce wealth. The first thing is the protection of the money that goes into those ventures, and some such commission as was proposed by Governor Allen of Montana should bring about that condition. People have been altogether too much hoodwinked. It isn't the matter of the promoter getting his little money and getting out, nor is it a matter of having experts pass on property, but when actual mining men are engaged in the opening up of those properties the man who is putting in his money may not be able to judge the technical side of the question, but he can judge the character of the man that he is putting his money in with. There are very few men who are competent to judge of the worth of a prospect, and I have got a few thoughts in connection with the proper protection of men who make mining investments, and the men who try to protect those investments.

In the first place, I believe that that commission should be composed of mining men. And further than that, the men who undertake the selling of mining stock or the opening of a mining property should be men that have actual knowledge of the thing undertaken, and with that condition the money that is put into a mine is put in with either one of two results. It is either a total loss or a big return.

And along the line of a proper inspection, there are a few thoughts that occur to me, and it is this: First, the thing that we should do with the stock that we sell to the investor is to make that a preferred stock. In other words, to give him some return before we get any return from our property. We should also limit the salaries of any officer. That will put us all on our metal and it will make our proposition more successful and we will get our profits from that and not from the stock that we sell to the investor. Gentlemen, I thank you. (Applause.)

MR. M. BARTLETT, Washington: Under the heading of how to protect the mining investor from various schemes that are designed to defraud him, I wish to relate a little experience in the line of promoting a mine. There are lots of people who enter the mining business as greenhorns. They never had any experience before in their lives and they follow the precepts and examples in this business. They dig a prospect hole and capitalize it for a hundred billion dollars, and sell shares at one cent per share. It looks to the investor like it is a good easy money making game. He is going to get rich. The par value of the stock is usually a dollar and probably in three or four months this stock will be selling at par and he has made ninety-nine cents a share on the investment. He doesn't stop to consider that the mine is over-capitalized, and even if it were placed on an operative basis, the dividends would not amount to enough to buy him a fifteen-cent meal. In my estimation, I believe that a mine should be thoroughly prospected and developed before it is incorporated and its stock placed on the market. I believe that the prospectors should band together in a

co-partnership, and take pot luck with each other in showing up the minerals in the mine which they intend to incorporate so that they can arrive at a conclusion at what the probable value of the mine is to be, then capitalize it at a very low figure and sell stock at par, and fix it so that this stock will never rise above par until the mine is on an operative basis. This would eliminate the gambling feature of the stock business. You would not see any stock on sale in the exchanges. And also, the original owners should tie up their stock in a pool agreement and let it rest there until they derive profits from the mine. If they don't derive any profits they are losers. The buyer of the stock would take the same risk along with the original owners of the mine. He could not reasonably expect any profit out of his stock, unless the mine got to shipping and paying a dividend. He ought to know this right from the start, that when he buys stock that he cannot expect a profit unless the mine makes a profit, and cannot expect to unload his stock on someone else at a profit. How does he know that stock is worth any more than he paid for it? It is a great problem to protect the general public from being swindled in mining stocks. I am connected with a mining proposition in the State of Washington and must confess my amateurishness with mining work, but I said from the start that in order to play square with the public the original owners must tie up their stock and let it lay there in a pool agreement, until the mine gets operating and paying a dividend.

In connection with this proposition I want to state a great injustice that has been done the American people by past legislation. In 1865 some of our loyal and patriotic representatives in Washington, in Congress assembled, by joint resolution deemed it necessary to convey as a gift a great empire to a corporation that wished to extend a railroad from Lake Superior to Puget Sound. They thought that it would take exactly an eighty-mile strip from Lake Superior to Puget Sound, running through the richest mineral belt in this country, in order to enable that corporation to build a railroad. It happened that the Government placed a proviso in this grant that this did not include mineral lands; but later on, by judicial construction, it was determined that after the patent passes, that the title absolutely passes from the Government, and if mineral is thereafter discovered, that, notwithstanding the reservation in this grant, that this railroad company owns the mineral lands. I want to state, gentlemen, that it is the business of the general land office at Washington, D. C., to pass upon all lands before they are conveyed to the railroad company, whether they are mineral or non-mineral, and it is their business to inspect all of this land to see whether it is of that character. The Government has conveyed to the Northern Pacific Railway Company some of the most valuable mineral lands in America, and today when a prospector goes into these mountains, not knowing where he is, he stakes out a claim and develops a mine, and in later years when the railroad corporation sees there is a good mine there it goes and runs the lines and finds it is on its land and says, "get off." I want to state there are lots of things that the American Mining Congress can consider in order to do justice towards the prospector. I want to state that after mineral is discovered by a prospector that that mineral should belong to him, and that all mineral land should come under the law of eminent domain; that after a man discovers mineral on land, no matter how it might have been previously classified, that he should be able to purchase said land through the courts by condemnation proceedings, the same as a railroad company or a gas company condemns land for its purposes. I believe that a mining company should be considered a quasi public corporation, or that an individual or an association should be enabled to exercise these rights. And I want to state further that the American Mining Congress has a broad field to work in in order to do justice to the majority of the prospectors of this country. I can produce Government documents by George Otis Smith and Professor Landes, State Geologist of Washington, and also the Twentieth Annual Report of the United States

Geological Survey, 1900, that a certain belt in this country was valuable mineral land, and eight years after these reports were issued, the land was conveyed by the General Land Office, the Interior Department, to the Northern Pacific Railroad Company, in face of the fact that there were reservations in that grant that no mineral land should pass to this company. (Applause.)

THE PRESIDENT: The time has arrived when we will have to close this discussion for the time on account of having to receive the reports of some committees, and it has been suggested that the discussion be closed by Colonel B. F. Millard, of Valdez, Alaska.

COL. MILLARD: Mr. Chairman and Gentlemen of the Mining Congress: I had refused to speak this morning, on account of a bad cold, and I don't know that I will speak long now, but the question under discussion, to me, is the most important question that can come before the house.

Now, unlike the eloquent gentleman from Missouri, I am not from Missouri, but you have got to show me that any change in the existing conditions pertaining to this matter is right. I come from the last resort of the possibilities of the prospector on American soil. I come from the country that lies north of us, the Frozen Jewel of the North, Alaska, the greatest coming country that the mining world has ever known. (Applause.)

Gentlemen, it seems to me from the argument by some of the gentlemen who have spoken here, that there is a great desire to protect the mining investor. My advice to the mining investor is, use the same common sense in investing in mining properties that you would if you were buying a potato patch. (Applause.) When you go out here on the Board of Trade and buy stocks in any company, mining or otherwise, does any man guarantee to you that you are going to make a profit on that stock? No. Does the steel company do it, or any other company? You go in and buy as an investment and take your chances, and the average man that invests in mining stocks that he does not know anything about and that he expects will pay a big profit, takes a flier, as they call it. He pays ten cents for something that may be worth fifty dollars. If he loses, he loses little, and if he wins he wins much. Now, that is my experience and I don't know that I can do anything better in talking to you than to relate some of my own experiences.

I have been a prospector, but I found it didn't pay. Then I purchased properties and promoted them, and I want to give you a little history of the greatest property up in our section of the country. At one time I was a part owner in the great Bonanza Mine that has just paid two million dollars in dividends. That mine was turned down flat by no less a person than Mr. Winchell, one of the great experts. He said it was secondary formation and couldn't last. But the people today would not take fifty millions of dollars for it. Last summer I had an expert working for me—I have nothing against the expert, though I have no great love for him, so far as experts on prospects are concerned. I paid him a high salary. I got him through the recommendation of the Mining School of Colorado. He came to me highly recommended. I sent him out into the field to look over a hundred properties for me last summer, and he turned down every property but one. He said, there is a bare possibility that that might make a mine. He looked at the Copper Mine, and reported that it was no good and would soon hole out. I could have gotten that property for twenty-seven thousand dollars, on my own terms almost. Other people took the property, spent about ten thousand dollars on it, and today the Guggenheim people have taken it over and it is no doubt one of the greatest mines up there.

I was fortunate in taking up the Cliff Mine, and some of you have heard of that little gold mine. It is undoubtedly, for the size of it, the greatest producer of wealth in the Western country. It had been turned down time and again. It was brought to my attention. I went down to

examine it. The face of it brought only seven dollars. No wonder they had turned it down. Upon the hill, in digging down a little ways, I got ore that went over fourteen hundred dollars, and I promoted a little company. We sold our stock at twenty-five cents. We put up a mill immediately and after thirty days' running of that mill we paid them back their money. Now, gentlemen, the investor there might have lost his money just the same as they have lost it in other places. There was nothing under God's heaven to indicate that that was going to be a success. It was only a little prospect on the surface that went high grade, but it happened to be there. It was one of the cases that came out all right.

I promoted another company, which is called the Mineral Creek. I will tell you how I did that. I took the ore to Chicago. I rented a room in a hotel, and placed it upon the table and invited the public to come and see me. They saw all of it that I had seen. It was the prospect on the surface. One gentleman asked me, he said, "Where is your prospectus?" I said, "I haven't got any." He said, "Have you got anything in writing or printing that you can show a man that he can study?" "Not a thing." "Why?" "Why? Because, sir, you see all here that I have seen, excepting the extent of the range, and that is shown on this map, the length of each outcropping and the width, the ore taken from each outcropping, the assay sheets, and there is the ore. Judge for yourself." "But, why don't you put out printed matter?" "Simply because you are liable to say things in printed matter that will not pan out just exactly as you say them, and some time in the future if these conditions do not develop—and I don't know whether they will or not—you will come to me and say, 'Here, you said so and so and here is the printed matter.' Well, under this system, you come to me and say, 'Here, the vein didn't pan out the way you said it would. You said so and so.' I will say, 'I didn't say that.' You will say, 'You did,' and I will say, 'You are a liar,' and that ends the argument. (Laughter.)

My expert turned down all those claims. He said they wouldn't go down, but I had the stubbornness and I kept at it, and I have demonstrated that they did go down, and in two of them I have found exceedingly rich ore. Now, no man can promise mines beforehand and no man pretends to, and I never have had an expert tell me what was one foot under my ground and undertake to swear to it. (Applause.)

Now, here is another proposition. Twelve years ago I had a friend, an eminent geologist in the Government's employ, and while they seldom say anything pertaining to the country, he did advise me (because I had saved his life once) never to spend a dollar in the Prince William Sound Valley, especially the upper end of it, in what he termed the cap rock of that country, looking for gold. Now, the Cliff mine today is in that country, and other mines are under development, and I can point out over twenty today that are worth having that are in there. Last summer Mr. Brooks looked them over and he gave me the satisfaction of saying that there was no reason why the conditions that prevailed upon the surface should not go down. That is all I wanted him to say. The surface is good enough.

Now, gentlemen, it has been suggested here that some kind of a board be organized by law, to which a man should present his claims or his property, whatever it might be, if he wanted to promote a company. Who would be that board? What source would they come from? Would they be a board of experts? We will say that they were. We will assume that I have a little property to promote of four or five claims in Alaska. I have to submit those claims to that board. We will assume that the Guggenheim Company up there or any other company is a deadly enemy of mine. We will assume that they have a great influence over that board. Where would I stand? (Applause.) Now, there is the possibility. And I don't care whether your board comes from the expert or from the geological department, or any other department, there is the possibility there of the big men getting control of that and downing the

little fellow, and I want to tell you, gentlemen, that I stand here to raise my voice in every way I can, to protect the pioneer and the prospector. (Applause.) If it had not been for the pioneer and the prospector in the earliest settlements of this country, there would have been no use for anybody else. If it had not been for the pioneers, there would be no use for your experts or your geologists. It is the man that has taken his life in his hands and gone to the front that has made the country what it is, and, only for him, the country would still have been east of the Mississippi River. And I can see why any proposition which you might set forth here is going to do a great injury to the prospector, and especially to the Alaska prospector.

Gentlemen of the convention, away back yonder, when time was young, nature in its laboratory, deposited in the great mountains of Alaska untold wealth, and when time is growing hoary with age and the angel is calling together the last remnant of civilization on this great globe, and when Gabriel gathers in the last little band, he will find the band of prospectors still in Alaska. It never can be taken out. It is too great. I stand here, standing by Alaska, heart and soul, and nailing her banner to the mast. (Applause.)

GOVERNOR W. R. ALLEN: May I say a few words, Mr. President?

THE PRESIDENT: We will grant you two minutes.

GOVERNOR ALLEN: I have just returned from a meeting of the resolutions committee; I understand that the discussion now being had was precipitated by remarks made by me this morning; I have not been able to follow the arguments, but briefly want to say that if I mistake not, after the year nineteen thirteen the State of Montana will have a law upon the statute books featured after the Kansas "Blue Sky" law; furthermore, if anyone hailing from Montana presents to you in New York, or elsewhere, a proposition to purchase stock, you may wire some state official and ascertain if it is a matter of record in Montana and if the statements made by him are in accord with sworn statements on file in the State Department.

When you file a location notice with the county clerk and recorder certifying that you own a certain piece of land, it is for the purpose of giving notice to the world that you claim that particular piece of land. In filing statements with the Commissioner of Corporations you will be giving notice to the public that you intend to sell stock under certain conditions, and I think we should investigate the method of carrying this plan into operation; make it as broad and comprehensive as possible. A law cannot be passed that will compel owners of mining property to file reports with the State Department, but it will be to their interest to do so voluntarily.

I yield to no one in my reverence and respect for the prospector—I am a son of a prospector and a prospector myself; I am not a mining engineer, but have had some practical experience in developing and promoting mining propositions; I know it would not have been a hardship upon me to have filed my statements with some department of state. One day while I was in the east trying to interest some one in a legitimate prospect that gave promise with development, I found a proposition that was being presented there with an ore body worth seven million dollars, the ore was blocked out and only one hundred thousand dollars was needed to erect a mill to begin operations and enormous dividends would be paid. I, or the people buying this stock had no way to ascertain the truth of these statements. Had I been in position to wire state officials from whence these gentlemen came I could have verified or disproved the statements. I knew on the face of it that it was false, but I had no protection, neither did the investors. I should like to see a department established in every mining state whereby information could be furnished investors and stock buyers. I think we can help the legitimate prospector and honest promoter by so doing. (Applause.)

THE PRESIDENT: There will be ample time for the discussion of this subject when the resolution relating to it is brought in, but we will be compelled at this time, on account of having several reports to read, to adjourn a little early in order to prepare the hall for the exercises in the evening.

I have just talked with Dr. H. Foster Bain and he informs me that his report is not ready as yet on the U. S. Geological Survey. Mr. H. N. Lawrie has the report of the Committee on the Bureau of Mines. He will now make his report.

H. N. LAWRIE, Portland, Oregon: Mr. President, and Members of the American Mining Congress, Ladies and Gentlemen—The address of our President last evening outlined the great usefulness of the American Mining Congress in carrying out various problems for which organizations already in the field could not assume the responsibility. In this connection he brought out the fact that the Bureau of Mines had accomplished a great deal along the line of saving lives in underground mines, particularly in coal mines. Your Committee on the Bureau of Mines, realizing this fact, believes that one of the principal things to be accomplished by the Bureau of Mines in the future is a similar research pertaining to the saving of life in metal mines. Popular opinion seems to indicate—because the press usually accentuates it—on account of the great accidents in coal mining, that the total loss of life in coal mining enterprises is greater than that of metal mining, but such is not borne out by statistics. The percentage of loss of life in proportion to the total number of miners employed is larger and always has been in the pursuit of metal mining than it has been in coal mining. Wherefore we deem it advisable that the committee recommend to the Bureau of Mines that the matter of the saving of life in the metal mines be made an important feature of its future work.

The second point that comes to our attention is the necessity for research in the economic handling of ores and the economic features of development, together with the ceramic industries. With this in mind it is well to call attention now to the fact that large corporations of today have been enabled to extend their power and accumulate wealth largely by using the information gained by research in their laboratories, and because of this fact they are now deriving the benefit directly from the money so expended. Now, if the large corporations find that they have been so much benefited by this research it becomes apparent that the Bureau of Mines, existing for the benefit of the mining public, should extend its research along similar lines to the particular service of the individual operator, so as to enable him to meet the competition of the larger corporation and the larger capital. It is, therefore, suggested by this committee that a resolution be adopted urging that research work be carried on along the line of economic treatment of the ores and particularly with the subject of electrical smelting. It would place the individual operator, should a system of electrical smelting become possible on a commercial scale, in a position to compete without risking his capital or the smaller capital of the company, with the larger capital of the monopoly. We believe that if electrical smelting shall become a practical success that the mining development of the West would advance very rapidly. Water power sites are conveniently situated to the mines in most cases and consequently this point is in its favor to begin with. It remains only, therefore, to discover the most efficient manner of applying electricity in the proper form to work out the problem of individual electric smelting. The Canadian Government, I understand, has devoted considerable time to the electric treatment of their ores and have made liberal appropriations for this purpose, and it would seem fit that the National Bureau of Mines should undertake this enterprise in connection with its research work.

Many have suggested that the Bureau of Mines should investigate metallurgical problems through the mining schools, by increasing the

funds at the disposal of mining schools. We took that under consideration and came to the conclusion that at this early stage in the development of the Bureau of Mines, it would dissipate results if the small appropriation now granted by Congress for the work of the Bureau of Mines should be distributed among the number of mining schools which now exist. I believe there is a time coming when the appropriations will be forthcoming from Congress to assist in that work, and I think it will be an important extension of the scope of the Bureau of Mines, but in its infancy I believe the concentration, both of capital and of responsibility in the matter of research, is essential to the achievement of results.

Another solution that has been offered by many individuals connected with mining is that the Government maintain free assay offices for the purpose of fostering mining development. We took that under advisement and came to the conclusion that the profession at the present time is able to take care of this contingency, and that all we need to do to insure that the assayer and technical graduate wins success for the public, is that he wins protection from the state. There are no states, to my knowledge, that require a license for the practice of assaying. For the technical graduate to compete with the many people that have picked up a smattering of assaying here and there seems not only unfair to the profession, but on the other hand absolutely unjust to the public, and it is through this cause that we find most of the complaint coming from the people. Assaying is done by men not qualified and not equipped to do the work, and I think that if each state will pass regulations of its own providing that an examination is necessary in order to win the license, so that they shall have sufficient technical qualifications to pass on ores and render their reports, the whole problem will be taken care of without the use of the funds of the Bureau of Mines. It strikes me it is a detail for the people to work out in their various states and not a subject that would come under the attention, because of its details, of the Bureau of Mines itself. If such legislation were passed it not only protects the investor from the standpoint of winning the best technical results, but also you will find that the dishonesty which creeps into assays and analytical reports does not come from the technical man—it comes largely from the assayer's ignorance of the subject, and also from weakness of character. But the man who has the character to survive a technical training has a great deal more opportunity to come into the field with an accurate knowledge of his subjects, and with more incentive for giving truthful assays because of the fact that his future reputation depends upon it, while the other man has no future to look to and no reputation to lose, so far as his profession goes.

I would recommend therefore that resolutions be adopted as broad and comprehensive as possible to suggest that the consensus of opinion of this American Mining Congress be to prevent accident contingency in metal mines and to investigate economic problems in milling and metallurgy, and especially under that head, electric smelting. I thank you. (Applause.)

THE PRESIDENT: The Secretary will make an announcement.

SECRETARY CALLBREATH: I desire to say, Mr. President, that tomorrow morning the session will be occupied by consideration of the report of the Committee on the General Revision of Mineral Land Laws. This is a very important subject. It was to have been presented to you by ex-Governor Charles S. Thomas, of Colorado, but he at the last moment wired that a case coming up in the Supreme Court would prevent his attendance. I am very much gratified at the discussion today. I think it is much more profitable than the set addresses which we had expected. I hope that a similar discussion will take place tomorrow.

THE PRESIDENT: The report of the Committee on the General Revision of Mineral Land Laws will be made tomorrow morning by

Mr. John R. Steele, of Alaska. We have one more committee to report and that is the report of the Committee on Forestry Relations by F. A. Silcox, U. S. District Forester of Missoula, Montana.

MR. SILCOX: I did not understand that I was on that committee.

SECRETARY CALLBREATH: May I make an explanation, Mr. Chairman? Mr. T. J. Grier, of Lead, South Dakota, was chairman of the Committee on Forestry Relations. Mr. Grier has been ill for some time and he has been unable to prepare a report. Mr. Graves, the Chief Forester of the United States, has prepared and sent to us a paper for presentation to the convention. Whether it shall be read or whether it would be better to be read by title and published in the proceedings so that all can see it is a question for this association to decide. Mr. Silcox, District Forester for the Montana District, has been sent here by Mr. Graves to talk over this matter in case there is any discussion and to explain anything needing explanation. I would suggest that the convention decide whether to have this paper read by Mr. Silcox or printed in the proceedings.

COL. PERKINS: How can we discuss it if we haven't heard the paper. I think that Mr. Silcox should read it, so that we will be enabled to discuss it intelligently.

THE PRESIDENT: What is your wish, gentlemen?

MR. ROBERT NEILL: I make a motion that we have it published and discuss the question afterwards.

THE SECRETARY: Probably it would be well to read the letter from Mr. Graves concerning it.

THE PRESIDENT: Read that, and I will hold the motion in abeyance until that time.

The Secretary then read Mr. Graves' letter, as follows:

United States Department of Agriculture, Forest Service,

Salt Lake City, Nov. 11, 1912.

Dear Mr. Callbreath:—In accordance with my promise I am sending you a paper "The National Forests and the Development of Natural Resources." This has been suggested by the points mentioned in the official call of the Mining Congress. If compatible with your rules, I would suggest that this paper be incorporated in the records of the Congress. I am very sorry that I cannot be present to address the Congress. I should like very much, however, to have a representative of the Forest Service attend in order that he may assist so far as possible in reaching the very desirable end of mutual co-operation in the problems on the National Forests which touch the mining industry. I have suggested in my paper that there be brought about the same kind of co-operation that we have with the stockmen, lumbermen and others who use the Forests. In grazing we have a regularly organized plan of co-operation with the local stock associations. While the mining industry does not present the same ease of reaching organized bodies of users, I do not see why through the mining congress or local congresses, we can not reach the same end. I have delegated Mr. F. S. Silcox, District Forester of District 1, at Missoula, Montana, to represent the Forest Service at the Mining Congress. He will call on you there and I hope that you will discuss with him not only the situation on the National Forests of Idaho and Montana under his charge, but also the way we are working out our local problems to secure the co-operation of local ranchers, stockmen, lumbermen and miners.

Very sincerely yours,

H. S. GRAVES.

MR. ROBERT NEILL: Mr. President, right now I would like to state that it might be dangerous to have that inserted in our records without knowing what it is and I withdraw my motion. I believe that we should know beforehand what goes into the record.

MR. E. D. SPAULDING, (Spokane): I move, Mr. President, that we have the paper read now, and the discussion entered into with Mr. Silcox.

The motion was duly seconded and carried.

MR. SILCOX: I would like to say that while I am here, I would like to be at the service of the Committee of Forestry Relations. I would like to go over with them the procedure and the policy underlying the work, and I would be very glad to meet the men of that committee and be at their service.

Mr. Silcox then read Mr. Graves' paper, which will be found on page 145 of this report.

MR. CLARK DAVIS (Katalla, Alaska): Mr. Chairman, I would like to move that the report be accepted and laid on the table.

THE PRESIDENT: You have heard the motion, are there any remarks?

MR. ROBERT NEILL: I just want to make a remark. I am doing some hydraulic mining down in the forest reserve in Idaho. I certainly don't want to say anything that will prejudice my operations there, but will say frankly—

MR. H. H. SCHWARTZ, (Portland, Oregon): I rise to a point of order.

THE PRESIDENT: State the point of order.

MR. SCHWARTZ: I make the point of order that the question is not debatable.

THE PRESIDENT: Your point is well taken. The motion to lay on the table is not debatable.

MR. ROBERT NEILL: It is a good shot. I am with you. I just want to make a statement. I am not going to ask you anything about that. I just want to know about that motion.

THE PRESIDENT: I overlooked that point. All in favor of this motion rise to their feet, and remain standing until the Secretary counts you.

MR. C. S. JOHNSON, (Ohio): What is the motion?

THE PRESIDENT: The motion is to place the report of this committee on the table.

SECRETARY CALLBREATH: Mr. Chairman, may I state, there seems to be a misapprehension. This is not a report of the committee. It is a paper which was presented and read before the convention.

MR. GALIGER, (Washington): Mr. Chairman, I rise to a point of order. At this time there is no report of any committee before the house.

THE PRESIDENT: Your point is well taken.

MR. GALIGER: I desire to make a motion. I move you, Mr. Chairman, that the paper be received and placed on file.

THE PRESIDENT: This motion is not in order. This paper is presented by the Forestry Service. It must of necessity become a part of the proceedings of this convention.

MR. SCHWARTZ: In view of the rule, I think this paper, prepared by the head of the Forestry Department, with the aid of his assistants, is therefore to be made a part of the records of the Mining Congress, and circulated broadcast throughout the United States without an opportunity on the part of those who are better informed upon the subject to prepare proper answers to the arguments he has advanced. I will state frankly that I am not prepared to discuss the question, and from a Mining Congress standpoint it appears to me offhand, at least, it seems so to me, I am open to conviction—that it should not be printed in our proceedings, and if the Chair is going to rule that it is a part of the records and is to be printed, then it seems to me that this matter should be postponed for full and free discussion, for I believe there is not a question that is coming before this Congress, as important to the people of this Northwest, and all the people of the country, as this question of the public lands. (Applause.) The State of Washington with 27 per cent as I understand it of its vast areas tied up in forest reserves, is vitally interested in this question. Forty per cent, the gentleman says, but there is not, as I say, a more important question. I am not posted sufficiently to discuss this question, or its effect upon the great territory of Alaska, in which we are

all vitally interested, and for one I am most emphatically opposed to printing this document.

THE PRESIDENT: We will entertain a motion that it shall not be printed in the proceedings.

MR. CLARK DAVIS: I want to explain my motion. I am satisfied that the man who wrote that paper didn't know what he was talking about. The paper is full of misstatements. I speak out of my own experience.

I stand on the point of order. The motion was to receive the paper. I say that we receive it and that we lay it upon the table. It has been read. We have all had the benefit of his views and his statements, but it does not follow, Mr. Chairman, that we shall pay the postage and send thousands and thousands broadcast out over the country. They have been prepared by an expert and they represent an expert's view, in which he differs from us. There are so many things that are not germane to the question in this address that I made the motion to lay it upon the table simply to avoid what to most of us must appear as an unnecessary discussion at this time. There is not even a suggestion of any disrespect for the paper, the logic in it is great. It is simply that we shall receive it and lay it upon the table as it is done time and time again, when a voluminous document comes in for discussion.

THE PRESIDENT: If the gentleman who has made the motion, will permit it, I will rule that we take this matter up in the morning for discussion, and if you do not want it to appear in the proceedings, you can say so then. It is time that we adjourned in order to allow the house to be prepared for the evening session. I don't mean to shut off debate on this subject at all, nor yet to make any arbitrary rulings in the matter, but if you will let it remain in this shape, we can take it up and discuss it as the Congress may desire.

MR. GALIGER: Will you consider a motion of any kind in this connection at this time?

THE PRESIDENT: I would probably have to, but I would rather wait until morning. What is your motion?

MR. GALIGER: I was going to suggest that we make this a special order of business for the morning. Now, in making the motion which I did, to receive this communication and place it on file, I believe that that would cover these other questions. I agree with the gentleman across the room, I don't believe that the man who wrote this paper knew a great deal about the subject and this is a matter of vital importance for each and every one of us. I was very willing to bury it as far as I am concerned and yet it is a matter that requires discussion and a great deal of thought and at this time I would like to make a motion that this matter be made a special order of business for the morning session. Let us discuss it thoroughly.

THE PRESIDENT: I will entertain a motion of that kind because in every congress that I have attended this matter has come up and I don't believe that we ought to discourage discussion on this subject, and yet I don't believe we have time now to enter into it.

MR. GALIGER: Then, I make that as a motion.

The motion was duly seconded and carried.

THE PRESIDENT: The first thing in the morning, we will take it up.

MR. H. H. SCHWARTZ: Now that the matter is to be discussed, does it necessarily mean that it becomes a part of the records published by this association?

THE PRESIDENT: Not if the association decides otherwise.

Upon motion duly made and seconded an adjournment was taken until 8 o'clock p. m.

WEDNESDAY, NOV. 27, 1912.

Morning Session.

Meeting called to order by President Taylor at 10:40 a. m.

THE PRESIDENT: The first thing in order will be the presentation of resolutions.

MR. H. H. SCHWARTZ, (Oregon): I have a resolution here which was held tentatively for the consideration of a committee which didn't report to this Congress and consequently the resolution has not been previously presented. I would like it read and referred to the Committee on Resolutions.

COLONEL W. T. PERKINS: Mr. Chairman, I offer a resolution which I have laid on the Secretary's desk.

SECRETARY CALLBREATH: I beg the convention's pardon for not having these resolutions in shape but I will read them.

Resolution No. 9, Introduced by Robert Neil, Idaho.

Whereas, More than one thousand coal claims located in Alaska prior to the withdrawal order of November 12, 1906, over three hundred of which claims have been surveyed at the expense of the claimants and applications filed in the Juneau Land Office for patents to the same; and

Whereas, More than \$350,000 has been paid by coal claimants into the Treasury of the United States, which money is still retained by the government, yet not a single patent has been issued and final action has been taken upon only one group; and

Whereas, Many applications have been pending before the Land Office for five and six years, without any charges having been filed, although the government has received payment for the land from such coal claimants more than four years ago; and

Whereas, In view of the declaration of the present Secretary of the Interior, made before the Committees of Congress, during the present year, that upon the existing record he would refuse to issue patents to any coal lands in Alaska, and in view of certain recent rulings of the Secretary of the Interior in the interpretation of the coal land laws of Alaska, especially with reference to the requirements for opening and improving coal mines and because of the extreme situation presented in Alaska, it is

Resolved, That we, the American Mining Congress, urgently recommend to the Congress of the United States the enactment of a law authorizing claimants to coal lands in Alaska located prior to November 12, 1906, to maintain an action in the Federal Courts of Alaska against the United States to determine in such courts the validity of their respective claims, subject to the right of all parties to appeal from any such judgment to the Circuit Court of Appeals and to the Supreme Court of the United States, and that any final judgment so rendered shall be conclusive of the rights of the parties, thereby cancelling such claims as may be adjudged invalid, and requiring the issuance of patents to any claimants in whose favor judgment may be finally rendered.

Resolution No. 10, Introduced by F. H. Stanard.

Whereas, The Mt. Olympus National Monument reserve, of over 600,000 acres, entirely within the Olympic National Forest, in the State of Washington, does not, in our opinion, serve any useful purpose, as of itself it affords no protection to the elk which are now protected by state law, while prospecting and mining are absolutely prohibited within its borders, and the region is believed to possess mineral wealth worthy of exploration; therefore, be it

Resolved, That the American Mining Congress favors the suggestion that the said Mt. Olympus National Monument be abolished, and its area restored to the Olympic National Forest

which will amply protect the scenic value of the region without prohibiting prospecting and mining.

Resolution No. 11, Introduced by H. H. Schwartz, Portland, Oregon.

Whereas, the Executive Department of the United States Government has from time to time withdrawn from entry a very considerable portion of the remaining public domain for purpose of permanent reservation or classification, with a view of securing legislation from Congress, including forest, mineral and agricultural lands, and

Whereas, These withdrawals are avowedly made upon executive and departmental conviction that the existing laws of Congress in relation to the disposition of public lands are unwise, and that new laws meeting Executive or Departmental approval should be passed, and

Whereas, Thousands of citizens have initiated or perfected claims to title to such withdrawn lands prior to the Executive withdrawal thereof, and have initiated or perfected such claims to title under existing laws; and

Whereas, such existing claims so perfected or made prior to the various withdrawals are adverse and antagonistic to Executive and Departmental belief as to the best use to which such lands should be put, and

Whereas, The laws and Executive orders of withdrawal provide that upon the Departmental rejection or cancellation of any such existing private claims the lands thereby, by reason of such rejection, become subject to and available for the uses and purposes of such Executive or Departmental withdrawals; and

Whereas, Great controversy, complaint and Departmental litigation has resulted by reason of the Departmental investigation, adjudication and cancellation of such private entries and claims; or in delay in final action and because of long continued suspension of such claims, and

Whereas, There is widespread conviction among such private claimants and entrymen that the Executive Departments, in adjudicating the rights of claimants, have not in all instances been successful in ignoring the Departmental policy and belief that present legislation is unwise and rights granted thereunder are improvident and inimical to the uses to which the Department believes the land can best be put, and

Whereas, it is a fundamental proposition in law and natural equity that no person, officer or judge should have an interest or bias which could be aided or gratified by a decision rendered by himself in determining the liberty or property rights of another, and

Whereas, The present Commissioner of the General Land Office is considering his general jurisdiction in adjudicating questions affecting the right of persons generally to acquire title to public lands, stated on page 20 of his annual report for the fiscal year ending June 30, 1911:

"It is impossible for the Commissioner and his assistant to pay the judicial attention to these cases which they should receive. The bar practicing before this office has very little opportunity to submit its cases directly to those who are by law responsible for the decisions, because of the multitudinous duties placed on these officers. The head of the office cannot find time to give individual attention to many of the most important cases which are submitted for his consideration," and

Whereas, The Secretary of the Interior has numerous bureaus and manifold duties requiring his attention; and in his report to Congress under date of February 13, 1912, on H. R. 18235, in speaking of the single subject of appeals to him from the decisions of the Commissioner of the General Land Office, said:

"During the past two months, as an example, an average of over 200 cases per month have been decided in the Department on appeal from the General Land Office."

Which statement demonstrates the physical impossibility of the Secretary or his assistant secretary giving personal attention to the real merits of the individual cases, and

Whereas, The investigating agents and many of the witnesses used by the Secretary of the Interior in the preparation of adverse reports and the introduction and giving of evidence upon which the Department must rely in cancelling existing private entries are his own appointees and employees in whom he necessarily must place great faith and reliance, while the witnesses for the private entrymen and claimants are either unknown to him, or by reason of their residence in the vicinity of the public lands, frequently are themselves claimants to like lands, and

Whereas, final decision of the General Land Office of the Interior Department is rendered in Washington, several thousand miles from the land and residence of the claimants, and

Whereas, Under existing law the decision of the Interior Department cancelling an entry or claim upon questions of fact is final and cannot be reviewed by the Courts, and

Whereas, We believe that in all cases wherein the Executive Department has withdrawn lands for a use or purpose adverse or inconsistent with the existing private entry of a citizen, it is fair and just that such citizen may have his rights and the facts in the case determined in the Courts and not in the Executive Department; and, also, that such citizen may secure action in the courts whenever his application is for any reason so delayed in the Department as to amount to a practical rejection thereof.

Now, therefore, be it Resolved, That the American Mining Congress favors legislation conferring jurisdiction upon the proper United States district courts to entertain suits, at the instance of any person in interest, and determine the law and fact de novo and render final decision, in all cases involving the claim or right to possession, occupation, title, or right to acquire title to any non-mineral or mineral lands under the mining or other public land laws, wherein it shall be made to appear:

1st. That such claim or right shall have been finally rejected by the Secretary of Interior or other proper final Executive authority and the land involved shall be at date of such rejection or within thirty days thereafter within any permanent or temporary reservation, or executive order of withdrawal or under suspension from disposition under the public land laws, mineral or non-mineral; or

2nd. That such claim or right shall have been finally rejected by the Secretary of the Interior or other proper final executive authority, and such rejection shall be based in whole or in part, upon a finding as to the mineral or non-mineral character of the land; or

3rd. That any final application to purchase, enter or otherwise acquire title, or to acquire a right to occupancy or possession under such claim or right, shall have been pending before the Interior Department, or other proper department, bureau or officer, for a period of two years without final action and free from any bona fide private contest.

Provided, Jurisdiction under this act shall not extend to final decisions awarding the land to a private contestant upon contest not putting in issue the mineral or non-mineral character of the land; and such suit shall not be filed after one year from notice of final rejection of the claim or right, nor shall any suit invalidate intervening adverse rights unless notice of intention to file suit shall have been filed in the proper local land office within sixty days of notice of such final rejection.

Resolution No. 11-a, Introduced by Col. Wm. T. Perkins, Seattle, Wash.

Resolved, That we recommend to the Congress of the United States the passage of the necessary legislation to secure the same charges for the assaying of gold in the United States Assay Offices of the West and on the Pacific Coast, as now prevail at the United Assay Office in New York, thus placing both the East and West on the same basis.

Resolution No. 12, Introduced by C. A. Stewart, Idaho.

Whereas, A knowledge of the geology of a State is essential to the wisest and most profitable development of its resources, both mining and agricultural; and

Whereas, Experience has shown that such geological knowledge is best gathered and disseminated by a State Geological Survey, for most States have long found it profitable to maintain such organizations; and

Whereas, There is at present a strong demand for more geological knowledge of the State of Idaho; be it

Resolved, That the Fifteenth American Mining Congress endorses the movement to establish a State Geological Survey of Idaho, and respectfully requests the Governor and Legislature of that State to give this matter their serious consideration.

MR. W. D. CONRAD, Montana: I have a resolution which I would like to offer and have it read and referred to the Committee on Resolutions.

Resolution No. 13, Introduced by W. G. Conrad.

Whereas, The increasing expense of courts, schools, asylums, hospitals, and other State institutions, the building and maintenance of roads, and the administration of law over its whole area, cannot be supported by a tax levied upon less than one-half the area of the several States without undue and unfair burden; and

Whereas, The policy laid down by Abraham Lincoln that "The public lands are an impermanent national possession held in trust for the maturing states," and the liberal administration of laws framed to make such policy effective have worked great advantage to the West and to the nation; and

Whereas, The recent restrictive administration of the public land laws and the efforts to make more difficult the acquisition of title to mineral and other public lands in the West have been largely instrumental in preventing settlement, in restricting development and hampering the progress of the mining industry and preventing it from keeping pace with industrial advancement in other lines of effort; and

Whereas, The present stagnation in the mining industry and the fact that during the last three years over 350,000 people have emigrated from the United States to Canada, carrying with them wealth estimated at over 350 millions of dollars, and that during the present year there has been an increase of ten per cent over last year in the number of persons going to Canada, and an increase of fifty per cent in the estimated average wealth taken by each individual indicates that a more liberal policy should be fostered, to the end that our own resources may be developed, our own State institutions supported and the prosperity of the West be revived and continued; and

Whereas, The proposed policy for the Federal leasing of mineral and other lands will keep from the State taxing power valuable property which should contribute to the support of State institutions, will prevent investment, restrict development, foster monopoly in the hands of those who have already acquired title to the public domain and make necessary a system of Federal control and espionage.

age subversion of free institutions, expensive of administration and hateful to the principles of a free people; therefore, be it

Resolved, That we urge upon the Department of the Interior of the United States that a more liberal administration of our public land laws shall be inaugurated, that we protest against the adoption of any system of Federal leasing of mineral and other lands, and that we pledge ourselves to make all reasonable efforts to prevent the adoption by Congress of any laws relating to public lands designed to restrict the development of the West.

HENRY S. VOLKMAR, Seattle: I arranged yesterday to offer a resolution covering the question which we discussed yesterday. I have prepared a resolution, but find that the Committee on Resolutions has formally taken that matter up in another resolution, so that there will be no use of offering it again.

THE PRESIDENT: The order of the day is the discussion of the paper on Forestry which was given yesterday morning. It has been suggested by a number of delegates that this discussion be confined to five minute periods, so that as many as possible could take part in this discussion. The question is now open for discussion.

MR. GEORGE E. BALDWIN, Alaska: Ladies and Gentlemen: There is just one phase of the Forester's paper that I wish to discuss. His whole argument was predicated on a theory that has been utterly exploded way back a quarter of a century ago. In olden times an old Wop wrote a book that women had more teeth than men and for a thousand years civilized men believed it. Finally a man came along and counted the number of teeth that a man had and found out that he had as many teeth as a woman. There was an old theory that rainfall and stream flow was affected by the forests and for a long time that was believed until Professor Chittenden came along and exploded that theory. Chittenden destroyed the theory that forests affect the rainfall and stream flow. He counted the teeth. Professor Willis L. Moore, who had been connected with the Signal Service and afterwards with the Weather Bureau for a period of forty years, made a report in due time based upon the statistics that had been gathered by the Weather Bureau and the Signal Service covering a period of over fifty years, and he said in this report that he went into the investigation of the question thoroughly convinced that forests did affect rainfall and stream flow, but after investigating the records and completing them he was forced to the conclusion that they had no effect whatever. In fact, he ridiculed the idea on a scientific basis that forests have any effect upon rainfall, or, as far as stream flow was concerned, he was forced to the conclusion that the destruction of forests rather caused the streams to flow more regularly, if anything.

Now, as far as our streams in Alaska are concerned, our streams have their sources in the glaciers and would run for centuries without a tree top on our mountains, and in the plains our rainfall is a hundred inches a year. The creation of forest reserves there has not benefited anybody, and I challenge the Forestry Service to show one benefit it has conferred upon the people who live in these forest reserves, or the people who will live there in the future. If it did, it cost us two dollars to get one. It cost us twenty-five or fifty dollars to get a permit and it costs you in time and labor a hundred dollars more. They put up the price of stumpage just to the point where it is a question whether you ship lumber from Puget Sound or have the local mills cut it. That is conservation in Alaska. That is all I wish to say on this subject, and I thank you. (Applause.)

MR. F. H. STANARD, Washington: Mr. President and Gentlemen: I wish to call your attention to this map. The shaded portions show the established reservations of the State: Forest, Indian and Military.

It has been found that these established reservations together with the remnants of the public domain scattered here and there over the

state, portions of land unfitted for economic development, make sixty per cent of the area of the State of Washington that is not taxable. If this great wilderness is any part of the State, our people are paying a heavy and unjust tax on every foot of value inside these established reservations.

Last year the State received \$24,000.00 from the Department of Agriculture from ten or twelve million acres of forest reserves. If this area had been a part of the Republic instead of a private estate of some chief forester, the taxes at ten cents per acre would have been more than a million dollars.

But under present conditions these reservations are but little, if any, more a part of this State than is British Columbia; in the matter of annexation the odds are even.

This beautiful city by the falls is commercially known as the metropolis of the Inland Empire, a neighborhood of enterprising citizens surrounded by a real empire; reservations ruled by one individual.

Cecil Rhodes may have been an empire builder, but he was of little consequence in comparison with Pretorius Pinchot at the tennis court of Theodore the First.

This individual has made a Siberian wilderness of the West—a feudal barony extending from the tropics to the midnight sun that defies the laws of the people who made it possible.

This centralized government in the Department of Agriculture is only concerned with its own trespass laws and the absorption of more territory.

It uses our courts to prosecute us and, regardless of whether we win or lose, we pay all expense. If we try to bring an agent of this department before the courts for an infraction of our laws or his own rules, we are politely informed that the king can do no wrong.

The public land question will continue to be the curse of the West until Congress makes laws for the whole country and the courts can reach the offender in any department of the government.

The people of the United States have handed the creators of this fad to the political boneyard and the country to the Democrats, and if this party will work out the public land question as it should be worked out for the benefit of the pioneer and the consumer, the Western States of America will join the Solid South. (Prolonged applause.)

MR. CLARK DAVIS, Katalla, Alaska: Mr. Chairman, Ladies and Gentlemen: I am not going to discuss the question of conservation as to its bearing on the nation. I am not going to discuss the question of whether it is a good thing to have an empire of hundreds of millions of acres in a Republic, said empire controlled by one man who is not even elected to his office by the people. This man creates his own rules and regulations and enforces them, and is not amenable in any way to the State Governments in which this great empire is situated. His property is not even taxable by the States.

This empire is greater in area than the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, Delaware, Maryland, Virginia, New York, Ohio, Indiana and Illinois.

I am not here to discuss, however, that phase of conservation. I am not going to say whether it is a noble and modest thing for New York, Massachusetts, Maine and Michigan and other Eastern States to say "the great West (meaning Washington, Montana, Idaho, California and other public land States), with its vast areas of public lands with all their natural resources and timber and water power, are ours. We have exhausted what we had; we have used up our timber in building up our towns, cities and farms; now we are coming out to this Western land and we inform you that the public lands within the boundaries of your States belong to all the people, and therefore we have a monied interest in them, and we are going to put it where you cannot touch it."

I am not going to discuss that part of Mr. Graves' paper where he says that the Western States where these forest reserves exist are

demanding, under cry of State's rights, the control of this property, so that they can turn it over to private exploitation. In other words,, Mr. Graves intimates that the citizens of the West are scoundrels and not to be trusted with the administration of public lands in their own States. I might say, in passing, however, that the dissipation of the public lands in the Western States in the past has not been by the States themselves. The land grants to the Northern Pacific, Union Pacific and Southern Pacific Railroads, wherein empires of land were given away to these railroads as subsidies, was through the action of the Federal Congress, and not through the action of the Western State Governments. When the forest reserves were created, the railroads were given in lieu of much of their former mountainous land, and the lands they owned in these forest reserves, script and were allowed to go outside of the reserves and file on the best public lands that were open at that time. This was by action of the Federal Congress, and not by the State Governments. The Federal Government, and not the State Governments, passed the law which enabled American citizens to acquire title to 160 acres of timber land by the simple payment of \$500, and thereby made it possible for the Weyerhausers and others to acquire title to millions of acres of our best timber lands in the West.

On the other hand, where States in the West have been granted public lands for educational and other purposes, the records will show that these lands have been carefully conserved. In the light of history, Mr. Graves' attempt to impeach the Governments of the Western States falls to the ground.

What I wish to speak directly about in connection with this paper is that statement that it is the business of the officers of the Forest Reserve to assist miners in securing title to mineral lands. I am from Alaska. I am one of the men that Governor Stubbs in a speech at Minneapolis, two years ago, alluded to as a thief, who ought to be in the penitentiary. Thank God his emasculated political form lies tonight on the cold marble slab in the morgue of oblivion. (Applause and laughter.)

He has followed Pinchot, Beveridge and Glavis, and every man who has dared come up and oppose the pioneer of the West and brand him as a criminal. (Applause.)

I tell you there is a sense of justice in the hearts of Americans, East and West, and when that sense of justice is appealed to, the wrongs of the West will be righted by the people of the East, and don't you forget it. (Applause.) I am not a feather bed pioneer; I am the man who homesteaded the spit where Katalla, Alaska, is located. I have lived in that country eight years. I have been eaten up with gnats and mosquitoes so that the backs of my hands, neck, forehead and ears were as raw as a piece of beef. I know what it is to be wrecked at sea. I know what it is to navigate the waters of Alaska. The Government is having a little experience there now. I know what it is to pull an oar on the Bering River, both night and day, until my backbone unraveled at both ends. (Laughter.) I know what it is to live in that hole away from churches, away from entertainments of every kind, and try to make in that country a civilization and to build up great industries at the sacrifice of my time and money, and social interests. I know what that means, and I know what the conditions are that the pioneers of that district have had to contend with, and I want to say that when Mr. Graves says that the forestry service business is to help the honest miner and help him get his patents, that Mr. Graves misrepresents the facts, or else doesn't know what he is talking about. (Applause.)

Many of us went into that country when there wasn't even a map of the district and located our mineral claims in good faith. We discovered the mineral; we located the claims; we developed them; we spent hundreds of thousands of dollars in doing so. The 1,640 acres that I am personally interested in was purchased from the Government after location for \$16,400. In the contest that has been waged against

us to defeat us of our rights, we expended another \$10,000, and if Secretary of the Interior Fisher has his way, everyone of us will be wiped off the map before the 4th of March.

I want to call your attention to the help we got from the Forestry Service. Years after this coal had been discovered and these claims located, a forest reserve was created covering an area of three million acres. There is more merchantable timber on five good claims in the State of Washington than there is in the three million acres covered by the Chugach Forest Reserve. The only reason for the creation of this forest reserve was that the Forestry Department might have a hand in this controversy over these coal titles. Everybody knows that. What did they do?

THE PRESIDENT: Time.

CHORUS: Go on, go on, we will give him our time.

THE PRESIDENT: A motion would be in order to extend the time.

MR. S. L. SHONTS, Wallace, Idaho: I move that the time be extended five minutes.

MR. CLARK DAVIS: Thank you, gentlemen. I say that I am going to talk about what I know. If Mr. Graves wants the facts we can furnish them. While the question of claims in which I am interested was pending, the Forest Service, through Mr. Langell, sent to Iowa and got a professor—Prof. Hill—from the university there, to come out and examine our claims. Mr. Langell was with him. I entertained them at Katalla when they arrived. They ate up my grub and slept in my bunks at the mine, with seven other men, for over a week. On their way back I entertained them again at my home in Katalla. I said to Mr. Hill: "What do you think of the country?" He said: "I can't discuss that question with you." You see, I was a coal thief. I had gone in there when there wasn't a map of the country, when there wasn't a house in that country except an Indian village and the English Company's headquarters at Chilcatt. I had gone into that country when there was a boat every three months, when we had to cross over the treacherous bay with its still more treacherous bar, in small boats, where the Government has recently lost \$50,000 worth of supplies, in trying to get to Clarence Cunningham's coal lands. He had paid the Government \$52,000 for 5,200 acres of this land, after he had spent \$132,000 in locating and developing the property, only to be branded as an adventurer and dishonorable man, and his claims cancelled.

Now we had come in there and we had done that work, and when it came to the question of my title, the Forest Reserve people were on deck and they were active in the prosecution of the charges against our little property. When it came to securing testimony, they were busy scouring the country to get people to testify against me. When it came to the investigation, their attorney was present at the investigation in Seattle, and assisted in the prosecution in every possible way.

The attorney for the Forestry Service was the only one who filed a brief at Juneau against us, where the evidence was submitted, so I say here today, not one iota of assistance did I, or any of my associates, get from the Interior Department or the Forestry Department in the establishment of our coal mines, or in the securing of title to coal lands in Alaska. On the other hand, men were sent to the ends of the earth to secure affidavits from crooks, Indians, ex-jailbirds and other people of disreputable character, and the testimony of these men was procured as evidence against me, while such men as Thos. S. Lippy and John Schram, and other leading men of the West, whose integrity and financial standing had never been questioned, who testified on their oath that no collusion or agreement to combine had ever been entered into by the claimants prior to location, were laughed out of court.

No American citizen of fair mind will say for one instant that we pioneers of Alaska are not entitled to fair consideration from our own Government. The universal testimony of these pioneers is that we

have not been fairly treated by the Interior Department, nor by the Forestry Department, and no man need be surprised that as a consequence the Forestry Department in Alaska is in bad repute owing to its attitude towards the miners in that district.

I am talking by the book this morning. I have strong feelings in this matter. All men in Alaska have. You talk about opening up Alaska. We had Alaska opened up, and if we had had the support of the Interior Department and Forestry Department, we would have been shipping coal today, not only to Alaska ports, but to the ports on the Pacific Coast and to the Government Navy Yard. We would have been furnishing a high grade coal to the Government at Bremerton and to ports along the coast at \$5.00 a ton, and making money.

If the Government gave us our patents today, it would take us two years to get back to the point where we were in 1907 in the development of Alaska.

There is no doubt but that we are being unfairly treated. Mr. Fisher says that out of 1,125 claims not one is honest. Do you believe it? What is the reason all at once it is discovered that men in the West are all dishonest? Because of a few fakirs in the East who want to reverse the land policy of this nation, to turn it over to bureaus at Washington to lease to the people of the West, and thus make serfs out of us all. Will the men of the West and the East stand for this? I do not believe it. (Applause.)

THE PRESIDENT: Any other remarks? We have five minutes yet.

MR. ROBERT NEILL, (Florence Idaho): Just one minute. Now the paper that was read yesterday flatly says that the prospector and miner is not charged for timber. I say I have been placer mining and quartz mining and when I wasn't doing that I was on the drill, and if I live twice as long as I have been at that I will be well along in years. I went down into old Florence, known to be one of the great placer camps of the world. More money has been taken out of Florence according to the gravel handled than any other placer camp in the world. You turn to your government statistics and they show that from '61 to '69 there was over one hundred and thirty millions of money taken out of old Florence. It was done when the Indians were bad, when living was high, no transportation. Everything that came into that country came on pack trains, pack trains and pack trails. There wasn't a wagon road into that country until 1894. The placer miners saw that they had worked out their claims. Under the act of '72, we take twenty acres in that country. The result was that it was not practical for men to attempt to buy up those placer claims in those days and establish hydraulic works, dredge works and works of that kind on a large scale. So it was up to the miner to rock or shovel into the sluice. Consequently, when that process ended they abandoned that country and for fifty years it has been virtually an abandoned country.

Now, what happened? I was sent in there by some gentlemen from this city to investigate some placer grounds on the outskirts of old Florence. I investigated these old diggings. I found that there was opportunity for millions to be taken out in that camp by the modern methods and improved methods that we can apply today. I went in there as a prospector and nothing more, without means, but I had my salary paid for the little while that I was working for this company investigating their property for them and making a report. After that I was a free lance. I tested this ground out. I discovered that the water had been brought into this country in the early days by great ditches and canals. A certain doctor in Walla Walla made his millions by those operations. And when the little claims were worked out the miners abandoned their claims. That country has been in that condition since 1869 and '70. I went down there. I tested this ground. I saw there was an opportunity, if I could get a little aid, to make a fortune for a hundred men. I did succeed in having a friend of mine, who worked with me on Glacier Creek in Alaska in 1900 who

had been fortunate enough to get together a few dollars and he came to my rescue. I went in there to bring in this water. We had twelve hundred and forty-two feet of trestle and flume to bring in, three hundred and sixty feet of siphon of twelve inch pipe, that would put across what was called a six-ounce gulch. That would handle less than one cubic yard of dirt. These trestles and flumes, as I say—the country had been abandoned by the prospectors whose claims consisted of fifty to three hundred feet—and when these owners abandoned the country they allowed the ditches to go down, the flumes to rot down, and I tell you there are places there where flumes cross these gulches, great canals where you could not find a vestige of the flumes, not a rotten board or trestle. Now, then, it was my date to conserve our resources as best I could, of course. To build these trestles I had to buy all the old buildings that were there in the early days and use the boards that were in them to build my flumes on and my trestles.

THE PRESIDENT: Time.

Chorus of "Go on."

MR. ROBERT NEILL: Just a minute and I am through, Mr. President.

Now, then, when I began to build my trestles, what happened? The Forestry boys were there—and I say in behalf of the Forestry boys of the Idaho Reservations, in the Idaho country, they are as fine kids as ever lived. They are all right. But they were obeying orders. I had to buy my lumber, the black pine, worthless stuff. We had to pay our forest people for the use of the old black pine as part of the expense of my trestle and flume business. That is all I have got to say.

THE PRESIDENT: Gentlemen, the hour for receiving reports of the Committee on Nominations has arrived. The order of the day is to receive that committee. If it is the desire of this meeting, a motion will be in order that we receive that report this afternoon and occupy the rest of the time this morning in this discussion.

MR. ROBERT NEILL: I would make a motion, Mr. President, that we extend the time and dispose of this matter and receive the report of the committee at two o'clock.

Motion seconded and carried.

MR. J. L. STEELE, (Landlock, Alaska): Mr. President, I am one of those unfortunates who were located on a Forest Reserve. I was there before the Forest Reserve came or before the Forestry Bureau was created. I noticed in the paper yesterday where it said that no prospector had ever been put off of a Forest Reserve. That is probably true, but what happens to Mr. Prospector after he discovers something that is worth while and especially so in Alaska, at this time. He must go to some of his friends in order to secure funds to develop his property for the reason that the average, I will say ninety per cent of the prospectors of this country have not the money for development themselves, and on account of the attitude of the Forest Reserve and the Interior Department, it is almost impossible to secure the funds for the development of an ordinary property. It must be something very extraordinary. Now, here is one point I want to bring to your attention and that is my own experience. We have seven claims there upon which the government requires us within five years, to expend the sum of thirty-five hundred dollars before we can make an application for patent. In less than three years we had spent over one hundred thousand dollars in the development of that country. Then we had to go to Mr. Forester as the regulations say and ask him to come there and see whether our property was worth more for the trees on the surface or the minerals contained below the surface. Think of a forestry man whom they claim has been educated in forestry alone, knowing the value of a mine—and the most of them are afraid to go underground. (Applause.)

Here is another point I want to bring up, and that is this: We have built up and maintained a dock right at tide water. We have to drive those pilings every fourteen months on account of the decay. Our

neighbors have used those docks together with us but we have never charged them one cent for rent because their goods are landed on the dock. We have never charged one cent because of their tying up there, but Mr. Forestryman comes along and says, "You got to make a report of the piling you have used in your dock. I have got to make a settlement with you for that piling. I have got to make a settlement with you for the wood that you have burned during the past year and we will make an estimate of it and you must pay it and you must pay so much per cord and so much per foot of piling." I said, "How do you know where we got it?" He said, "I know you got it off of the government land because there is not enough lumber on your land for piling and wood." He believes it is worth more for the lumber than it is for us to practically make a new dock every fourteen months before we can get any kind of a dock. And we are fourteen months before we can get any kind of a hearing or official recognition from the General Land Office and sixteen months more before patent issues. If that is not good business for the Forestry Service or the Interior Department I would like to know what you call it.

That is my own personal experience, gentlemen, and I want to say that Alaska does not need Forestry Reserves any more than do the plains of Kansas or Arizona. (Applause.)

THE PRESIDENT: Are there any other remarks?

MR. MAURICE D. LEEHEY, (Seattle): Mr. President, I wish to say a few words in response to a statement in the address of Mr. Graves that the Forest Service assists mineral claimants in their efforts to obtain patents. I have been conducting mineral applications before the General Land Office ever since before the Forest Service was created. I was told by the Receiver at Juneau that I appeared as attorney of record for claimants in more than half of the lode and placer applications for patent filed in Alaska. I have such applications now pending in four different states, and in four different land offices in this state. I do not say this to boast, but simply that you may know whether to attach any importance to my statement.

I have never conducted a mineral entry, for lands within a Forest Reserve or National Forest, that the Forest Service did not in some manner oppose or hamper, and to some extent delay. They always make such entries more tedious and expensive to the claimants, and usually to such an extent that a poor man cannot afford to obtain a patent to a mining claim. The Forest Service officials are courteous, and less harm is done in the case of wealthy concerns who can afford the expense of meeting their technical, burdensome and frequently oppressive requirements. I can't remember when an application for patent which I was conducting, for lands outside of the National Forests, was delayed more than one year after presenting the final proofs. And I can't recall any application I ever handled, for lands within a National Forest, but what we were delayed two or three years after final proofs. In other words, I never received a patent for mineral lands within a Forest Reserve in less than two years—

MR. ROBERT NEILL: And you never will.

MR. H. H. SCHWARTZ: Mr. Chairman and gentlemen of the Convention: I have here Mr. Graves' letter or what purports to be his letter. I shall not attempt to follow it in all of its phases, but there are some few features that I believe ought to be replied to. Like the gentlemen who has just preceded me, I have had some little experience in public land litigation. I happen to have been on the other side of the fence. For a period of fifteen years I was in the Government Service connected with the different public land investigations. Resigning from that position about two and a half years ago, at the head of the entire force of some three or four hundred men who were working in the General Land Office. Mr. Graves says that with all these complaints in the West, they lack instance, they lack specification, and he would like to have a light some place. Well, ladies and gentlemen, several of the men who have preceded me this morning have

lit so he can see there are instances (laughter). I can cite more. He says that an honest claimant is not turned off a Forest Reserve. I remember one in Montana. A certain citizen in Montana had some claims. He was born in the state and he knew every angle of the game. He had a group of claims and for about a period of seven years after he wanted to pay his money and get his title they were held up by the Forestry Service. (And for fear that I may mis-state the fact I will point out the gentleman who owned these mining claims. I see him over there. He is Lieutenant Governor Allen of Montana.) The first man that the Forest Service sent out there to investigate this proposition turned back. He said the tunnel was dark and gloomy and dripping and the water hit him and soaked him, and he struck for daylight, and went away and it was a period of a year before the Lieutenant Governor of Montana, could get another man to look at his claim and find out whether he was justified in spending a large amount of money there, probably a hundred thousand dollars. The proposition was that there was some timber up on top of this claim. That was the trouble. Then another man came out to see about another claim. That claim was in the center of the group, and something happened to him, and his report never got in and it was never acted upon, and it was another year before Allen could get another man to go out there. I think it was probably two years that time, and that man happened to have been born and raised in the West and he knew something about mining, but even he in his initial examination could not find enough and he came back prepared to adverse this claim in the center of that group; with the result that another fellow could come along and get Allen into apex litigation. But after six or seven years they reported favorably upon every claim in the group. Now, suppose Mr. Allen instead of being situated as he was, had been just a common ordinary prospector who had to raise some money to develop his claims, how in the world would he have gotten his title if he had to wait that six years?

I can cite you another instance. I refer to a mineral claimant down in central Oregon. He has located, under the placer act, a salt spring. It discharges 160,000 gallons of boiling water every day, and contains table salt. He went in there when it was forty miles from a railroad but it was in a country where they had to bring a road. He is one of the pioneers who look to the future, who help to blaze the path for civilization, and who help to develop the country and make it a place fit to live in. And after he had been in there several years, the Forestry Service came in and adverse him. He has not got his patent yet, and they propose to fire him out of there. What is behind it? They have prepared a lease to a man by the name of Young in Portland, Oregon, a wealthy man, whereby—talk about the Forestry Service—whereby they proposed to lease that prospector's salt mine to another for a period of thirty years or something like that and they have the lease prepared, and in front of them they are holding the scales of justice—and they are going to determine whether or not that prospector is going to stay in the Forest Reserve, or whether he is going to get out. I tell you that prospector has no more chance than you would have in Hades, trying to start an ice factory with a snow ball.

I could cite you a case of a man by the name of Frank L. Jenkins, by his side is a man by the name of Jones, and there are others. Those of you who live on this coast know what it means to go thirty or forty miles to a railroad. That timber country out there is covered with a brush. I couldn't see you if you were there and I were here (indicating), out in that country, because the brush is too thick. Those men went out there alone, and they got together and they cut a trail and built a road as a community proposition. After they got in there—(some of the land was level, some was rough, and some was cursed with a lot of timber which has been to their detriment ever since)—they didn't know how to select claims so they said "we will shake

dice," "we will spit on a stick," "we will match," and see who takes this claim or that, and they did that. Oh, that was a suspicious circumstance, the fact that by lottery they had determined their claims after they got in there, that was a suspicious circumstance! But they got in there, and after they got in there these men discovered they were on sections that belonged to the Northern Pacific. I guess my time is up.

MR. ROBERT NEILL: May the gentleman's time be extended ten minutes? I so move.

Motion seconded and carried.

Mr. H. H. SCHWARTZ: They were later held up on reports by a gentleman who is a particular personal friend of mine, a man by the name of Glavis (laughter). And he reported that unless a certain proposition of law would interfere the boys ought to have their claims. They went in there in 1902. Those men are getting old, and their children are growing up. Immediately after that they were subjected to a private contest, and their case was taken to Washington on that private contest—a contestant in that part of the state had taken in a crew of men and contested about twenty-five or thirty settlers there. That was a long litigation, but they finally whipped him out. In that half-township there are one hundred and sixty acres that is vacant land, and there were these three homesteaders on that half-township, and yet the government came along and included the North half of that township in a forest reservation. What did the Forest Service expect to get? Those three claims. Now, when these settlers whipped that private contestant, then along comes the Forest Service and protests their claims, and then there is another hearing of the case, and it is fought out. They propose to cancel out those boys because they didn't live there continuously. Why, one of them was a brakeman before he went in there, another was a common laborer, and another was a blacksmith, and one of the boys was injured, too. They are trying to cancel them out of that Forest Reserve and why? Because, they say, it appears that one had a house and lot in another town, where he was supposed to live at that time. I didn't try those cases; but I found that this man Jenkins had the effrontery to pay a hundred and fifty dollars for a house and lot to live in when he was earning a grub-stake in Carrol Point. That was the house and lot that would prevent him getting one hundred and sixty acres of ground. What kind of house and lot it must have been? He sold it for \$100. That record was made up, and went to Washington. That was a lawsuit upon which the Government is supposed to be on one side, and the individual on the other. What happened? It got into the Interior Department and they looked that record over, and it must have worried them. They sent three investigators out there to re-investigate that country. Now, it is to be presumed that those men would have their rights determined by a trial where witnesses are brought face to face with each other. For what on earth did the Department send three men out there to spend six weeks and come back and submit a report of three hundred pages? I don't know what is in that report. These settlers don't know what is in that report. They have no chance of defending themselves. They want what is right, and that is not possible under this system; and it has never been possible for two men to go into a controversy and for one of them to judge that controversy. Where the executive withdraws land and then attacks a private entry, that entryman should have access to the courts upon the merits of his entry.

I want to refer to another angle of Mr. Graves' letter here where he says that the agricultural lands in the Forest Reserves are open for settlement. I want to call your attention to the fact that in Oregon on the edge of the Pacific Ocean there is a forest reservation in which a man may not even make an application to go out on the public land and make a settlement. The act of 1906 is annulled by imperial decree.

MR. ROBERT NEILL: The same thing applies over in Idaho.

MR. H. H. SCHWARTZ: I want to say there are townships there where the rain is so heavy, and the sun is so warm, that the brush has grown up higher than this room, and it is so thick that there is no timber there at all; and if I had an opportunity in a single day I could get sixty American citizens in Portland who would be willing to go down there and settle that country. No timber there, yet it is a reserve and they say it is open for settlement. And when I say that I can get American citizens to go down there and settle, I am talking about farmers who would go down there and take up a claim if they had an opportunity to go into that Forest Reserve and settle there. It has just as fine a climate as ever lay out of doors, and the soil will produce every product of the temperate zone. I was down there on the 19th of September, and they were selling strawberries in Newport, and we went up on the hills and picked black-berries and blue-berries. This is in a Forest Reserve where there ought to be school-houses and homes of people and farmhouses and little villages, where there ought to be a house down by the side of the road all covered over with ivy with a little wife sitting on the porch singing to her baby (applause). Do you know that your ancestors back to the first dawn of creation always took their products and their sustenance out of the forest? When the pioneers went out and settled up the middle states they didn't start their farms on the plains. They went to the forests where they had a clearing and where the background on all sides was nothing but big forest trees. Why, in the place where I was born, in Ohio, the log cabin there was made out of black walnut that we had cut down to clear a place for the farm, and we had a two hundred acre farm and it was fenced with black walnut. That farm has produced a crop every year. Why, if we had a conservation or a reservation policy, the vast state of Ohio with all its teeming cities, with all its culture and all its pleasures, and all its civilization, and all that goes to make up the great cities of men, would have been a sweep of forests. There would have been nothing there excepting trees and rattle-snakes and wolves and bears and Forest Rangers (laughter).

I want to tell you, gentlemen, that this country has been filled up or officially populated by a lot of howling Dervishes who are dancing and bowing to a wooden prophet in an age of iron and steel and cement.

I want to call your attention to a situation over in Montana, we will say, on the Flathead river and the Kootenay river up there in the Forest Reservations. There claims do not run to timber heavily like they do on this coast. They run to two million feet of nice timber to a quarter section. Now I happen to know that my friend, Mr. Walsh of Helena has some land up there and he is trying his best to get two dollars a thousand for it. Upon that basis one of those claims would be worth four thousand dollars for the timber that is on it, one of those one hundred and sixty acres on the Forest Reservation. I am talking about the first benches and the valleys. That soil there is very good. It would easily produce forty bushels of wheat to the acre without any trouble at all and you can get seventy-five cents a bushel for it. What have you got? You have got three thousand dollars in a single year from one of those quarter-sections, whereas the timber on it, which will probably take two or three generations to grow, is worth but three thousand dollars. Mr. Graves says that some of our forest species require seventy-five or a hundred years to produce. In a single year you will get enough money if that land were put under cultivation, to pay for all of that timber. Now, the idea of "saving" this for posterity. How do you know that posterity will require, or will need this? Probably at that time they will have some other methods in which they will not need the timber, and when posterity comes it will look back and think "What fools these mortals be."

THE PRESIDENT: I believe that the hour has come when we will have to adjourn, and we will take this up later if you desire. The Secretary has an announcement to make.

SECRETARY CALLBREATH: You are all invited to become the guests of the Ad Club at luncheon.

Whereupon an adjournment was taken for luncheon.

WEDNESDAY, NOVEMBER 27, 1913.

Afternoon Session.

THE PRESIDENT: The first order of business is the introduction of resolutions. Are there any resolutions to be offered? The next will be the report of the Resolutions Committee by the chairman of that committee, Mr. Samuels.

MR. H. F. SAMUELS: Mr. President and Ladies and Gentlemen: The Committee on Resolutions have a partial report which we wish to submit for your consideration now. First we have combined in one resolution, resolution one, which is submitted by Mr. A. M. White, and resolution No. 2, which was submitted by Governor W. R. Allen, the substitute reading as follows:

Substitute for Resolution Nos. 1 and 2, by Committee on Resolutions.

Whereas, The most important function of the Department of the Interior, is that which has to do with the administration and control of the Public Lands, and

Whereas, The greater part of the Public Lands are situated within the arid land and mining states where distinct systems of law prevail, which do not prevail elsewhere, and

Whereas, An intelligent administration of the Public Domain within such states can best be given by one having a knowledge of the conditions, which made necessary the adoption of these separate system of law; now therefore,

Be It Resolved, That the President-elect of the United States, Honorable Woodrow Wilson, be earnestly requested and urged to select for his Cabinet, as Secretary of Interior, a resident of the West, acquainted with Public Land laws and who by actual experience, is familiar with western conditions, and

It Is Further Resolved, That the Secretary of this Congress be directed to transmit a copy of these resolutions to the Honorable Woodrow Wilson.

THE CHAIRMAN: You have heard this resolution; what is your wish?

MR. SAMUELS: I move the adoption of the substitute resolution.

THE PRESIDENT: Any remarks?

MR. W. B. DENNIS, Portland, Oregon: The language of the resolution is that the Secretary of the Interior shall be selected from the West. It seems to me that the term West should be more clearly defined because what is West to the Honorable Woodrow Wilson from New Jersey may not be West in the meaning of this Congress. The only other term defining the location is the "arid" region. That is somewhat indistinct and indefinite and it seems to me that the resolution should definitely state west of what line or name the States of the West from which the representative should come.

MR. A. M. DEWEY, Spokane: Would it not be well to provide in the resolution that this representative is to be recommended from the Public Land States? That would cover the point made.

MR. H. H. SCHWARTZ: It occurs to me we have a very considerable number of States West that are Democratic States and not Public Land States, and the word Public Land State would not cover the question, and it occurs to me that the word Public Land State would hardly express the wish of the Congress.

MR. W. B. DENNIS, Oregon: Mr. President, I move to amend the resolution that the Secretary of the Interior shall be selected from some place in the territory west of the Mississippi River.

THE PRESIDENT: You have heard the motion; is it seconded?

MR. ROBERT NEILL: I second it.

THE PRESIDENT: It has been moved and seconded that the resolution shall be amended to read from some state west of the Mississippi River. Are there any remarks on this motion or the amendment?

MR. DEWEY, Spokane: It suggests to me the thought that the Mississippi River is pretty far east. (Laughter.) It seems to me that the Rocky Mountain country is about where we commence to consider that we are West, and if we could suggest to the President that this appointee be selected from the States west of a certain parallel or meridian or perpendicular line from the Gulf to the British Columbia line, along about where it could catch the State of Colorado and from there west, it seems to me we would get West. We cannot get west very far if we go way over to the Mississippi River. I think that is a long way east.

GOVERNOR ALLEN: I would suggest that the American Mining Congress insert the words, "From a mining State of the West." I think that would take care of that.

MR. DAVID ROSS, Illinois: Illinois has always got to follow Montana. (Laughter.) Both of the suggestions made to the amendment leaves out the State of Illinois. We have no public lands in Illinois, while unfortunately the Mississippi River is just outside West, and in the late election that State went strongly Democratic and there are lots of patriots who are looking for jobs, saying nothing of the humblest representative of that State who is now addressing you. (Laughter.) Furthermore, I believe that the President-elect will feel under a great many obligations to this Congress for suggesting, if not the individual, at least the territory from which he should come, because I believe that he is at a loss to know, so scarce is the material, just who will make up the membership of his next cabinet. But aside from that, Mr. Chairman, while both of your proposed amendments leave out Illinois, I rather favor the suggestion, if the President in his wisdom and in his goodness will accept it, that a representative of the interests of that great section of the Western country who is in touch with the situation and who can understand this problem only as a man so situated can understand it ought, as a matter of propriety, aside from politics, to sit at the table of the next President-elect. (Applause.)

THE PRESIDENT: Any further remarks? If not, are you ready for the question on the amendment? The amendment is to amend the resolution so that it shall read that the selection of the Secretary of the Interior be made from some State west of the Mississippi River. That was your amendment, was it?

MR. G. B. DENNIS: Question.

MR. DEWEY, Spokane: I would like to make my motion in the form of an amendment, if you please, that the Secretary of the Interior be selected from territory west of the east boundary line of the state of Colorado.

THE CHAIRMAN: Is that suggestion seconded? It does not seem to be seconded.

HONORABLE P. D. DECKER: Does that include Colorado? (Laughter.)

COLONEL W. T. PERKINS: It strikes me that the amendment, "West of the Mississippi," is but a very little more definite than the wording of the resolution which refers to the West, and we would be as apt to get a man of the great Northwest if we leave it west of the Mississippi as before. Therefore, I should be in favor of leaving it as it was originally presented.

SECRETARY CALLBREATH: It occurs to me that the reason for this resolution was to get someone in the Cabinet who is familiar with the conditions in those States in which those two separate systems of law prevail which are not understood elsewhere. The conditions which made necessary the creation of the law of appropriation and application to a beneficial use of water as opposed to the doctrine of riparian rights and the apex law in mining should be understood by one

called upon to decide questions involving those principles. A man familiar with the doctrine of riparian rights cannot comprehend the conditions which exist in the West. I would like to see this resolution so amended that it shall say that the man chosen for that position shall be a resident of the Public Land States and familiar with western conditions.

MR. H. H. SCHWARTZ: I move then, as a substitute, that he be a resident of the Public Land States and familiar with western conditions.

Motion seconded and carried.

Resolution Nos. 1 and 2 as Amended.

Whereas, The most important function of the Department of the Interior is that which has to do with the administration and control of the public lands; and

Whereas, The greater part of the public lands are situated within the arid lands and mining states where distinct systems of law prevail which do not prevail elsewhere; and

Whereas, An intelligent administration of the public domain within such states can be best given by one having a knowledge of the conditions which made necessary the adoption of these separate systems of law; now, therefore, be it

Resolved, That President-elect of the United States, the Hon. Woodrow Wilson, be earnestly requested and urged to select for his cabinet as Secretary of the Interior a resident of the Public states, acquainted with public land laws and who by actual experience is familiar with western conditions; and it is further

Resolved, That the Secretary of this Congress be directed to transmit a copy of these resolutions to the Hon. Woodrow Wilson. Upon motion the resolution as amended was adopted.

MR. SAMUELS: With your permission, I will now read resolution number 3, proposed by the Advisory Committee on Mineral Statistics, and I move its adoption.

Resolution No. 3.

Whereas, It appears that for want of an appropriation covering the cost of the work, the Bureau of Census is making no substantial headway in compiling and publishing the data on Mines and Quarries gathered during the year 1910; and

Whereas, These statistics have an important bearing on questions relating to the mineral lands of the public domain, and on all legislation relating to Mines and Minerals;

Therefore Be It Resolved, By the American Mining Congress that an appeal be made to the Congress of the United States for such an appropriation as will be adequate for the immediate compilation and publication by the Bureau of the Census of the data now on hand relating to mines and quarries.

I move its adoption.

THE PRESIDENT: You have heard the resolution; what is your desire?

Motion seconded and carried.

MR. H. F. SAMUELS: With your permission I will read resolution number 4, introduced by Mr. White of Dallas Texas, and move its adoption.

Resolution No. 4.

Whereas, It is believed that the public interests will be served by offering special inducements to the prospector and developer of mining prospects to the end that new mines may be opened, and

Whereas, It is believed that in all cases where active development work is in progress that unproductive mining property should not be burdened with taxation in addition to the burden of risk incident to development work and that every possible in-

ducement should be offered to stimulate such effort as well create property able to bear the burden of taxation; Now,

Therefore, Be It Resolved, That a committee on mine taxation be appointed and asked to report at the next session of the Congress.

Motion seconded and carried.

MR. SAMUELS: With your permission I will read resolutions Nos. 5 and 6, submitted by the Butte section of the American Mining Congress. Your committee recommends the adoption of Resolution No. 5 and that no action be taken on Resolution No. 6.

I move the adoption of the committee's report.

Motion seconded and carried.

Resolution No. 5.

Whereas, Throughout the West where most of the mining sections are covered by United States Forest Reserves, from which a large revenue is derived yearly by the Government, a large number of the most valuable mining properties and prospects are inaccessible and will remain so until roads can be constructed to them, and

Whereas, The miner and prospector is compelled to expend \$100 upon each claim in annual assessment work and to pay the Government the sum of \$5.00 per acre when patent is secured, and

Whereas, Each prospector and miner becomes a guard for the protection against forest fires and renders great assistance to Forestry officials in preventing and extinguishing forest fires, and further through the energy of the prospectors and miners the mining districts are developed thereby, increasing the value of all timber contiguous to such districts, in addition to assisting in the development of the country in general. And

Whereas, The prospector has always been and always will be the pioneer in discovering and developing the mining districts, and as a general rule, they are men of small means unable to build or maintain roads to properly exploit their properties or ship their ores, thereby becoming absolutely dependent upon those of larger means who can build said roads. These conditions have retarded development and militated against the worthy prospector;

Therefore Be It Resolved, That it is the sense of the American Mining Congress unanimously expressed, that this condition be brought to the attention of our representative in Congress that some measure of relief be afforded these advance agents of civilization by providing for the construction of roads in isolated mining districts located within forest reserves, and that the United States Forest Service upon proper showing be required to assist in constructing and maintaining said roads.

MR. SAMUELS: With your permission, I will read amended resolution No. 9, introduced by Robert Neill of Florence, Idaho, and move its adoption.

Amended Resolution No. 9.

Whereas, More than one thousand coal claims located in Alaska prior to the withdrawal order of November 12, 1906, over three hundred of which claims have been surveyed at the expense of the claimants and applications filed in the Juneau Land Office for patents to the same, and

Whereas, More than \$350,000. has been paid by coal claimants into the Treasury of the United States, which money is still retained by the Government, yet not a single patent has been issued and final action has been taken upon only one group, and

Whereas, Many applications have been pending before the Land Office for five and six years, without any charges having been filed, although the government has received payment for the land from such coal claimants more than four years ago, and

Whereas, In view of the declaration of the present Secretary of the Interior, made before the Committees of Congress during the present year, that upon the existing record he would refuse to issue patents to any coal lands in Alaska, and in view of certain recent rulings of the Secretary of the Interior in the interpretation of the coal land laws of Alaska, especially with reference to the requirement for opening and improving coal mines, and because of the extreme situation presented in Alaska, it is

Resolved, That we, the American Mining Congress, urgently recommend to the Congress of the United States the enactment of a law authorizing claimants to coal lands in Alaska located prior to November 12, 1906, to maintain an action in the courts of Alaska.

Motion seconded and carried.

MR. H. F. SAMUELS: That is all the report of the Committee on Resolutions.

THE PRESIDENT: The report of the Committee on General Revision of the Mineral Land Laws by Mr. Kirby will be read by Mr. John L. Steele, and in connection with the report we will have a discussion on the Public Land question, and a means for making effective the policy agreed upon by the convention.

MR. JOHN L. STEELE: In getting out this report I would like to say the committee found it very difficult, largely on account of the amount of work that has had to be done by correspondence and the opposition that has been made in the country in the different localities or by the administration. Following this brief report we have gathered some memoranda that are merely suggestions.

Mr. John Steele then read the report, as follows:

Report of Committee on General Revision of the Mineral Land Laws. November 25, 1912.

The Committee reports that it has been unable to secure any action by Congress at this Session towards a general revision of the land laws. What was within the ability of the Committee has been done. There has been much correspondence and its Chairman has personally made three visits to Washington. Two attempts were made to interest the Administration in the proposed measure and it was also presented to the Chairman of the Committees on Mining and the Committees on Public Lands in the Senate and House, but without result.

Senator Reed Smoot of Utah, who is Chairman of the Senate Committee on Public Lands, approves the measure, made genuine efforts to assist the Committee, and went with its Chairman to Secretary Fisher to ascertain whether the Administration would not take up the revision as part of its program.

The Secretary declared himself in favor of correcting certain special points such as the Apex Law and the unlimited number of locations. He did not then decide whether to take up a general revision, but has since done nothing in the matter, except to recommend the abolition of the Apex Law in Alaska, and it is evident that the attempt to show him the impracticability of patch-work revision was unsuccessful.

On inquiry in the Senate an unexpected opposition developed on the part of a certain Senator who was opposed to any change in the laws. Senator Smoot was therefore obliged to drop the matter, explaining that with his overwhelming burden of work he could not undertake to push a measure against opposition in the Senate unless the Administration supported it. In the House no one was found willing to undertake the laborious work involved without first knowing that the measure would be successful in the Senate. (It may be added that the opposing Senator will not appear in the next Senate.)

This experience has made several points clear.

1. The plan of the American Mining Congress for a general revision is generally approved as soon as it is understood. It is now evident that it will have no opposition except that small percentage which always appears when anything new is proposed and which usually comes from extreme conservatives, who are by nature opposed to any improvement in existing laws. It is indifference and not opposition which must be overcome in order to secure the revision.

2. No measure of reform which is not widely known and understood can be carried through unless it is steadily pushed by some active, aggressive men. Legislators are like other men, unwilling to move in a business which they do not understand, and only a very small percentage of the hundreds of individuals at Washington who have to act in the matter are familiar with mining laws or their effects. To make the situation clear enough to induce action there must be long, persistent work by someone on the spot.

3. This must be done by the American Mining Congress itself. No legislator will do such trying work unless he is keenly interested in the subject. The men with initiative enough to undertake such things are soon overloaded and it would take a prolonged search to find and interest some Senator or Representative who was willing and also free to undertake it.

It will therefore be necessary for the American Mining Congress to follow the same procedure that was required in creating the Mining Bureau. It must have a representative at Washington pressing the revision measure. While the Secretary of the American Mining Congress was there during the last Session he was too much overloaded with other matters to undertake the revision business.

It is necessary to face the fact that the American Mining Congress cannot secure revision or any other relief for mining unless it provides enough money to do the work required at Washington, and this Committee is unable to proceed further until some effective means are provided for following up its efforts.

The attached memorandum will briefly explain the work which was assigned to the Committee.

E. B. KIRBY,
Chairman.

MEMORANDUM.

The American Mining Congress representing the Mining Industry of the United States and Alaska asks that Congress shall undertake a general revision of the Mineral Land Laws.

Imperfections of the Present Laws.

The Mineral Land Laws of the United States and Alaska, framed in 1872 and interwoven with a mass of supplementary State legislation, differing in every State, fail to meet the present requirements of the industry. Moreover, they have developed various evils, the injurious effects of which are steadily increasing. These have become so serious as to retard the development of mining and to create dissatisfaction and complaint everywhere.

At every annual session of the American Mining Congress during the past twelve years the prevailing discontent with the present code has been voiced by various resolutions calling attention to its evils and asking for the correction of this or that feature of the laws relating to mineral claims located upon the public domain. Such complaints steadily increasing in volume have found expression not only in the Mining Congress, but also in the Press of the Mining Communities, all the Mining Journals, in the Societies of Mining Engineers and in fact through every medium available for the expression of public sentiment. They have nevertheless been without result for the reason that the

mining laws are largely interdependent and it is difficult, if not impossible, to correct one fault without straightening out the entire code. Moreover, the States affected, some of which have often attempted to make improvements, find that nothing effective can be done without the action of Congress. In short, patchwork is impossible and a general revision is necessary.

Difficulties of the Work.

Since the problems involved in the work are peculiar to the industry and are unusually difficult, it is evident that their satisfactory solution will require the aid of the most experienced judgment together with a free and direct expression of views by the mining communities themselves. Among the many questions which will arise during a revision are the following, which will illustrate the nature of the work.

Some of the Problems.

The Apex Law, with the uncertainties of title and litigation caused by it. The latter includes not only the conflicts caused by the extra lateral right, but also those occasioned by the consequent shapes of claims and the overlapping of lines.

The creation of a definite procedure for acquiring rights to those claims in which the mineral is not near the surface and where discovery must in consequence be long deferred.

Tunnel locations and the uncertainties of title caused by them in neighboring claims.

The present non-observance of the law of discovery.

The partial or complete non-observance through various expedients of the law of assessment.

The location of an unlimited number of claims by one individual.

Locations by proxy.

Reasons for Revision Now.

A general revision now will be particularly timely because of the public interest in conservation and the new legislation now under consideration for timber, oil, phosphate and coal lands, also power sites. To omit the "Mining Code" from any program for the betterment of laws relating to natural resources would be to pass by the field where relief is most urgently needed.

The Action Requested.

The American Mining Congress at its last annual session therefore reached the following decision:

"That Congress be asked to undertake promptly a general revision of the Mineral Land Laws; which, in view of the difficult problems presented, should be in co-operation with the Mining Industry. The plan adopted for this co-operation should give all sections opportunity for public hearing and the discussion of remedies. The Mining Congress will suggest a practical plan for this purpose later on if desired."

In requesting action upon this matter it is therefore suggested that if Congress will authorize a Committee to act, the representatives of the American Mining Congress will be pleased to furnish such detailed information and suggestions as may aid the Committee in preparing a plan, whether for a Commission or otherwise, which will accomplish the ends desired. A joint resolution like the following is suggested:

That _____ Committee _____ is instructed to prepare and submit at this session a mode of procedure whereby Congress may undertake a general revision of the Mineral Land Laws of the United States in the way which will best promote the public welfare and meet the peculiar needs of the Mining Industry. The plan recommended should provide a practical means whereby Congress may utilize the best experience and judgment available

in the industry and which will give the Mining regions of the United States ample opportunity for public hearings and the discussion of remedies.

After Congress has empowered a Committee to act the Committee of the American Mining Congress hopes to have the opportunity of presenting to the Committee at Washington such detailed information and suggestions as may aid in preparing a plan whether for a commission or otherwise, which will be satisfactory to Congress and accomplish the ends desired. It is believed that this may be secured through a wisely-selected Commission, authorized to draft a revised code for the use of Congress. This Commission should hold public hearings in the principal mining centers of the West and Alaska. It should call before it men prominent for their knowledge of prospecting, of claim locations, of mine operating, mine litigation and the history of mining laws, and should invite opinions from the public bearing upon the specific points at issue. The authorities and experience of other mining countries should also be consulted and made public and the final recommendations of the Commission should be presented to Congress in the form of a fully drafted Code.

It is clear that there is a best practical solution for each one of the difficult problems involved in a general revision of the Mineral Land Laws, but in order to determine these best solutions, all opinions must be brought to a focus before some authoritative body which has the power of decision. Moreover, in order to assure the general approval and acceptance of reforms affecting so many varied interests, the personnel of this body should be such as to command confidence and the mining communities should have full opportunities to present their views before it. There is a wealth of learning and practical experience in the country, which is available for the work of framing a revised code, but it is distributed among many men and must be focused by the plan indicated.

THE PRESIDENT: Mr. Dern, will you kindly take the chair?

(Mr. George H. Dern was then installed as Temporary Chairman.)

THE CHAIRMAN: Gentlemen, you have heard the report of the Committee on the Revision of Mineral Land Laws read by Mr. Steele; what will you do with the report?

MR. DEWEY: I move that the report of the committee be accepted and that the former action of the American Mining Congress be reaffirmed at this time.

Motion seconded.

THE CHAIRMAN: It is the purpose to open for discussion at this time the question of a general revision of the Mineral Land Laws and any remarks on that subject will be considered in order. It is one of the most important questions before this Congress, and I have no doubt that a great many views will present themselves. I would like to hear from the members.

THE SECRETARY: I would like to suggest that there is no discussion necessary on this particular proposition as presented by Mr. Dewey's motion, and that it might be well to submit this question and then take up as laid down in the program the general discussion of a proper Public Land policy for the West and the means by which such policy may be made effective.

Motion carried.

THE CHAIRMAN: The discussion that I just mentioned will be the next order of business, and if there is nobody else who wants to open the discussion I will ask the Secretary to start it.

THE SECRETARY: Mr. Chairman and Gentlemen of the Convention: I don't know that I ought to open this discussion, but it may be wise that I outline to you some of the things which seem to me to be extremely vital in the handling of this question.

You have heard a great deal of complaint in times past about the Forest Reserves. Some of us feel that things are wrong. Many of us feel that in a general way the purposes as outlined by the Forestry

Bureau are very commendable. I think all of us agree that in the administration of the Forest Reserves many unintentional mistakes have been made and some of us believe that many very radical intentional mistakes have been made.

- Assuming the truth of the worst things that have been said regarding the Forestry Service—with which I want to say frankly that I do not agree—even then I believe that these grievances will be like mosquito bites as compared with the trouble that awaits us if the plan for new legislation which is now under consideration shall be adopted by Congress. When the Forestry Service first proposed to charge for the use of the waters in the Forest Reserves, the question created a great deal of comment and opposition. Those who are hoping for complete Federal control of the waters immediately said, why should not also the Federal Government get the advantage of all the water powers which originate in the public domain. I want to say for the advocates of that theory that some of them were sincere in the belief that the interest of the public justified this course. They believed that the time would come when the water powers of the West would be very much more valuable than any other of its assets, and in that we all agree. They believed that it would be wise if the Federal Government should extend its protecting hand in order that this great western asset should not be controlled by monopoly or become a special burden upon our people. We all know that cheap power is necessary in the development of our industry. We cannot move the engines upon our tracks nor the hoisting engines in our mines nor perform any other operation except we have some sort of power. We have heard much of a very interesting nature with relation to the exhaustion of our natural resources. We are now consuming in this country practically half a billion tons of coal annually. The great part of that coal is used in the creation of power. By the consumption of approximately three hundred million tons of coal annually we are creating approximately twenty-six million horsepower, which today drives the machinery of our commerce and is the basis of our prosperity. The water powers of the United States are estimated at sixty-six million horsepower. A little more than five million horsepower is now being used. In other words, we have now undeveloped and going to waste practically double as much power as we are getting from the use of the great part of all the coal which we are now mining. If the day shall come when the coal reserves shall become exhausted, and certainly the day will come when coal will become increasingly more expensive as we exhaust the more easily mined reserves, when that day comes our water powers will be increasingly valuable because of the higher cost of power as measured by the advanced cost of coal production. When that time comes our water powers will be the greatest asset of the West. Were it possible for water power combinations to get together and fix exorbitant prices which power users must pay, with no other way to carry on their industries except to pay the price, then I would agree absolutely with the most radical conservationist who ever lived; but I insist it is not true. The creation of a water power monopoly in the West is absolutely impossible except as a result of the absolute failure of us in the West to perform our civic duty. (Applause.) And why? Because our state constitutions and the enabling acts upon which those constitutions were based, in practically all, if not all of our arid land states, provide that the use of the waters within these states "Shall forever belong to the people thereof."

That clause was put in our constitution not in anticipation of meeting this question, but because in the West, as a matter of self-preservation and as a matter of necessity, we had to abolish the law of riparian rights, which provides that any owner of land crossed by a stream must permit the water which comes upon his property to pass from it undiminished in quantity and undiluted in quality. The law of riparian rights requires that. In the arid land states this law was abolished.

I have had the pleasure of sitting as a student at the feet of the man who was hung in effigy because, as a judge, he declared for that principle, the principle which gave the people the right, in order to preserve their lives, to take the water away from its regular channel for the irrigation of the land and thus make it productive of the necessities of life. When the late Judge Victor A. Elliot as a member of the Supreme Court of Colorado first laid down that doctrine in the State of Colorado he was severely criticized because his decision, based on the law of necessity, set aside a law which had been honored through all the years, the law of riparian rights. Judge Elliot was the first to set aside that law in order that we might develop the civilization in the West of which we are now so proud. Other courts followed this decision and it became the settled law of the territories, was embodied in the enabling acts and became a part of our State constitutions. This declaration that the use of the water "shall forever belong to the people thereof" creates a public utility at all times subject to the control of the State Legislatures and can never be the subject of monopoly except during such time as the people of any State may neglect their political and civic duty. This constitutional provision effectually breaks down the pretense that Federal control is necessary to protect the people of the States from a dangerous monopoly controlled by a great water power trust.

The law concerning the rights of way over the public domain had been based upon the theory that the public ownership of land was not more sacred than private ownership. Private ownership is always subject to condemnation for a right of way for the construction of any public utility. If you were unwilling to allow a railroad or an irrigation ditch a right of way over your land, the applicant might take your land for such public utility under the right of eminent domain. But actions do not lie against the Federal Government, and therefore we cannot, or at least we have been led to believe that we cannot condemn a right of way, over the public domain. Recognizing that principle, Congress many years ago, with reference to rights of way for irrigation ditches, enacted that "a right of way is hereby granted" to applicants under certain rules. It was provided that the Secretary of the Interior should ministerially pass upon the filings, requiring a survey showing the exact location of this right of way, for two reasons: First, that the right of way thus granted might not be trespassed upon by some other applicant who wanted the same right of way, and second, that a right of way thus granted across the public domain should be so described on the records that when that particular piece of property should be granted to some other individual, the grant might reserve the easement with which that land was burdened. That was the reason why the Secretary of the Interior was given the right to pass upon the filings, but I insist that that duty is purely ministerial. During the last few years it has been increasingly difficult to secure a right of way for public utilities over the public domain: Wherever the development of a water power was anticipated or suspected, rights of way have been refused or delayed. Many projects involving enormous expenditures have been delayed and crippled. The Henrylin Ditch Project in Colorado designed to irrigate 50,000 acres of land, is at a standstill after something like three million dollars has been spent in the enterprise, and its right of way contested. In the state of California, many years ago, a ditch right and a water right was appropriated by a mining company to operate a stamp mill. Many years after the appropriation of the right and the construction of the ditch, the forest reserve was created over a part of the ditch, covering about three-quarters of a mile. A few years ago the California Hydro-electric Company undertook to utilize, to conserve the power that was in that water, and make it take the place of coal, which on the coast costs about twelve dollars per ton. They proposed to build a reservoir in which to store the water and carry it under pressure through a pipe and thus utilize its power. We believe that to be the highest form of conservation, that

which puts to use a thing which is now going to waste. The company went to the forest service as a matter of courtesy without any thought that the request could be refused, and asked for a right of way across that little section of forest reserve. To their blank amazement, the permission was refused. They were told that they might have a lease for this right of way but they could not have an easement. Attorneys were consulted and the attorneys said "this is your right—a right which you and your predecessors in interest have owned for thirty years. Lay your pipe." The operations were begun but the workmen were stopped by an injunction of the Federal Court. It was proper enough that this matter should be taken into court, but these gentlemen knew it would be five or ten years before this matter could be finally decided in the United States Supreme Court, that in the meantime this enterprise in which they had invested their money and which they hoped to make useful to the people of that community would be stopped, and consequently they felt that though the courts might ultimately give them their rights, the process was too long. They felt that members of Congress could not and would not refuse to give them a right which is so plain on its face, and they decided to go to Congress and ask for an approval of this right of way. The bill was introduced in Congress and a strong fight was made for it. It was a very active fight on both sides, and when this bill came to a vote in the House of Representatives of the United States, you will be greatly surprised to know, the majority against the granting of these rights was more than four to one. That is an illustration of what is being done now to hold back everything that looks like a water power until a new law can be provided by Congress which will justify and make legal things which are now being done, as I insist, without authority of law. In order that authority for such action might be created, a bill was introduced in Congress late last session, by Congressman Robinson, now Governor-elect of Arkansas, providing that hereafter no right of way across the public domain for any purpose shall be granted until after the Secretary of the Interior has given his approval. It goes without saying that if the Secretary of the Interior has a right to refuse to grant this privilege, he has a right to fix the conditions upon which he will grant that privilege, and with this law in effect it will be within his province, and made legal for the Secretary of the Interior to require you, if you want a right of way across any part of our domain, to enter into a contract, giving the government the right to forever control the prices at which you shall sell your waterpower, the amount to which you shall develop it, when you shall develop it, and any other conditions which he sees fit to attach. Now, I believe that when those conditions are created, when this right of way is revocable under certain conditions, whenever it appears to those who are expected to invest in such enterprises, that the basis of the enterprise is a revocable permit in the hands of some man who doesn't understand the conditions, that no capital can be induced to develop these water powers and therefore these conditions, instead of preventing monopoly will increase monopoly.

The constitutional provision that the use of these waters "shall forever belong to the people thereof," places the development of hydro-electric power into the same class with transportation of freight and passengers on our railroads. It becomes a public utility, at all times subject to the control of state legislatures. If we do not elect legislatures which protect us against the monopolistic control of water power, then we are not entitled to protection. This proposed system of public land laws, beginning with this right of way bill and followed by four other bills which have been prepared by the same people, are a great menace to the West.

A member of the Public Lands Committee, after he found that I had copies of these proposed laws, asked my opinion about them. I replied, "I am impressed with their importance, but I think there should be two others to make the series complete." "Well, what would they provide?" "The first would provide that the Interior Department should

hereafter be authorized to pass appropriation bills, and the second would abolish Congress." This, gentlemen, I consider the most important question which now calls for your action.

MR. STANARD, (Seattle): Mr. President, Gentlemen: I might suggest that as long as the timber corporations take so kindly to conservation and have contributed so nobly to the twenty millions of dollars that Mr. Pinchot says it has cost to put this curse on the West, that we advocate that the government rig the national forests for logging and if necessary saw the logs in public mills, and see how long Mr. Weyerhaeuser will call Mr. Pinchot by his first name.

THE CHAIRMAN: We would like to hear from anybody else who has anything to offer on this subject.

MR. GALLIGER: Mr. President, owing to the fact that there might be a great many resolutions to be considered, I would suggest that the Committee on Resolutions be waited upon and asked if they have any further matters for this convention to take up at this time. There are a great many who desire to return to their homes this evening, and I know of a number who wish to depart in the morning, and it would be well to expedite the business as much as possible. Therefore, at this time I suggest that we dispense with further discussion on the subject before the house as there are a number of resolutions which will suggest a further discussion along these lines.

THE PRESIDENT: Has the committee been in session since its former report?

MR. GALLIGER: Why, I supposed that they were.

MR. W. B. DENNIS, (Portland, Oregon): We have heard a good many criticisms on the Forestry Department. There is a representative of that department here, who has not been given an opportunity to reply, and it seems to be in order that this gentleman should be called upon to speak upon the various questions and objections that have been made to the operations of that department.

MR. GALLIGER: Mr. President, with your permission, the suggestion that I have just made I will put in the form of a motion. I move you that the discussion of this subject be now closed and we proceed with the further consideration of the report of the Committee on Resolutions.

MR. ROBERT NEILL: I second the motion.

Motion carried.

THE SECRETARY: Mr. Chairman, if it is in order I would like to read two resolutions which have been presented for the consideration of the committee.

THE CHAIRMAN: It will be in order while we are waiting.

Resolution No. 14, Introduced by C. W. Goodale, Montana.

Whereas, Electric power, aerial tramways, and pipe lines, are coming to be of the utmost importance in the development of mining; and

Whereas, There exists now no adequate provision for right of way, for such lines, across public domain or private lands; and

Whereas, This condition is retarding the development of hydro-electric power and its transmission and the growth of the mining industry; therefore, be it

Resolved, That it is the sense of the American Mining Congress that laws should be enacted extending the principle of eminent domain to aerial trams, electric lines, and to pipe lines.

Resolution No. 15, Introduced by H. N. Lawrie, Oregon.

Whereas, It is the unanimous opinion of this, the Fifteenth Convention of the American Mining Congress that the National Bureau of Mines has conducted the research work, under the directorship of Dr. Holmes, particularly with reference to the safety of the miner in coal mines, in such a manner as to be a permanent benefit to the mining industry; and

Whereas, The National Bureau of Mines has undertaken research work to increase the efficiency of milling operations and

metallurgical processes with a view to bring within the range of commercial treatment large bodies of low grade ores and tailings; and

Whereas, The present appropriation, to carry out the work of the National Bureau of Mines, is not adequate; and

Whereas, It is recommended by the American Mining Congress that the future attention of the National Bureau of Mines be directed toward the prevention of accidents in metal mining operations, where the percentage fatality is more than in coal mining, and to increase the efficiency of rescue work; be it therefore

Resolved, That we, the American Mining Congress, in Convention assembled, memorialize Congress of the United States to increase this appropriation sufficiently to enable the work as herein noted to be carried out efficiently by the Bureau of Mines.

COL. W. T. PERKINS: Mr. Secretary, may I interrupt you for a moment. The agent of the railroad company is still waiting there and he has just a moment, so I would suggest that the men who have railroad certificates turn in their certificates at once as some men wish to leave tonight, and it will give them an opportunity to do so.

THE CHAIRMAN: If there is no objection we will take a recess for five minutes.

Recess was thereupon taken.

President Taylor then resumed the chair.

THE PRESIDENT: I want to make an announcement that the directors-elect meet in Room 205, Spokane Hotel, at 5:30, for organization. There is a question that comes before the Congress at this time, and that is whether we will have our Thanksgiving exercises which are on the program for tomorrow morning at eleven o'clock, here in the building as a congress, or whether we will adjourn and go to the churches. What is the will of the Congress?

MR. G. B. DENNIS: Mr. President, one of the most gratifying features, I think, of this meeting was when the Mayor of Spokane made the statement that this was the first convention, within his memory, that had been opened with prayer. I believe that all conventions for good should be opened in that way. I believe that it is eminently befitting to this convention and to this society, that it hold a Thanksgiving service, and that that service be held here as stated by our worthy President, at eleven o'clock tomorrow. The delegates, many of them, don't know where the churches are. Some of them are at considerable distance from where they are stopping at the hotels, and if they will come here, I think, Mr. President, and hold that service here, that it will be not only enjoyable, but noble, and I would therefore suggest that the service be held here.

THE PRESIDENT: Are there any other suggestions?

It was finally concluded that the meeting adjourn to three o'clock on Thursday instead of having Thanksgiving services at the Armory. A motion was put to this effect and carried.

Adjournment was taken until 8 o'clock p. m.

WEDNESDAY EVENING SESSION.

November 27, 1912.

Meeting called to order by President Taylor, at 8:30 o'clock.

THE PRESIDENT: Gentlemen of the Congress: On account of Mr. Stewart having to make a train, we are going to change the program just a little and have Mr. Stewart's paper on transportation facilities in Alaska at this time. Mr. Duncan M. Stewart of Seward, Alaska, will now address the Congress and we will have the Alaska discussion after his address.

Mr. Stewart's address will be found at page — of this report.

THE PRESIDENT: Gentlemen, we will now revert to the original program. The first thing in order is the presentation of resolutions.

Are there any resolutions to be presented this evening? If not, the report of the Resolutions Committee is next in order. While we are waiting for them to report, the Secretary has a resolution which he desires to read.

Resolution No. 16, Introduced by J. F. Merrill, Utah.

Whereas, The conservation of our metal mineral resources requires the elimination of waste in the reduction of metal bearing ores and the solution of the problem of low grade and refractory ore treatment; and

Whereas, The solution of these problems of conservation requires extended scientific research, in a field having as many subdivisions as there are special types of ore to be treated; and

Whereas, There are special ore problems in practically every mining state; and

Whereas, The Bureau of Mines is now extending its field to include metallurgical research work; and

Whereas, Experience has shown the wisdom of co-operation between the General Government and the States in agricultural investigations by means of the experiment stations of the State Agricultural Colleges; and

Whereas, Efficiency, economy and fruitfulness would all be subserved in metallurgical investigations by co-operation between the General Government and the mining states; now, therefore, be it

Resolved, That Congress and the Bureau of Mines be and are hereby urged to co-operate with those mining states desiring such co-operation in the maintenance of metallurgical research stations at the various state mining schools.

Resolution No. 17, Introduced by H. M. Parks and Francis Thompson.

Whereas, This Congress has previously endorsed the principle of Federal aid to State mining schools; therefore, be it

Resolved, That the American Mining Congress again urges immediate passage by Congress of the legislation now pending, providing for Federal assistance to the various state mining schools.

MR. H. F. SAMUELS: Mr. President, the Committee on Resolutions is not ready to report. The sub-committee is very busy and has been trying to rush through the resolutions. The committee, the main committee, will be able to report tomorrow morning.

THE PRESIDENT: We have by motion passed the morning session and will convene at three o'clock tomorrow afternoon. That will give the Resolutions Committee time to finish its work.

The next thing in order is the report of Falcon Joslin of Fairbanks, Alaska, "The Needs of Alaska."

Mr. Joslin's address will be found at page — of this report.

MR. T. P. McDONALD: Mr. President, I wish to move the approval and adoption of the report and the discharge of the committee, that the Congress extend its thanks for the earnest and tireless work it has done in the effort to secure legislation for the development of Alaska.

Motion seconded.

THE PRESIDENT: I hardly know what to do with that motion. I don't know as it is time to discharge that committee.

MR. McDONALD: I had been informed that that was usual.

THE PRESIDENT: I presume the committee will die until another committee is appointed, at the same time knowing of the work this committee has done. I hesitate—

MR. McDONALD: Let me eliminate, then, the part referring to the discharging of the committee, but I had been informed that that was usual.

Motion carried.

THE SECRETARY read resolutions Nos. 18, 19 and 21 as follows:
Resolution No. 18, Introduced by T. P. McDonald, Seattle, Wash.

Resolved, That the President be authorized to appoint a Committee on Alaskan Affairs who shall be subject to the direction of the Executive Committee, and who shall be especially instructed as follows:

First: To give the widest publicity to the deliberations of the American Mining Congress on Alaskan questions, and to the deplorable condition prevailing in Alaska, by reason of the lack of ability to develop Alaska's varied resources, by reason of the lack of transportation facilities and the tying up of Alaskan fuel resources;

Second: To urge upon the Administration and Congress, prompt measures of relief in conformity with the views of the American Mining Congress, and to work for the immediate passage of the best possible law that can be secured in the interests of the United States and of Alaska that will permit the immediate development of its varied resources, and to secure the aid of, and co-operate with, any other individual bodies or corporations found honestly striving to the same proper end;

Third: That any law so passed, shall recognize the rights of existing claimants by providing for the immediate adjudication of their rights in the District Courts; and, be it further

Resolved, That this Committee is authorized and directed to work to obtain the construction of railways for the development of Alaska without further delay. That they shall work—

First: To secure the removal of existing obstacles and restrictions to the construction of railways in Alaska, and

Second: Work to procure the aid and co-operation of the Government for the construction of at least two trunk lines of railroad to connect with the seaboard the two great minor systems of Alaska, with this emphatic proviso that if the Government will not aid and assist such construction that the Committee shall urge the passage of such measures as will bring about such construction by the Government itself.

Resolution No. 19, Introduced by Clarence Rae, Montana.

Whereas, The Government of the United States, at large expense, endeavors to gather statistics covering the production of metals, which statistics are more or less unreliable; and

Whereas, Much complaint is made by producers of ore sold to the smelters, that the assay's value of such ores, made by the smelting companies, does not accord the full value of such ores to the producers; and

Whereas, The establishment of government sampling works at, or near, all custom smelters, to which all ores could be delivered, intended for such smelting plants, would create a system through which more correct statistics could be gathered, and at the same time, protect the ore producer against unfair assays upon his ores; therefore, be it

Resolved, That the Legislative Committee of the American Mining Congress be instructed to formulate a bill providing for the erection and maintenance of such Government Sampling Works as may be necessary to accomplish the purpose herein outlined, such Sampling Works to be under the management and control of the National Bureau of Mines.

Resolution No. 21, Introduced by J. M. Malang, Missouri.

Whereas, The lead and zinc mining industries of the United States constitute a great productive industry, employing many thousands of men, and this development in turn has created many other industrial enterprises of vast importance to the country at large; and

Whereas, The existing tariff duties on lead and zinc ores have been demonstrated to be less than the actual difference between the cost of production here and in competing countries; and

Whereas, Any reduction of the present rates of duty would result in the closing down of many mines that are now being profitably operated, thereby depressing industry, destroying values, and throwing labor out of employment, and would also discourage prospecting and retard the development of the mineral resources of the country; and

Whereas, The duties now levied upon the imported lead and zinc ores are fully justified as revenue producing measures; and

Whereas, The lead ores in the smelting of refractory gold ores in the gold producing states is an absolute essential, and any burden placed upon the lead industry will increase the cost of gold production; and

Whereas, The prevailing high level of production costs, including wages, mining machinery and mining supplies, is gradually increasing, while the value of the gold remains stationary, and in consequence of which the production of gold from low grade refractory ores is being greatly hampered; and

Whereas, Neighboring countries, where the cost of labor, machinery and supplies is very much less than in the United States, are able to produce lead ores at so much less cost as to enable them to displace the use of domestic lead ores in the markets of the United States, and thereby make impossible the production of those lead ores essential to the smelting of gold ore, which, in turn, will have the necessary effect of greatly restricting the production of gold in the United States; now, therefore, be it

Resolved, That the American Mining Congress believes that the best interests of the nation demand that the tariff on lead be not reduced, because any such reduction would diminish the production of gold which is the basis money of this country,

That the American Mining Congress reaffirms its prior declarations favoring the retention of the present tariff duties on lead and zinc ores, and pledges its efforts to prevent any reduction thereof

THE PRESIDENT: In connection with the discussion of Alaska and its needs, the next paper will be by Mr. George E. Baldwin of Valdez, Alaska.

Mr. Baldwin's paper will be found at page — of this report.

THE PRESIDENT: The next paper on the subject is one by Mr. Maurice D. Leehey.

Mr. Leehey's paper will be found at page — of this report.

THE PRESIDENT: The Secretary has an announcement to make.

THE SECRETARY: I would like to suggest to the Convention that it is easily possible to get through with the rest of our program tomorrow and adjourn if the Convention would like to do so. There is enough work to be done but if the Convention desires it, by reading some of the papers by title we can get through tomorrow.

COLONEL W. T. PERKINS: I move that when we adjourn at the close of tomorrow's session we adjourn sine die.

Motion seconded and carried.

THE PRESIDENT: We have two more papers on this subject tonight. The next one is by Mr. T. P. McDonald of Seattle.

MR. T. P. McDONALD: Mr. President and gentlemen: Owing to a most unfortunate occurrence I will be unable to deliver that address. I prepared it and brought it over but one of the boys stole it from my room and it has already been delivered.

THE PRESIDENT: I suggest that he return it to the record and have it filed. The next one is by Mr. William Griffith, of Scranton, Pa., but he is not here.

THE SECRETARY: I have Mr. Griffith's paper and I suggest that it be read by title and printed in the proceedings.

THE PRESIDENT: With no objection that will be done.

Mr. Griffith's paper will be found at page — of the report.

THE PRESIDENT: There is another, and I think that will finish the business, Mr. Henry R. Harriman, of Seattle.

MR. HENRY R. HARRIMAN: Mr. President, ladies and gentlemen: I never rise before this Congress that I don't feel like moving an amendment to the constitution or by-laws of this Congress whereby when we rise to address the Mining Congress, we shall say, "Mr. President, Mr. Secretary, Ladies and Gentlemen." I have had the pleasure of working with Mr. Callbreath and of being with him in Washington during the three years that I have been on various committees of the Congress. Some day I want to take about a year off to write what I think about the Secretary of this Mining Congress and I don't think it should appear in the record.

We have heard a great deal today, and we have had the lecture last night, and the pictures, and on three different occasions I have had the honor of addressing the American Mining Congress on the question of Alaska. A year ago at this time I presented a paper in which I endeavored to bring public opinion to the support of a new policy for Alaska, and I think we are getting that enlightenment today. One of the best things about this Congress is the large number of Eastern people that have come here. We have had the pleasure of entertaining a number of Congressmen who will go back to Congress and tell what they saw. We have here a number of men whom I think we would like to hear. When you get the published proceedings of the American Mining Congress you will doubtless read a very clever paper about Alaska by your humble servant. I would like to give my time to some other men in the Convention. I think also it would be wise if we were to resolve ourselves into a Committee of Ways and Means. We have one man here, though, whom I would like to call upon if he has not already gone. I would like to ask him to suggest how we are going to get at this thing and get these things before the American people so as to proceed in the right way. May we hear from Mr. Ross?

THE PRESIDENT: Mr. Ross just left a little while ago. I don't think he came back. I don't see him in the audience.

MR. HARRIMAN: Then I would like to yield this time that remains to such remarks and suggestions as may be made by the members present.

THE PRESIDENT: We will now hear any remarks that any person might wish to make on this subject. Be as prompt as possible. It is growing late and we would like to finish up this session.

THE SECRETARY: Mr. President: A gentleman has just suggested to me that the great entertainment, the Diggin's, which has been prepared by the people of Spokane at very great expense, the special entertainment was provided for Friday night. An adjournment tomorrow night would hardly be fair to those who have prepared that entertainment. I think that is a matter worthy of consideration at this time.

COL. W. T. PERKINS: Mr. President, can we reconsider our motion to adjourn?

THE CHAIRMAN: Yes, sir.

COLONEL W. T. PERKINS: I move that the motion to adjourn be reconsidered and that we proceed with our regular order of business. Motion seconded and carried.

THE CHAIRMAN: We now stand adjourned until three o'clock tomorrow afternoon.

THURSDAY, NOVEMBER 28, 1912.

Afternoon Session.

President Taylor called the meeting to order at 3:30 p. m.

THE PRESIDENT: The first thing in order is the presentation of resolutions. Are there any resolutions?

THE SECRETARY: May I make a statement? The program as we had it originally outlined, provided for a discussion of the question of workmen's compensation today. Mr. Wallace, who is one of the members of the Washington Industrial Commission, was to have been here today to discuss that question and also Mr. J. W. Wardrop of Pittsburgh, Pa., who had charge of the rescue work and the care of the unfortunates at the terrible Marietta disaster in Pennsylvania three years ago. I have had no word from Mr. Wardrop, but I still hope that he may be here. It has been suggested that we put the whole discussion of this subject over for tomorrow's programme. It is a very interesting subject, a subject that is of great interest to both employers and employees. The subject will be discussed by Mr. David Ross, of Illinois, State Labor Commissioner, by Mr. John H. Wallace of the Washington Industrial Commission and others, and a paper by Mr. E. T. Bent of Chicago, together with the extempore remarks which I think the experience of the week justifies us in saying will equal the best prepared papers. That will be the principal subject for discussion tomorrow, which, in addition to the final report of the Resolutions Committee, will constitute the day's work.

THE PRESIDENT: The next is the report of the Resolutions Committee.

MR. C. S. JOHNSON, (Ohio): We are very busy and we would like to ask the Secretary to read these reports for us.

THE SECRETARY: Mr. Ross has a resolution which he would like to have introduced. I think it would be proper to install him as Secretary while he is reading it, as it is in his handwriting.

THE PRESIDENT: Mr. Ross will read a resolution which he desires to present, before we have this Committee report.

MR. DAVID ROSS: Gentlemen, as announced by Secretary Callbreath, this question will be discussed tomorrow. We will hear from one of the members of the Washington commission charged under the law of this state with the administration of the act relating to injuries of workingmen and the benefits of compensation provided for all classes of injuries. We shall have an opportunity I presume sometime during the day to discuss some of the important phases of this question.

Now, I was in hopes that Brother Callbreath would have prepared a suitable resolution for action by the Committee, but he is busy; in fact, he is working all the time. Now, I have hurriedly scratched a few words on this subject, not that I intended it to be the sense of the Congress but that the Committee on Resolutions may change it in such a manner as it may desire. I have outlined here what I think in a general way ought to be the attitude of this Congress upon this important question.

Resolution No. 22, Introduced by David Ross, Illinois.

Whereas, Two years ago the interests represented by this Congress declared in favor of the enactment of laws providing adequate compensation for all injuries, fatal or otherwise, occurring to those employed in dangerous occupations; and

Whereas, Several States of this Union have since passed laws recognizing the principle endorsed by this Congress, that the financial expense incident to an equitable compensation plan is a legitimate charge against all forms of productive industry; therefore, be it

Resolved, That we renew, and emphasize, our former declarations of faith in the just demands of the wage workers in this important matter, and pledge our co-operation to the end that in both State and Nation comprehensive compulsory laws, broad enough in their provisions to cover every case of industrial accident, shall be enacted, and that all legislation of this character shall be so framed as to provide, and absolutely insure, the payment of adequate benefits to all injured, and the families of those killed, while in the line of their respective employment.

THE PRESIDENT: The Secretary will read the report of the Resolutions Committee.

THE SECRETARY: Resolution No. 7 introduced by the Butte section of the American Mining Congress, recommended by the committee for adoption, amended as follows:

Resolution No. 7.

Whereas, A great injustice has frequently been worked upon the legitimate prospector and mine owner by fakirs and wild-catters, and

Whereas, A number of states are now considering the advisability of placing upon their statutes a law governing and controlling the sale of stocks and bonds within said states, and

Whereas, If a just, equitable and comprehensive law can be adopted in the various states, especially the mining states, that will safeguard the interests of the legitimate promoter, mine owner and investor, we feel that it would tend to place the exploitation of the legitimate mining enterprises upon a more substantial basis and higher plane. Thousands of prospects can be developed into profitable mining enterprises if sufficient capital can be secured. The necessary capital can be secured as soon as the investor can be assured that the enterprise is legitimate and worthy; therefore, be it

Resolved, That a committee be appointed whose duty it shall be to gather information upon the subject, ascertain the laws now upon the statute books in the various states of the Union, submit all data to the next session of the American Mining Congress, or the Board of Directors for appropriate action, and furnish such information to the various legislative assemblies and work in conjunction with the Secretary of the American Mining Congress, and aid him in furthering interests of Mining Industry along legislative lines.

THE CHAIRMAN: You have heard the resolution; what is your wish?

On motion duly made and seconded the resolution was adopted.

THE SECRETARY Resolution No. 10, introduced by Mr. F. H. Stanard. The Committee reports that the resolution should pass as amended.

Resolution No. 10.

Whereas, The Mt. Olympus National Monument, a reserve of over 600,000 acres entirely within the Olympic National Forest in the State of Washington, does not in our opinion serve any useful purpose, as of itself it affords no protection to the elk which are now protected by state law, while prospecting and mining are absolutely prohibited within its borders, and the region is believed to possess mineral wealth worthy of exploration; therefore it is

Resolved, That the American Mining Congress favors the suggestion that the said Mt. Olympus National Monument be abolished and the area restored to the Olympic National Forest which will amply protect the scenic value of the region without prohibiting prospecting and mining.

THE PRESIDENT: You have heard the reading of the resolution, what is your desire?

On motion duly made and seconded, the resolution was adopted.

MR. F. H. STANARD: Mr. President, the resolution that has just passed is of considerable interest to Western Washington, and as it will come up in Congress and is now a measure in Congress, I have prepared a paper that gives the facts concerning this creation and what it is and what it is not and I would like for the sake of the information that it will give to the mining men of the United States to have this paper read by title and printed with the proceedings as a matter of information.

MR. ROBERT NEILL: I would like to know what goes in this record, Mr. President, and I would like to have it read as a whole if it is going into the record. May we have it all? Now, this may go into the record and it may not, with the endorsement of the members of the American Mining Congress. Let us have it all. Then we will know whether it should be printed with it or not.

THE PRESIDENT: I wish to state that any paper which is presented goes into the record, but it doesn't necessarily follow that the American Mining Congress gives its sanction to all that is in the paper.

MR. ROBERT NEILL: We might expunge it, Mr. President, if it is not right. We would like to have it read.

MR. F. H. STANARD: It is very short. It is only about three pages.

THE PRESIDENT: We will hear it, then.

MR. STANARD: Setting aside the Mt. Olympus Nat'l Monument in the Olympic Nat'l Forest on the Olympic Peninsula in the northwestern part of the state of Washington as a hermetically closed reserve, was an illegal attempt to make final political disposition of a practically unknown region.

This reserve inside of a reserve as it stands today is a monument to ignorance and was created for the sole purpose of gratifying the vanity of a "Self Admiration Society" that call themselves "The Mountaineer Club of Seattle" and Congressman Wm. E. Humphrey. Immediately preceding the creation of the monument they tried to make a national game reserve of this 608,640 acres and on account of the fact that this bill excluded mining it was billed in Congress. In their frantic effort to get something created to their honor and glory and to show their contempt for Congress, they were not particular as to whether their acts were legal or illegal.

They used the act for the preservation of American Antiquities and compounded a felony when they made a herd of elk answer for archeological sights, objects of antiquity, pre-historic ruins and objects of unusual scientific interest.

It is evident that they were aware that they could not get a game reserve established by proclamation, but they figured on the limited number of people who know that the game of the state belongs to the state and is subject to the regulations of Congress and the Legislature only.

Fearful of having to immediately face the consequences of their crooked work they had the first press dispatches from Washington say that the Monument did not interfere with prospecting and mining. This is a matter of record on the files of the daily papers at Seattle.

Congressman Wm. E. Humphrey has admitted that with the help of Gifford Pinchot he was able to stop the exploration and development of the economic resources of a thousand square miles in the Olympics in hope of being able to make a National Park of it at some future time.

This they started to do in the special session of Congress in 1911. They were going to open up the country to mining just as it was in other National Parks and at the same time tried to get their fingers on another 150,000 acres of land.

At the Bremerton meeting of the Olympic peninsula commercial organizations they asked for the abolishment of the monument and went on record against the proposed national park. Mr. Wm. E. Humphrey was there and assured the convention that he could quickly relieve the situation and open the country to development through his National Park Bill, the convention voted to give his bill a chance and it might have ended here but for a special committee consisting of Asohel Curtis of Seattle's New Chamber of Commerce, C. J. Kelly of the Seattle Commercial Club, and the author, who visited Mr. Humphrey and insisted that the upper Quinrault river settlement, which is now isolated inside of the present Monument with no hope for the future under present conditions but to live in a wilderness, be eliminated from the proposed park and that the billions of feet of timber in the south

and west side should be eliminated. At this conference, Mr. Humphrey asked this committee to draft a boundary for the proposed national park and give the reasons for placing the boundary where we did.

Instead of taking arbitrary action and depending on our own knowledge, the whole matter and months were spent by not only our committee, but others, and many individuals in an exhaustive campaign of inquiry giving special attention to the number, distribution, and feeding grounds of the elk. We obtained much valuable information among which we found that to protect the elk by reservation meant the protection of their winter feeding grounds, which coincides with the heaviest and most valuable stands of timber on the peninsula. We eliminated the land suitable for agriculture, the Quinault river settlement and at least six billion B. M. feet of merchantable timber included in the present monument, and at that, submitted an area of 334,080 acres. Our report was rigidly inspected and our committee questioned by special committees and at last reluctantly indorsed by the commercial organizations of western Washington with the distinct and expressed understanding that the bill for the creation of any national park in that region must conform in detail to the report submitted.

This report was submitted to the Mountaineers' Club and at the last minute and by special request we received a carbon copy of some special committee on the subject, that had neither heading nor signatures. An anonymous communication that shows a rank ignorance of anything pertaining to mountain affairs.

This they followed by a second unanimous communication to their members asking them to put all the support possible behind the pernicious measure that would isolate a settlement, lose to the countries on the peninsula any chance of realizing on billions of feet of timber and putting the mining industry at the mercy of some department clerk at Washington.

With thousands of miles of mountain scenery in three directions there is no call for a second national park in western Washington and as for improvement, mining will build more roads and trails into that range in ten years, than could be expected from Congress for scenic purposes between now and the last day.

After six seasons of continuous exploration I have seen a little of that range, a little of the great Manganese-Copper belt that is at least 15 miles wide by 35 miles long. More manganese than I can find any record of in the rest of the known world, with many of these veins carrying copper in commercial quantity.

Contact fissures between the igneous and sedimentaries with a part of the iron replaced by manganese in the basalts of the Olympic formation.

It is the last west and the richest spot on the frontier, an unexplored, unprospected area 40 miles wide by 60 miles long and in sight of a half million people.

MR. ROBERT NEILL: Now, Mr. President, I want to move the adoption of this and that it be printed.

THE PRESIDENT: Is that motion seconded? The motion is not seconded.

MR. BARTLETT: I second the motion.

THE CHAIRMAN: It has been regularly moved and seconded that this become part of the record and have the endorsement of the Congress. That is in substance the motion.

COL. W. T. PERKINS: I was going to say just a word, Mr. President, but I presume inasmuch as this motion has been made and seconded, I will speak upon that question.

I was somewhat surprised at the reading of this paper in view of the fact that a resolution had already been passed by this Congress asking for the changing of the boundaries of what is known as the Olympic Reserve, and I supposed that the gentleman who was responsible for the introduction of the resolution was satisfied with the action of the Congress in supporting what he desired. I did not object

to it before the Resolutions Committee, and I presume they gave the matter the serious attention which it deserves. I did not speak against it because as I said in the early stages of this convention to the gentleman who was the author of the resolution, that personally I was not acquainted with the facts in connection with the setting aside of that national reserve, and therefore if it was simply the matter of the introduction of a resolution and the passage of the same I would not object, and even now if the gentlemen wishes the article he has just read to be introduced and placed in the records, with his name attached to it as his monument, I have no objection, but I should feel I was derelict in my duty if I did not say a word in defense of the organization he attempts to attack.

The Hon. William E. Humphrey's connection with the matter needs no explanation or apologies from me because he has just been re-elected to Congress after a most bitter campaign from the western part of this state; the people have expressed their confidence; but as a member of the organization known as the Mountaineers—and it has been severely criticised in this article—at the head of which stands the esteemed Professor Edmond S. Meany of the University of Washington as its President, including in its organization many other prominent men in the western part of this state and allied with other great mountaineer organizations of the country whose interests are for the country's welfare, I should, as I say, be lax in my duty if I did not just rise to say a word in defense of that organization. The gentleman may think all he has stated is true. I will not say it is not true because I know nothing of the facts, but I do say that I believe the Mountaineers never did anything in connection with this question for which they should be ashamed. I know, too, many of the prominent men who are members of that organization and who are disinterested in such matters except for the general welfare of the State of Washington which they have dear to their hearts. When I arose to speak I was intending to ask permission that some member of the Moutaineers, its President or Secretary, be allowed to reply to this attack, and print the same with proceedings of this organization, but on further reflection I do not think I shall make that request, but close with this simple statement in defense of the organization and let the matter rest.

THE PRESIDENT: I wish to state that this motion is transgressing the usual order. The Mining Congress has not heretofore sanctioned any motion without having it go to some Committee. It is all right to receive this and make it a part of the record, without giving the sanction of the Congress to it, but when a motion is made embodying the endorsement of the Congress, the usual procedure is to refer it to the Resolutions Committee. I simply want to make that statement because I think that this motion as made probably would not be in accordance with the usual custom of the organization.

DR. JOSEPH S. MERRILL: Do I understand the Chair rules the motion out of order?

THE PRESIDENT: I prefer not to take as strong a stand as that, but I do not think this motion is necessary, for the reason that a paper can be read and become a part of the record without receiving the sanction of the Congress.

DR. MERRILL: I want to say, Mr. Chairman, that I am opposed to the motion to put the endorsement of this Congress on this paper. The statements made in the paper may be all right. We don't know that they are all right. Ninety per cent of the delegates of this Congress don't know that they are all right, and it would be entirely unusual and unsafe to endorse any paper of that character. Unless the maker of the motion wants to withdraw, I want to make another motion to lay it on the table.

MR. ROBERT NEILL: I told you what I think. I am willing to substitute that motion and let it be referred to the Resolutions Committee.

MR. BARTLETT: Before that paper was read I understood that it could only become a part of the record and that is the way I intended the motion.

THE PRESIDENT: The paper as it is read without any motion becomes a part of the record, but it does not carry with it any sanction of the Congress.

MR. BARTLETT: That is the way I understood it.

THE PRESIDENT: That is what I wish to make clear, and it seems to me that the wise thing to do is to withdraw that motion entirely. It will become a part of the record and then you will have no further trouble about it.

MR. BARTLETT: With the consent of my second I will withdraw the motion.

THE PRESIDENT: The motion is withdrawn.

THE SECRETARY: Resolution No. 15, introduced by H. N. Lawrie. Recommended by the Committee for adoption as amended.

Resolution No. 15.

Whereas, The United States Bureau of Mines under the able direction of its chief, Dr. J. A. Holmes, has acquitted itself well in the work so far committed to it, and

Whereas, The studies of mine accidents and mine waste in the coal mines have proved of greatest value to the mining industry, and

Whereas, The problems of the metal mines such as especially characterize the western states are of equal importance, and in particular, mine accidents in them have been but little studied, and lives are being annually sacrificed for lack of knowledge of methods of prevention,

Whereas, There exists through the West large bodies of low grade ores, and of tailings, that are not commercially valuable because of the present lack of suitable methods of treatment; now, therefore, be it

Resolved, By the American Mining Congress, in Convention assembled, that the Congress of the United States be commended for authorizing the beginning of studies along these lines, and be urged to increase largely and promptly the present inadequate appropriation for this work.

On motion duly made and seconded the resolution was adopted.

MR. CHARLES S. JOHNSON: Resolution No. 17, introduced by H. M. Parks and Francis A. Thompson. Recommended by the Committee for adoption.

Resolution No. 17.

Whereas, This Congress has previously endorsed the principle of Federal Aid to State Mining Schools,

Therefore Be It Resolved, That the American Mining Congress again urges immediate passage by Congress of the Legislature now pending and providing for Federal assistance to the various State Mining Schools.

THE CHAIRMAN: You have heard the resolution; what is your wish?

MR. ROBERT NEILL: I move its adoption.

Motion seconded and carried.

THE SECRETARY: Resolution No. 18, introduced by Mr. T. P. McDonald. Adoption recommended by the Committee.

Resolution No. 18.

Resolved, That the President be authorized to appoint a committee on Alaskan affairs who shall be subject to the direction of the Executive Committee and who shall be especially instructed as follows:

First: To give the widest publicity to the deliberations of the American Mining Congress on Alaskan questions, and to the deplorable condition prevailing in Alaska by reason of the lack of ability to develop Alaska's varied resources, by reason of the lack of transportation facilities and the tying up of Alaskan fuel resources.

Second: To urge upon the Administration and Congress prompt measures of relief in conformity with the views of the American Mining Congress; and to work for the immediate passage of the best possible law that can be secured in the interests of the United States and of Alaska, that will permit the immediate development of its varied resources and to secure the aid of and co-operate with any other individual bodies or associations found honestly striving to the same proper end.

Third: That any law so passed shall recognize the rights of existing claimants by providing for the immediate adjudication of their rights in the District Courts, and be it further

Resolved, That this committee is authorized and directed to work to obtain the construction of railways for the development of Alaska without further delay. That they shall work,

First, To secure the removal of existing obstacles and restrictions to the construction of railways in Alaska, and

Second, Work to procure the aid and co-operation of the Government for the construction of at least two trunk lines of railroad to connect with the seaboard the two great river systems of Alaska, with this emphatic proviso, that if the Government will not aid and assist such construction that the Committee shall urge the passage of such measures as will bring about such construction by the Government itself.

THE CHAIRMAN: You have heard the resolution; what is your wish?

MR. C. B. CLARK, Billings, Mont: I move its adoption.
Motion seconded and carried.

THE SECRETARY: Resolution No. 19, introduced by Mr. Clarence Rae, recommended for passage by the Committee as amended.

Resolution No. 19.

Whereas, Complaint is made by producers of ore sold to the smelters that the assay value of such ores made by the smelting companies does not accord with the full value of such ores to the producers,

Be It Resolved, That the American Mining Congress in Convention assembled urges that laws be enacted by the various States making it a misdemeanor for any mill, smelter, sampler, or ore buyer, to mix, discolor, or in any way disguise or destroy the identity of a lot of ore before its value has been definitely agreed upon between buyer and seller.

THE CHAIRMAN: You have heard the resolution; what is your wish? Is there a motion for its adoption?

GOVERNOR W. R. ALLEN: I move its adoption.
Motion seconded and carried.

THE SECRETARY: Resolution No. 11, introduced by Col. W. T. Perkins. Recommended by the Committee for adoption.

Resolution No. 11.

Resolved, That we recommend to the Congress of the United States the passage of the necessary legislation to secure the same charges for the assaying of gold in the United States Assay Office of the West and on the Pacific Coast as now prevail at the United States Assay Office in New York, thus placing both the East and West on the same basis.

THE PRESIDENT: You have heard this resolution; what is your wish?

MR. ROBERT NEILL: I move its adoption.

Motion was seconded and carried.

THE SECRETARY: Resolution No. 12, introduced by C. A. Stewart, of Idaho. The Committee recommends that the resolution does not pass. Shall I read the resolution?

THE PRESIDENT: Yes, read it.

Resolution read by the Secretary.

THE PRESIDENT: What is your wish with the report of the Committee?

MR. GEORGE MURPHY: I move its adoption.

GOVERNOR W. R. ALLEN: As a member of the Resolutions Committee, not hearing anyone else say anything in defense or against it—

THE PRESIDENT: Just one moment, please, Governor. There was a motion that the Committee's report be adopted.

Motion seconded.

GOVERNOR ALLEN: I will state the reason here why they didn't take action on this. It was because it was interfering or reaching over into the local affairs, and this American Mining Congress didn't care to do that. That was the reason that no action was taken, and I will state there was a mistake made as to its appearing here; and as a substitute motion I move that the resolution do not pass.

Motion seconded.

THE PRESIDENT: Well, the first motion was to that effect, that the Committee's report be sustained.

GOVERNOR ALLEN: Oh, all right.

Motion put and carried.

THE PRESIDENT: I am going to ask the Secretary to make a statement of the position of the American Mining Congress in this regard, the position it has held regarding local matters.

THE SECRETARY: It has always been the position of the American Mining Congress, that as a national body, it should not meddle in affairs which are purely the concern of any particular State. This resolution which has just been considered refers only to the establishment of a Geological Survey in the State of Idaho. That seems to be a matter for the mining men of Idaho themselves to pass upon and not for the national body. Probably if this resolution had recommended the creation and support of Geological Surveys in each of the States, it would have met the approval of the Committee.

Resolution No. 14, introduced by Mr. C. W. Goodale, recommended for adoption by the Committee.

Resolution No. 14.

Whereas, Electric power, aerial tramways and pipe lines are coming to be of the utmost importance in the development of mining, and

Whereas, There exists now no adequate provision for right of way for such lines, across the public domain or private lands, and

Whereas, This condition is retarding the development of hydro-electric power and its transmission, and the growth of the mining industry,

Therefore, Be It Resolved, That it is the sense of the American Mining Congress that laws should be enacted extending the principle of eminent domain to aerial trams, electric lines and to pipe lines.

THE CHAIRMAN: You have heard this resolution; what is your wish?

MR. BARTLETT: I move its adoption.

Motion seconded.

THE PRESIDENT: It has been regularly moved and seconded that the resolution be adopted.

THE SECRETARY: Mr. President, will you permit me to add a few words to the brief statement made yesterday afternoon upon this general subject?

The original law providing for rights of way, which the law says "are hereby granted," applied first to irrigation ditches. Later on a law was adopted extending that to other public utilities, referring particularly to pipe lines; but some ingenious gentleman interpolated the words "subsidiary to the purposes of the original act;" in other words, unless a right of way is asked for for some purpose which helps to serve the purpose of irrigation, the right of way is not to be granted. The meaning is not entirely plain, but the departments have seen fit to adopt that construction which brings with it the greatest amount of restriction. This resolution I believe should be adopted, but I doubt whether it is as comprehensive as it ought to be to cover the situation. We ought to provide that Government land is no more sacred than privately owned land. If I may condemn a right of way across your garden for the building of a railroad or any other public utility, I certainly ought to be permitted to gain by some process a right of way across the public domain, and I think this resolution ought to be more comprehensive.

THE PRESIDENT: Would it not be well, may I ask the Committee, to have added the words, "and other public utilities?" It seems to me that we ought to make the resolution a little more broad, because it doesn't quite cover the ground.

Motion seconded and carried.

MR. C. S. JOHNSON: I now move that the resolution be referred back to the Resolutions Committee to make the amendments to the resolution.

MR. HENRY S. VOLKMAR: Why not just let the Secretary make that substitution and save time?

MR. JOHNSON: If that will do all right.

THE SECRETARY: Amended by the simple addition of the words "and other public utilities."

MR. HENRY S. VOLKMAR: Now I move the adoption of the resolution as amended.

MR. JOHNSON: I second it.

Motion carried.

THE PRESIDENT: I think this would be a very good place to have a discussion on Ways and Means. It might be well to have the ideas of the Congress if there are any here who have any special things that they want to bring before the Congress.

THE SECRETARY: Here is a resolution, Mr. President, that has been presented and must of necessity be referred to the Committee, although it has been covered by another resolution. Resolution No. 23 introduced by Mr. H. R. Harriman.

Resolution No. 23, Introduced by H. R. Harriman.

Whereas, Better transportation facilities are absolutely required for the development of Alaska, and especially to render available the great mineral wealth of that rich territory;

Therefore, Be It Resolved, That the American Mining Congress favors the immediate construction of two trunk lines of railway from the Pacific Coast of Alaska to the great navigable water system of the interior, and that the Federal Congress should, by appropriate legislation, encourage, or provide, for such construction, either by Government aid, or by the Government itself, and that the present onerous burdens and penalties, including the annual license tax of \$100 per mile, and the warehouse tax in Alaska, be repealed, and that legislation be passed favoring and encouraging further railway construction in Alaska by private capital.

THE CHAIRMAN: That will be referred to the Committee for attention.

THE SECRETARY: I have a number of telegrams, the first from Mr. John H. Wallace, who states that he will arrive Friday on the Northern Limited. He is expected to speak tomorrow.

The Secretary read telegram as follows:

St. Louis, Mo., Nov. 28, 1912.

James F. Callbreath, Jr., Secretary American Mining Congress,
Spokane, Washington.

I believe the time has come when our association in order to efficiently and effectively carry on its work, should be placed upon a solid financial condition, and for that purpose make the following suggestion: I will be one of one hundred to subscribe and give to the association one thousand dollars each to be paid during nineteen hundred and thirteen, contingent upon the whole one hundred being secured, or I suggest that the life membership be raised to one thousand dollars each, and at that price I will apply for the first life membership at an additional payment of nine hundred dollars, payable during nineteen hundred and thirteen, the entire one hundred thousand dollars to be invested in safe, high-grade bonds netting about five per cent, the income to go to the general fund of the Congress.

[Signed]

F. WALLACE WHITE.

THE PRESIDENT: We will refer this to the Committee on Scope and Finance. I understand that they will have a meeting this evening and probably bring in a report tomorrow.

Mr. Davies, of Kentucky, has a paper that was to have come in this afternoon's proceedings, and Mr. Davies is going away. He asked to be relieved of reading this paper, and yet it might be of interest to the Congress to have it read. It is largely statistical, but it is on a very interesting subject, "The Hazards of All Vocations to That of the Mining Industry." What is your wish? It is early yet.

MR. BARTLETT: Let it be read.

THE PRESIDENT: Is Mr. Davies in the audience? (Mr. Davies did not respond.)

THE SECRETARY: May I suggest, Mr. President, that we want the members of this Congress and the people who are interested in mining and its development to come into the ranks and tell us just what to do. It is not safe for the Secretary to assume that he knows what you want. He makes the very best guess that he can in the absence of instructions. Usually we have some instructions, but we are always glad to know from the men who are on the ground just exactly what they want done. As your servant it is my duty to do the things that you want done. I think the very few minutes we have can be profitably spent in hearing the suggestions of members about what should be done.

MR. CUNNINGHAM: I suggest that the President give the Convention his views on the question.

THE PRESIDENT: You mean on the question of Ways and Means?

MR. CUNNINGHAM: Yes, sir.

THE PRESIDENT: Well, I have said quite a number of things in connection with this subject and I scarcely know what would be the best plan or what plan would meet with the approval of the majority of the members of the Congress, but there is one thing very pertinent to my mind, and that is that with the work of the Congress as it has been shaping itself in the last few years, it is going to change in scope very materially from what it was at the beginning of its organization. At the beginning of the organization it was hardly known how best to proceed, and so we proceeded through the Secretary, largely through communications and getting in touch with the people in a particular community who might use their influence to accomplish certain things. I think the first thing that really brought concentration of effort all

along the line was the attempt to establish a Mining Bureau, or first, rather, the attempt to secure in the Government organization at Washington a Department of Mining. This Congress tried for some time to have a Department of Mining established in the organization of the Government at Washington, the same as the Department of the Interior. This plan was followed for quite a while, and then it became apparent that this was almost impossible. We found, those of us who attempted to work for that plan, that almost every Congressman and Senator was opposed to the establishing of any more departments or Cabinet positions; not only that, but they were opposed to the establishment of any more Bureaus, and when we came to talk with them about the matter, there were some reasons for it. Their ideas were: That every Bureau was an additional drain upon the finances of the country, requiring in its operation a great deal more money than was at first expected. We soon came to the conclusion that to secure a Department of Mining in Washington similar to that of Agriculture was an impossible feat to accomplish, without leading up to it through some other channel. We found that by a special effort, and the concentration of effort, all along the line, in all branches of mining, we might succeed in getting a Bureau of Mines in the Department of the Interior, and so that was the procedure. Now, that effort demonstrated one thing, that no particular district could by itself accomplish anything along the line of securing National legislation, and the only way to succeed in accomplishing anything in Washington was to bring in all the mining interests into one concentrated effort, and through Mr. Callbreath as the head of the Mining Congress, that effort was concentrated. We succeeded in bringing together down there representatives of the great States of the West in their precious metal mining. We succeeded in bringing into that conference the clay men of Ohio and West Virginia, the ore men of Michigan and Pennsylvania, the coal men of the coal-producing States, each one, not all at one conference, but at different conferences, they came there together and through their united effort the Bureau of Mines was established.

It was demonstrated in this establishment of the Bureau of Mines that if the Mining Industry shall ever come into the position that it should in the National Government it must come in through some such concentrated effort as was put forth in the attempt to have established a Mining Bureau. It demonstrated another fact, that this work costs a great deal of money.

Nearly every organization represented by the different classes of mining put up the money for their own delegates or the delegates themselves bore the expense of going to Washington to make that fight. Our Secretary got some money from probably each man here. He also got some support from outside persons who were willing to subscribe something towards the cost of securing some such Bureau, but our position today has come to this, that the great work of this Congress is not going to be done in conferences such as we have had this week. These conferences are only for the purpose of giving to the Secretary some idea of what the mining industry of this country wants. The work in itself must be done down where you can reach the people who have the authority to grant or establish these needs. True, he will have a great deal of work to do in each State during the time of the meeting of the Legislatures because of bills that will originate in those States requiring that each chapter in the State may need some assistance from the Secretary. That is one part of the work of the Secretary. Again he will be able to give you aid individually, but the great portion of his work is going to be, for some time to come, National legislation. We are not a State institution. We are a National institution. Our organization is National, and consequently the greatest efforts that we have must be put forth along national lines.

That brings us to the point that is now in question, that is, how we can best finance this proposition. The proposition that came in from the gentleman in this message is probably a good one, a very good

one, to have a hundred men subscribe a thousand dollars. That would produce an hundred thousand dollars. That will bring five thousand a year; but five thousand dollars a year is not going to finance this Congress. It has got to be something a great deal larger than that if you are going to carry on this work effectively. When the Secretary was in Washington during the last session of Congress his quarters consisted of two little rooms. If it had not been for the fact that he worked back in Denver, which gave the Congress a larger standing, for if the Congressmen or Senators coming into his quarters at Washington would judge the work of the Mining Congress by the quarters they had at Washington, his work would have been doomed. And consequently, if this Congress is to come into its own it must have larger quarters. It should have at least one extra room in Washington, where the Secretary could bring any delegation that came from any State or any district interested in Mining and let them hold their meetings there. Have it a sort of reception room, so that he might hold the conferences that are necessary there, before going to see the different Congressmen.

There is another matter, and that is, in order that the public be informed, we have to bring to the people, in a clear and concise way all facts pertaining to any question requiring Congressional action. Consequently, we need a Bureau of Publicity in order to get through these proposed laws. It is not probable that all of these things could be consummated at once. I do not believe that we can bring all these things about at once, unless there is some great change in the money situation, but every one of these things are vital, and if we are going to do the great work, which, I believe, this Congress has to do, we must finance it on a broad basis, giving the Secretary a fair compensation, giving him proper assistance, so that his time can be used to the best advantage, not compelling him to do the detail or clerical work, which a cheaper man can do, but permitting him to have his time free to exercise in the way that will do the most good.

There are several ways of doing this. We could increase the dues of the members, but I doubt whether that would very greatly aid the Congress. It might drive from the Congress membership which it otherwise ought to keep, but I do think this, we can help greatly by increasing the membership. I think every member here today, or who has attended this Convention, ought to delegate himself as a committee of one to see that the membership of this Congress is increased. Additional memberships paying their dues promptly would probably bring enough money to carry on this work properly. This, in my judgment, is the best way to carry on the work. We might also be able to get some men who have made a great deal of money in mining to agree to finance the organization; in other words, they might put up the money for financing it, and let the rest of us who are not so fortunate financially do the work. That is another way of doing it; in other words, let them "grub stake" us. I don't know whether that would work. The men who usually put up the money want to have some finger in the pie, and I believe that is right, too. I am not clear on what the Congress will consider as the best method to follow, but I am clear in one thing, and that is this, that we must finance this Congress to a much larger extent than we have in the past if we are going to do the great work needing to be done by it. (Applause.)

THE SECRETARY: Mr. President and Gentlemen: I do not like to take up the time of the Organization, but there is one point just referred to by your President that I would like to speak upon, and that is the method by which this Organization shall be supported.

I have no doubt as to the best method. The best method is to have the support of each individual mining man throughout the whole country, each contributing a small amount, an amount which, in the aggregate, would support the work. I am very much stronger in Washington representing five thousand men who contribute ten dollars a year each than I would be representing ten men who contribute five

thousand dollars a year each. In the first instance, my influence in Washington would be absolutely ruined if it was believed that there was back of me any great financial interest. The moment a suspicion of that kind were cast upon me I would be handicapped to such an extent that my influence in Washington would be at an end. As it is today, I don't know of a Congressman in Washington, either Senator or Representative, who is not willing to meet me and talk with me. These men have no suspicion that I am a lobbyist trying to serve selfish or personal interests. As I go now I am welcome, because it is known that I represent the individuals who are attempting to build up a great industry, and Congressmen are glad to know what it is you want. It is because of this that the work has succeeded as well as it has. Therefore, the proper way to finance this Organization is by a great big membership, each member contributing a small amount, with no man in the Organization having more control over my work than another. Being directed by the resolutions of a large convention, I know what it is that the mining men are asking for. It is by that method alone that I can hope to be influential in Washington.

I have hoped that a resolution would be adopted by Congress requiring every man who appears in Washington to influence legislation to be registered, to show who it is that he represents, and that unless he is registered, it becomes a misdemeanor for him to talk to Congressmen about bills. I think it would be a good thing to require such registration. (Applause.) Then as your representative it would be a matter of pride to report that I represent five thousand mining men of the West, the men who are building up this great industry, and because of that I would have increased influence.

I want you to believe that this is your work, that I am your servant and that whatever the things are that the American Mining Congress wants I am ready to do them; not your individual idea, but your idea as expressed in resolutions passed at the Conventions. I want you to feel that it is your organization, and you ought to resolve yourself into a committee of one to help build up this organization so that it represents all of the mining men of the West. I hope that through your efforts we may enlarge the state organizations as well as the national organization, so that not only the national work shall be looked after but the State work. This is a day when contending forces strive for the best and the strongest force gets the best results. If you are the weaker party in the fight you get less than you are entitled to the same extent that the stronger force gets more than it is entitled to. If you expect the mining industry to receive what it is entitled to, you must organize, you must stand together and you must understand that it is your fight. The Secretary will lead as far as he is able, but you must get in line, you must organize, you must take care of your state chapters and your local sections and see that the mining industry always has an active champion ready to look after its interest. I thank you.

THE PRESIDENT: I just want to state one thing more which the Secretary has not stated. The fact that Congress has come to recognize the work of Secretary Callbreath, representing as he does the American Mining Congress as a National Institution, brings to him a prestige which he has not heretofore had, and there is scarcely any legislation now takes place in Washington relating to mines that Secretary Callbreath has not been consulted about. I just mention this to show you where the Mining Congress has reached and the importance of supporting its work.

MR. GEORGE MURPHY: May I submit a short resolution before the Committee?

THE PRESIDENT: Yes, sir.

Resolution No. 24, Introduced by George Murphy.

Whereas, Sentiment and necessity for the improvement of our public roads is becoming universal throughout the United States; and

Whereas, Such improvements have or can only be made by a tax levied by State or Districts benefited, such tax being secured by bond issues or upon land improvements contiguous to such road;

Now the Federal Government owning and controlling large areas of our public domain, namely, public lands, forest reserves, mineral lands and such lands as the Federal Government withholds from entry, and upon which no taxes can be collected, and in order that connections might be made by a system of good roads, thereby facilitating communication, trade, commerce and tourist travel between many isolated communities;

Therefore, Be It Resolved, By the American Mining Congress, that we recommend to the Legislatures of the various States containing large areas of such Federal Reservations, that their representatives in Congress be instructed to secure appropriations necessary to co-operate with all main and trunk lines, wagon road, contemplated and now being constructed, by said States, districts and counties, and that Congress be requested to take measures to construct roads through Federal reserves, now exempt and not taxable by the States, where such roads are necessary to the development of the country.

MR. G. B. DENNIS: What is the membership now?

THE PRESIDENT: In reply to the inquiry, there are about fourteen hundred members on the list, but a very large majority are in arrears with their dues. As I said—I don't remember at what meeting—the salary of our Secretary is back from 1910.

MR. HENRY S. VOLKMAR: For information of a new person here, what is the order of procedure for becoming a member and what is the membership and annual dues?

THE SECRETARY: The membership fee as provided by the by-laws is fifteen dollars. The annual due is ten dollars. My assistant, Mr. Wolcott, and Mr. Taylor, Mr. H. S. Taylor were to constitute themselves a committee to receive applications. Applications will be received at any time from any man who is interested in the mining business and is willing to contribute to its support.

MR. HENRY S. VOLKMAR: I am a new member here, and I am down here for the first time and I feel that it is worth the money, and I have twenty-five dollars here that can go to help pay the Secretary's salary. I have got it here for him.

CLARENCE CUNNINGHAM: I move that the Secretary accept it. (Laughter.)

MR. G. B. DENNIS: I took very kindly to the proposition that a mining temple be built, and have proposed Spokane as the seat for it. If you were housed in a building or temple of your own, it would aid in bringing to the attention of mining men more forcibly the work of this Congress. That temple at some time and somewhere must be built. In the meantime, it is necessary to support the organization and in such way as to command the respect of its members. It has been suggested that a De Luxe edition in the form of the history of this organization and its members should be published. I do not know what experience you gentlemen have had in publications of this kind, but in Spokane and in this State, it has not been very gratifying. A history, properly compiled and truthful, would be an advantage to the Congress, otherwise better unwritten and unpublished. That is one form of raising money in support of this organization, and probably good, if as stated, properly conducted. Another method is to increase the membership. This is difficult to do if attempted hurriedly. Another method is to establish a fund, the income of which shall support the organization, but \$100,000 is a mere bagatelle; your fund should be at least \$500,000. The Spokane section of the American Mining Congress, of which I am Chairman, provided the financial sinews of war, and made it possible for this convention to be held here, and will further contribute its mite toward sustaining the organizations. Our best mining men are members. That membership could be greatly increased,

and the endeavor will be to do this. I pledge myself to do whatever can be done toward helping out any plan that you may see fit to adopt.

MR. E. D. SPAULDING: Mr. President, is there any permanent committee on finance?

THE SECRETARY: We have had a committee on finance, but it has never accomplished anything. The last year we have no such committee.

MR. BARTLETT: I belong to a company that has just become a member of this Association, and I naturally take some interest in the matter, and I realize how hard it is for the Secretary to sit back in Washington and see no money come in for his salary. It looks to me like the National Mining Congress is in need of an organizing machine, an organizing and dues collecting machine, where men will carry on the organizing work in certain sections and make collections of dues and forward them to headquarters. It is very seldom that a prompt reply comes to a letter or a request of that kind for money, but if an organizer goes after it he gets it. It will come easier than by letter. I just merely make this suggestion.

THE PRESIDENT: I believe we will ask that the rest of this discussion be held over until the morning when the Committee makes its report. And before adjourning I wish to say that the Directors will have a meeting in the morning at 9 o'clock. There are some matters that should come before the Directors.

Adjournment was then taken until Friday morning at 10 o'clock.

FRIDAY MORNING SESSION.

November 29, 1912.

President Taylor called the meeting to order at 11 o'clock.

THE PRESIDENT: The first thing is the report of the Resolutions Committee. Will the Chairman of the Resolutions Committee please report?

THE SECRETARY: I have his report.

THE PRESIDENT: The Secretary has his report.

THE SECRETARY: Resolution No. 20, offered by the Subcommittee as a substitute for Resolutions Nos. 8 and 13:

Resolution No. 20.

Whereas, Many and grave defects have been found to exist in the present Federal Mining Laws, and much hardship results from their literal enforcement under constantly changing interpretations, and

Whereas, Piece-meal revision is unsatisfactory and results in still greater confusion by changing one thing without reference to others; therefore be it

Resolved, That it is the sense of the American Mining Congress that a thorough revision of the Federal Mining Law is of first importance to the mining industry, and that the efforts of the Committee of this Congress on revision of the Mining Law to secure a commission to study and report upon the form of such revision have the hearty endorsement of this Congress.

THE PRESIDENT: You have heard the resolution; what is your wish?

MR. ROBERT NEILL: I move its adoption.

Motion seconded and carried.

THE SECRETARY: Resolution No. 11, introduced by Mr. H. H. Schwartz, approved by the Committee. In reading this resolution I will omit the preamble, which is quite lengthy, reciting different phases or conditions under which this resolution is justified, and unless there is a desire to hear the preamble, I will not read it. It had already been read to the Congress.

(Resolution will be found at page — of this Report.)

THE PRESIDENT: You have heard the resolution; what is your wish?

MR. CHARLES S. JOHNSON: I move its adoption.

THE PRESIDENT: It has been regularly moved and seconded that the resolution as read be adopted.

Motion seconded and carried.

THE SECRETARY: The Committee reports that Resolution No. 16 has been withdrawn by request.

Resolution No. 23, by H. R. Harriman, with favorable recommendation by the Committee.

Resolution No. 23.

Whereas, Better transportation facilities are absolutely required for the development of Alaska, and especially to render available the great mineral wealth of that rich territory, therefore it is

Resolved, That the American Mining Congress favors the immediate construction of two trunk lines of railway from the Pacific Coast of Alaska to the great navigable water system of the interior, and that the Federal Congress should by appropriate legislation encourage or provide for such construction, either by Government aid or by the Government itself, and that the present onerous burdens and penalties including the annual license tax of \$100 per mile and the warehouse tax in Alaska, be repealed and that legislation be passed favoring and encouraging further railway construction in Alaska by private capital.

THE CHAIRMAN: You have heard the reading of the resolution; what is your wish?

MR. HENRY S. VOLKMAR: I move its adoption.

Motion seconded and carried.

THE SECRETARY: Resolution No. 21, introduced by Mr. J. M. Melang, on behalf of the lead and zinc producers. This resolution has been reported favorably by the Committee.

Resolution No. 21.

Whereas, The lead and zinc mining industries of the United States constitute a great productive industry, employing many thousands of men, and this development in turn has created many other industrial enterprises of vast importance to the country at large, and

Whereas, The existing tariff duties on lead and zinc ores have been demonstrated to be less than the actual difference between the cost of production here and in competing countries, and

Whereas, Any reduction of the present rates of duty would result in the closing down of many mines that are now being profitably operated, thereby depressing industry, destroying values and throwing labor out of employment, and would also discourage prospecting and retard the development of the mineral resources of the country, and

Whereas, The duties now levied upon the imported lead and zinc ores are fully justified as revenue producing measures, and

Whereas, The lead ores in the smelting of refractory gold ores in the gold-producing States is an absolute essential, and any burden placed upon the lead industry will increase the cost of gold production, and

Whereas, The prevailing high level of production costs, including wages, mining machinery and mining supplies, is gradually increasing, while the value of the gold remains stationary, and in consequence of which the production of gold from low grade refractory ores is being greatly hampered, and

Whereas, Neighboring countries, where the cost of labor, machinery and supplies is very much less than in the United States are able to produce lead ores at so much less cost as to enable them to displace the use of domestic lead ores in the markets of the United States, thereby making impossible the production of

those lead ores essential to the smelting of gold ore, which in turn will have the necessary effect of greatly restricting the production of gold in the United States. Now, therefore, be it

Resolved, That the American Mining Congress believes that the best interests of the nation demand that the tariff on lead be not reduced, because any such reduction would diminish the production of gold which is the basis money of this country.

Resolved, That the American Mining Congress reaffirm its prior declarations favoring the retention of the present tariff duties on lead and zinc ores, and pledges its efforts to prevent any reduction thereof.

THE PRESIDENT: You have heard the reading of the resolution; what is your wish?

MR. C. S. JOHNSON: I move its adoption.

Motion seconded and carried.

THE SECRETARY: Resolution No. 24, introduced by George Murphy, reported by Committee with favorable recommendation.

Resolution No. 24.

Whereas, Sentiment and necessity for the improvement of our public roads is becoming universal throughout the United States, and

Whereas, Such improvements have or can be only made by a tax levied by State or Districts benefited, such tax being secured by bond issues or upon land and improvements contiguous to such roads.

Now the Federal Government owning and controlling large areas of our public domain, namely public lands, forest reserves, mineral lands and such lands as the Federal Government withholds from entry, and upon which no taxes can be collected, and in order that connections might be made by a system of good roads, thereby facilitating communication, trade, commerce and tourist travel between many isolated communities, be it

Resolved, By the American Mining Congress, that we recommend to the Legislature of the various States containing large areas of such Federal Reservations that their representatives in Congress be instructed to secure appropriations necessary to cooperate with all main and trunk lines, wagon roads contemplated and now being constructed by said districts, States and Counties, and that Congress be requested to take measures to construct roads through Federal reserves, now exempt and not taxable by the States, where such roads are necessary to the development of the country.

THE CHAIRMAN: You have heard the reading of the resolution; what is your wish?

MR. C. S. JOHNSON: I move its adoption.

THE SECRETARY: May its adoption be with the instructions to the Secretary to correct the wording in places where it is needed?

MR. CLARENCE CUNNINGHAM: I don't know whether I am in order or not on this question, but I wonder whether that comes within the province of the American Mining Congress. I would imagine that we ought to confine our resolutions more to the mining industry.

THE PRESIDENT: As I understand this, it is for the purpose of helping along the mining industry.

MR. ROBERT NEILL: That is what I think. It is one of the great helps. It is dealing with the National Government affairs, and that is in direct line with our duties here. Good roads are the best thing we can get for mining. I think this motion is eminently correct.

THE PRESIDENT: Any further remarks?

Motion carried.

THE SECRETARY: Resolution No. 22, introduced by David Ross, of Illinois, with a favorable recommendation by the Committee.

Resolution No. 22.

Whereas, Since this Congress two years ago resolved in favor of laws providing adequate compensation to working men injured in industry, fourteen States have enacted laws based upon this principle, and

Whereas, A committee from this Congress has framed a model law for the working men's compensation for injuries in coal mining, be it

Resolved, That we reaffirm our faith in the justice of the position that each industry should carry its own burdens, resulting from accidents, incident to it, and we urge the passage of laws embodying this principle broad enough to cover every case of industrial accidents, and providing adequately for all killed and injured in the regular line of their duties, and for their dependents.

THE PRESIDENT: You have heard the resolution; what is your wish?

MR. C. S. JOHNSON: I move its adoption.

Motion seconded and carried.

THE SECRETARY: Resolution No. 25. The final resolution of the Resolutions Committee.

Resolution No. 25, Prepared by the Committee on Resolutions.

The Resolutions Committee recommend to the Congress the appointment of a special finance committee of three (3) to secure:

First, Funds for wiping out the debt of the Congress;

Second, For meeting the expenses for the current year upon presentation of a definite budget from the Board of Directors.

THE CHAIRMAN: This is really the report of the Special Committee authorized by the Mining Congress as a committee on ways and means; what is your wish?

MR. ROBERT NEILL: I move its adoption, Mr. President.

Motion seconded.

THE PRESIDENT: It has been regularly moved and seconded that the report of the Committee on Ways and Means be adopted. Any remarks?

COL. B. F. MILLARD, Valdez, Alaska: You must realize, and so must every member of this body, that this Congress must be financed. We can't expect our Secretary to furnish all the money, and we know the work cannot be carried on unless there is money furnished. Now, if that Committee is appointed and undertakes to raise the funds necessary to pay the expenses of this Congress, and its back debts, I personally will guarantee one hundred dollars during the year to that fund and I will undertake to raise five hundred dollars in the village of Valdez, Alaska. (Great applause.)

THE PRESIDENT: That shows the right spirit. Any further remarks?

MR. CLARENCE CUNNINGHAM: Mr. Chairman and Gentlemen: I don't like to be bobbing up so often, but it strikes me that the purpose of raising money is a pretty large affair, and there are a great many people in this State and adjoining States and elsewhere that are interested in mining that do not manifest any great personal interest in the meetings of the organization, all of whom perhaps would, if it were properly brought to their attention, not only subscribe liberally but become live men, and it appears to me that a committee working at long range, perhaps, has not the same advantage in collecting funds or getting that interest manifested that a State Committee could have. It strikes me that each State having mining interests should organize a State Mining Congress with its President and Secretary and arrange meetings and arrange memberships, and they in turn report to the National Secretary, and in turn their dues and fees in that way to a fund that would carry the work on and pay all expenses without this raising of money at long range. Could we not in the State of Wash-

ington, we will say, organize a Mining Bureau or Mining Congress with its president, its secretary and so forth, whose business it will be to bring in membership and create a fund? The same thing elsewhere—the same thing in Oregon and Idaho and all the Western States, particularly all of which are built up practically on mining?

THE PRESIDENT: I might state that in the organization of the Mining Congress there is provided a Vice-President from each State, whose principal duty is just such work as Mr. Cunningham has suggested, so that the organization has already provided for such work as that, and the important thing is to have each State Vice-president interested.

MR. ROBERT NEILL: Now, Mr. President, that is good as far as it goes, but I believe that the authority to do these things ought to be given to the different localities. I think it will aid very materially in raising funds, and increasing the interest in the American Mining Congress. It would increase interest at home and we would feel that we were tied up and connected with the mother institution, and I believe it would have a tendency to inject more life and energy and interest in the American Mining Congress.

MR. A. W. McBRIDE, Spokane: I am a little hoarse, and I cannot say much, but all the talk seems to be that the Committee at headquarters should do everything. Now, there is a scheme that is generally carried out by societies and lodges by which every member is given something to do. Each member is asked during the year or season to get at least one member to join. Now, that is one way that each member can do something, and I think that if each member of this American Mining Congress during the next year would try and get one more member to join, we would double our organization, and also at the headquarters, if they kept getting new men and new fees in all the time, I think they would feel like doing more, too. I think that each one should organize himself as a membership committee of one to get one or more members during the next year, which would be doing wonderful, and he would be doing something as well as having the Committee do something.

MR. I. F. DAVIS, of Idaho: It looks to me that we make up a set of instructions for this Committee. Why not elect this committee and let them act as they see fit and let these gentlemen make those suggestions to the Committee. If we appoint a committee, would you consider it necessary to make any ironbound rule by which they should collect this money?

MR. O'LEARY, of Idaho: I should like to make a short statement in regard to funds. The mining industry has been now, and has been for many years paying thousands upon thousands of dollars for taxation without representation. Therefore, there have been many demands on the State. There is demand now for state geologists, both for agriculture and mining purposes, which is a very laudable thing, something which is required by all the Western States. Now, our Western States have made more progress in business and enterprise in the last twenty years than the Eastern States have in fifty years, due to the energy and amount of money spent in the mining industry. We are paying a huge tax to the States. These States are now asking for state geologists, and all these state geologists will come under State salaries. Therefore, I advise that we elect some member of this Association as the head geologist of each State, drawing a salary from the mining industry, which the mining industry pays, and that he have a representative in Washington in the National Government, and as our Senators will be soon elected by the popular vote of the people, we can reach our Senators and our Representatives and they will support measures for our mining industry. Conservation has come to stay, and conservation must be made to help the mining industry, and that is the only way to get it, through National and State legislation. We are paying taxes enough now.

MR. H. H. SCHWARTZ: I would like to have the motion read again, so that we can all see just exactly what the situation is before us.

THE SECRETARY: The Resolutions Committee report: "We recommend to the Congress the appointment of a special Finance Committee of three to secure, first, funds for wiping out the debt of the Congress; second, for meeting the expenses of the current year upon presentation of a definite budget from the Board of Directors."

THE PRESIDENT: The Committee has spent about two hours in this discussion and most of the suggestions that have been made have been considered by the Committee. The purpose of this Committee as suggested is to do a special work, to stir up the State Vice-presidents and all the interests in connection with the raising of funds and do that which is best for the financial affairs of the Congress.

MR. H. H. SCHWARTZ: It seems to me that the subject is too large to arrive at a complete understanding here this morning, and I think the real thing to do is to adopt the resolution and let the Committee formulate and work out the plans.

THE PRESIDENT: That is the idea. The question before the house is on the adoption of the resolution. Any further remarks?

Motion carried.

THE PRESIDENT: It has been called to the attention of the Chair that there was a motion made yesterday asking that Mr. Silcox be given an opportunity to explain the position of the Forestry Service in view of the charges that were made against it. On account of the recess that was taken the motion was not brought up again, and the desire was expressed by several last night that Mr. Silcox be granted the floor this morning.

MR. ROBERT NEILL: I would like to ask that that motion be renewed and that Mr. Silcox have the privilege of the floor. We would like to hear from him. We might not be interested much, but we would like to know the facts, and we would get them.

Motion carried.

THE CHAIRMAN: Is Mr. Silcox in the room?

(No response.)

THE SECRETARY: I might say that I was with Mr. Silcox just before he left town last night. He gave me no intimation that he felt affronted in any way or that he thought there was any refusal to hear him. I understand that one of the papers—

MR. ROBERT NEILL: Don't criticize the press.

THE SECRETARY: Not at all—made the statement that Mr. Silcox had been refused permission to reply, but I am sure Mr. Silcox did not feel aggrieved in any way.

MR. GEORGE H. DERN: I was in the chair at the time and I think it is up to me to make an explanation of this matter. There was no disposition on the part of the Chair to head off the motion to give Mr. Silcox an opportunity to speak, and I don't think there was any disposition on the part of the gentleman who made the motion calling for a further report from the Resolutions Committee to do anything of that kind. I heard the motion which was made to give Mr. Silcox an opportunity to speak, but the motion was not seconded, and just about the same time a gentleman sitting over there on that side made a motion to receive a further report from the Committee on Resolutions. That motion was seconded and adopted, and immediately after that a recess was taken to permit the delegates to meet the representatives of the railroads in the back part of the room. That took up some time, and when the session was renewed there were very few members left, the discussion was not renewed, and that is the way it happened that there was no special invitation extended to Mr. Silcox.

I had some conversation with Mr. Silcox myself. I suppose, not being a delegate to this Congress, perhaps it was proper to make a motion to give him the opportunity to speak, but I don't think that he had any particular desire to. He said nothing of that kind when I talked to him. In fact, he expressed himself as very much pleased

with the discussion, the criticisms that had been made, and specific instances that had been cited, so that instead of general accusations and blind charges there were specific instances cited which could be investigated, and he also intimated that a good many of these things could have been obviated at the time if the proper parties had been consulted.

THE SECRETARY: Mr. President, may I add one word. Mr. Silcox expressed to me his great desire to be able to get in touch with the mining people in some way, so that these specific complaints could be made so that he could remedy them if it was within his power. He was anxious that we should arrange through our organizations that the complaints could be made specifically through our representatives to him. He expressed anxiety to remedy every complaint that it is possible to remedy.

THE PRESIDENT: I might say that I had a talk personally with Mr. Silcox, and the substance of the remarks of the last two speakers were made by Mr. Silcox to me, and I feel sure that he did not feel any affront at the expressions which were made.

GOVERNOR W. R. ALLEN: I come from the State from which Mr. Silcox hails. I want to say in behalf of Mr. Silcox that conditions in that State have been improved wonderfully since Mr. Silcox became District Forester, and if all the States had such Foresters as Mr. Silcox this great and burning question would probably not be so much discussed here. Conditions have been wonderfully improved. We feel that it is due immediately to Mr. Silcox, and I think that it is due him at this time that I make this statement, he not being here.

THE SECRETARY: Mr. President: The discussion which was scheduled for this morning upon the subject of workman's compensation is so important and it will be discussed in so interesting a manner, that it will be hardly fair for the speakers to begin only a few minutes before 12 to discuss that question. I would suggest that we finish up other matters this morning, and that we devote this afternoon to the discussion of this subject.

THE PRESIDENT: And begin at 1:30, so that those who have to leave the city can make the trains. The Secretary has some communications here from various persons that we ought to hear at this time.

THE SECRETARY: First a supplementary report from the Committee on Standardization of Electrical Equipment in Coal Mines. You will recall that the report of this Committee was adopted by the Congress some years ago. Since then it has been adopted by the Pennsylvania Legislature, and now constitutes the law of that State. It is the purpose of this report to suggest further action along these lines. It is largely technical in its nature. I don't know that it will be of particular interest to you gentlemen for me to read it, but it is not very long.

MR. ROBERT NEILL: Read it.

THE SECRETARY: It is in the form of a communication. It should be incorporated in the way of a report. It is addressed to President Taylor.

Standardization of Electrical Equipment.

Philadelphia, November 25, 1912.

S. A. Taylor, Esq., President, American Mining Congress,
Spokane, Wash.

Dear Sir: I am sorry not to have had an opportunity of talking with you before you went West regarding the work of the above Committee, but since locating in Philadelphia I am very seldom in Pittsburgh. As you know, there has been no meeting of this Committee recently, and the situation has been that we are waiting to see how our recommendations, which were adopted by the State of Pennsylvania in their new mining law, will work out. There are a number of points in the Pennsylvania law which have

aroused considerable objection both from the operators' and inspectors' standpoint. Mr. Roderick, Chief of the Department of Mines, advised me a few days ago that he was about to recommend a Commission to draft a similar code for the anthracite districts. I recommended Mr. Warren of our Committee as Chairman of this new Commission, and think it probable that Mr. Roderick will recommend him to Governor Tener.

There has been considerable progress made in the development of apparatus, such as gasproof switches, motors, etc., required by our recommendations, and a large number of machines and switches of this type have been installed during the past year.

I would suggest as a subject for discussion, if opportunity offers, whether the Congress should go on record as advising against the use of a potential higher than 300 volts for underground mining apparatus, such as locomotives and machines. I know there will be considerable objection to this on the part of many operators, and possibly of some of our Committee, but I think the time is rapidly approaching when high-tension alternating current will be available in almost all of the mining districts, either from plants owned by the companies or from public service companies, and this will make it easily possible to install substations at such locations as will permit the use of 300 volts D. C. without excessive drop in lines.

The company with which I am connected has lately agreed to purchase power for a new development in West Virginia, as we find it will be more economical than generating our own power. The accounting systems at coal mines have heretofore taken very little account of the overhead charges in estimating power costs, but if due allowance is made for interest and depreciation, amounting I think to not less than fifteen per cent on the total investment, it will be found that there are very few plants, except some of the larger central stations, which can deliver power at less than $1\frac{1}{2}$ c per K.W. hour, and a lower rate than this is easily obtainable from almost any power company east of the Mississippi River.

I am sorry not to be able to come to the meeting this year, especially as I was appointed by Governor Tener as a State Delegate, but I was unable to get away.

You may be interested to know that the American Institute of Electrical Engineers is to appoint a Committee on the "Use of Electricity in Mines," and I have been asked by President Mershon to act as Chairman of this Committee. I think it probable that there will also be at least one other member of our Committee in the Congress on this Committee of Electrical Engineers, and we will, of course, endeavor to work in harmony with the American Mining Congress and other State organizations.

With best wishes, I remain,

Yours very truly,

GEO. R. WOOD, Chairman.

THE PRESIDENT: Unless there are some objections, this letter will be changed slightly and made a report of that Committee.

THE SECRETARY: We have now the report of the Committee on Standardization of Electrical Equipment in precious metal mines. It is a technical report. It is one that even though it is read cannot give to the hearer a comprehensive idea of it, and one which, I think, should be carefully considered. I would suggest to the Chair, and to the Convention, that if it meets with approval, it would probably be better to have it published in our Monthly Bulletin with an invitation to our members and others for comments, suggestions and criticisms, and after a full discussion it may be changed, if necessary, to conform to the ideas of the members before it is finally approved by the Congress. This report presents vital questions, affecting safety on the one hand

and increased cost on the other, the two being dove-tailed together. It is a question that requires a great deal of consideration.

MR. H. H. SCHWARTZ: I move that it be received and published in the Mining Congress Bulletin for the consideration of the members so as to secure their suggestions.

Motion seconded and carried.

Report of Committee on Standardization of Electrical Equipment in Metal Mines.

To the American Mining Congress:

Your committee appointed to draft rules governing the installation and operation of electrical equipment in metal mines, respectfully submits their report herewith:

Submitting this it has been the intention of your committee to compile a set of rules which would be sufficiently broad to work no hardships on anybody and to be sufficiently exacting to bring about installations that would not only be safer but more economical and efficient than has been the general practice in metal mines.

In compiling this report your committee is indebted to Dr. Rosea for his valuable work along similar lines.

Your committee also submitted copies of its preliminary rules to the following gentlemen, and received their criticisms in reply: Mr. D. C. Jackling, Mr. W. H. Staver, Mr. W. J. Canada, Mr. P. C. Schools and Mr. G. B. Rosenblatt. For many valuable suggestions, the committee is indebted to these gentlemen.

All of the above is respectfully submitted.

H. S. SANDS,
CHARLES A. CHASE,
FRANK E. SHEPARD,
Committee.

These rules are to govern the installation and operation of all electrical equipment used in metal mines.

DEFINITIONS.

The expression "pressure" means the difference of electrical potential between any two electrical conductors.

Low Pressure.

(a) Where the conditions of the system are such that the pressure between any two conductors, or between any conductor and the earth, at the terminals where the electricity is being used cannot exceed three hundred (300) volts, this shall be deemed a low pressure system.

Medium Pressure.

(b) Where the conditions of the system are such that the pressure between any two conductors, or between any conductor and the earth, at the terminals where the electricity is being used, can exceed three hundred (300) volts, but cannot exceed six hundred (600) volts, this shall be deemed a medium pressure system.

High Pressure.

(c) Where the conditions of the system are such that the pressure between any two conductors, or between any conductor and the earth, at the terminals where the electricity is being used, can exceed six hundred (600) volts, this shall be deemed a high pressure system.

SECTION 1.

Distribution System.

Switching Station.—Rule 1—

Where the generating station or substation is more than 500 feet from the entrance to the tunnel or shaft, a switching station shall be installed at the entrance to the tunnel or shaft for cutting off the power from each circuit.

Hoist.—Rule 2—

The circuit feeding electric hoists used for raising or lowering men shall be separate from all other circuits and shall run from the distribution center, and no other electrical apparatus shall be connected thereto.

Lightning Arresters.—Rule 3—

Where the circuits entering the shaft house or tunnel are from an overhead transmission system each circuit shall be protected by lightning arresters, which shall be grounded to efficient grounds prepared for that purpose.

Grounding.—Rule 4—

All alternating current systems in which the normal working pressure does not exceed the limits of medium pressure, and all three-wire direct current systems shall be grounded. In alternating current power systems where the voltage does not exceed medium pressure and where the sec-

ondaries of the transformers are connected in star, then the neutral or center of the star shall be grounded.

Where the distribution system is delta or open delta, then the central point of one transformer shall be grounded.

Where the distribution is three-wire direct current, then the neutral shall be grounded.

The wiring for signal or telephone circuits shall be located on the opposite side of the manway, shaft, or tunnel, from the power or light wiring.

Underwriters.—Rule 5—

All wiring shall conform to the rules of the National Board of Underwriters.

Shaft Wiring.—Rule 6—

All power wires whose pressure does not exceed medium pressure shall be run where possible in the manway or the compartment of the shaft where hoisting does not occur, and shall be either lead armored cable, or run in water proofed or drained conduit.

If the lead armored cable is used the insulation must be non-hydroscopic and as acid proof as possible. The cable shall be held in place by frequent fastenings spaced according to the weight of the cable so that the cable is firmly and securely held in place and there is no danger of the cable "dragging." The lead covering of the cable must be grounded. If the wires are run in conduit, junction boxes shall be placed at every level, and in no case shall the interval between boxes exceed one hundred and fifty feet. These junction boxes shall be held in place and provision made to hold the weight of the wire in the conduit leading to the junction box below on insulated supports. The iron conduit must be grounded.

Power Wires.—Rule 7—

All power wires whose pressure exceeds that of medium pressure shall be of either lead armored cable or encased in iron or steel conduit or other approved non-hydroscopic conduit; in any case metal covering shall be well grounded with wire at least one-half the size of the largest wire in the cable or conduit.

Joints.—Rule 8—

All joints must be electrically efficient, mechanically strong, and soldered unless approved solderless joints are used. All joints except in trolley wires, should be taped, or otherwise suitably insulated to protect them from corrosion.

Bushings.—Rule 9—

Where unarmored cables or wires pass through metal frames or into boxes or motor casings, the holes shall be substantially bushed with insulating collars.

Sectionalizing.—Rule 10—

Wherever branch electric circuits leave a main or secondary feeder, cut-outs and switches shall be provided for disconnecting the branch line from the supply line, and all main and distributing feeders shall be provided with sectionalizing switches at distances not exceeding one mile. All cut-outs above ground to be in approved metal cabinets and under ground in subway type cabinets.

Switches, Circuit Breakers, Fuses.—Rule 11—

All switches, circuit breakers and fuses must have bases of marble, slate, or porcelain, or other suitable incombustible non-hydroscopic material, free from metallic veins, and shall be placed in as dry a situation as practicable.

Circuit Breakers, Fuses.—Rule 12—

Fuses and automatic circuit breakers should be so constructed or adjusted as to open the circuit when the current through them exceeds not more than 100 per cent the working current in the case of motors, or by not more than 30 per cent the permissible current of the cables which they protect. Fuses shall be stamped or marked, or shall have a label attached indicating the current at which they are intended to fuse. Fuses shall be adjusted or replaced only by a competent person, authorized by the mine superintendent.

Grounds.—Rule 13—

The rails of the haulage system and the air and water pipes shall be connected together wherever practicable so that the efficiency of the "ground" may be bettered, and where the formation is such that good electrical grounds cannot be obtained, then the tracks, and air and water pipes, shall be connected to a good and well prepared ground at the mouth of the tunnel or collar of the shaft as the case may be.

SECTION 2.

Apparatus.

Sizes and Capacity.—Rule 14—

All electrical apparatus shall be sufficient in size and capacity for the work they may be called upon to do, and so installed, operated,

maintained, and safeguarded as to reduce the danger from accidental shock or fire or overheating to the minimum, and shall be of such construction and so operated that the rise in temperature caused by ordinary working will not injure the insulating materials.

Grounding.—Rule 15—

All electrical apparatus, that is, motors, transformers, generators, and their switching devices installed underground, shall have their frames well grounded.

Portable Motors.—Rule 16—

A higher pressure than medium pressure shall not be used for portable motors.

Transformers.—Rule 17—

Where pressure higher than medium pressure is used in connection with transformers installed underground they shall be installed in a dry, well ventilated, fireproof room or compartment or station so arranged that it can be entirely closed with fireproof doors should any accident occur, and the fire arising from the accident be smothered.

High Pressure Motors.—Rule 18—

No motors of less than 15 horsepower shall be used on circuits of higher than medium pressure.

Switches and Fuses.—Rule 19—

All motors, together with their starting resistance or induction starter, as the case may be, shall be protected by fuses and switches, or by automatic circuit breakers, capable of entirely cutting off the current and must be in sight of the motor.

Trailing Cable.—Rule 20—

In the event of the trailing or portable cable in service breaking down or being damaged, or of its inflicting a shock upon any person, it shall at once be put out of service and shall not be used again until it has been repaired and tested by the mine electrician or assistant mine electrician.

SECTION 3.

Employment of Mine Electricians.—Rule 21—

At every mine where electricity is used below ground, a competent mine electrician and, where necessary, an assistant mine electrician, also, shall be employed, subject to the authority of the mine superintendent. The electrician shall have full charge of all electrical apparatus used in connection with the mine.

Every person appointed to operate any electrical apparatus in connection with a mine shall be instructed in his duty by the mine superintendent or electrician before taking charge of the apparatus.

Inspection of Wiring.—Rule 22—

It shall be the duty of the mine electrician to inspect all wiring and apparatus once every ten days, and once each month to make report of such inspections in writing to the superintendent, stating all defects found and how repaired or remedied.

SECTION 4.

Protection.

Fire Buckets.—Rule 23—

Fire buckets filled with clean, dry sand shall be kept where stationary electrical apparatus is located, ready for immediate use, and regularly inspected once every month. The provision of tetra chloride fire extinguishers is recommended.

Resuscitation.—Rule 24—

Instructions shall be placed at the mine entrance, and in every generating, transforming, and motor house, for the resuscitation of persons suffering from electric shock. All employes operating the electrical apparatus shall be required to acquaint themselves with these instructions.

Recording Accidents.—Rule 25—

Every personal accident occurring in connection with the operation of the electrical equipment shall be promptly reported by the person injured, or by some other person on his behalf, to the mine superintendent, and shall be recorded by him at the office of the mine.

Plans.—Rule 26—

A plan on a scale not smaller than 200 feet to the inch shall be kept at the mine, showing the position of all permanent electrical machinery and fixed cables or conductors in the mine, and shall be corrected as often as may be necessary to keep it as nearly as practicable up to date, and never more than six months in arrears.

SECTION 5.**Haulage.****Location of Wires in Roadway.—Rule 27—**

In underground roads, the trolley wires shall be placed as close to the side, and as straight as practicable, and securely supported at frequent intervals. In all roads where it is necessary for men to travel on foot, all wires, except signal wires, must be placed on the same side of the roadway. The trolley wire shall not be less than six feet from the top of the rail unless protected from casual contact of passersby by suitable shield or trough.

Protection of Cables.—Rule 28—

Where the cables in main haulage roads, where persons are hauled into or out of the mines, cannot be kept at least eighteen inches from any part of the car, they shall be specially protected.

Cables and wires, unless provided with metallic coverings, shall not be fixed to walls or timbers by means of non-insulating fastenings.

Where main or other roads are being repaired, or where blasting is being done, temporary protection must be used so that the cables are protected from damage.

SECTION 6.**Lighting and Signal Wires.****Erection of Lighting and Signal Wires.—Rule 29—**

Small wires for lighting or signal circuits shall either be conveyed in pipes or casings, or they may be suspended from porcelain or glass insulators or securely tied to them, so that they do not touch any timbering, rock, or metal. On no account shall staples be used. If metallic pipes are used, they must be grounded and well drained. If separate unencased wires are used, they shall be kept at least three (3) inches apart, and not brought together except at lamps or fittings.

SECTION 7.**Shot Firing.—Rule 30—**

Electricity from light and power circuits shall not be used for firing shots in a mine except where the electrical connection to such light or power circuit is made within an inclosed switch room, which shall be kept securely locked and shall be accessible only to the authorized shot firer. If electricity from light or power cables is used for firing shots in a mine, no shots shall be fired until all the men are out of danger.

Special precautions must be taken to prevent accidental contact between shot-firing cables or wires and power and lighting cables.

Only persons authorized in writing by the mine foreman or superintendent are permitted to fire shots electrically in a mine.

Battery or Magneto Exploders.—Rule 31—

Where battery or magneto exploders are used, they shall be inclosed in a suitably constructed box, fitted with a removable connecting plug or key without which the circuit cannot be closed. This plug or key shall be detached when not required for firing, and shall not under any conditions pass from the personal custody of the shot firer while on duty. Exploders shall be frequently tested by the shot firer to insure that they give the necessary pressure and current.

The exploder shall not be connected to the shot-firing cable until all other steps preparatory to the firing of the shot have been completed and all persons have removed to a place of safety.

Immediately after the firing of the shot the firing cable shall be disconnected from the exploder, and no person shall approach a shot that has been attempted to be fired by electricity and has failed to explode until the firing cable has been disconnected and an interval of five minutes has elapsed since the last attempt to fire the shot.

SECTION 8.**Telephones.****Telephone Systems, When Required, How Installed.—Rule 32—**

All mines from which exit is by shaft only, and all others in which the working places extend more than one mile from a place of exit, shall be provided with an underground telephone system, provided the number of underground employes at any one time on the regular working force exceeds twenty-five. The system shall be of approved construction, and of such extent that no working place shall be at a greater distance than three-fourths mile from a telephone, and principal shaft stations shall be provided with telephones.

All main telephone cables shall be insulated with waterproof insulation, and unless run through metal pipes or casings, or approved conduit, they shall be protected by a continuous lead sheath.

THE SECRETARY: I have a letter from Dr. J. A. Holmes, Director of the Bureau of Mines, in response to a request for a statement of the work of the Bureau. In this connection I would like to say that Dr. Holmes fully intended to be here. It was necessary in the conduct of the Bureau for him to go to Panama, but he intended returning in time to take a train direct from New York to Spokane. Since the Convention opened we received a telegram from him, stating that a belated steamer had made it impossible for him to get to the Convention.

Washington, Nov. 23, 1912.

Mr. S. A. Taylor,

President American Mining Congress,
Spokane, Wash.

My Dear Sir:

In response to your request for a statement to be read at the Congress concerning the work and plans of the Bureau of Mines with special reference to mining in the western states, I regret exceedingly that circumstances beyond my control have prevented my attending the Spokane session of the Mining Congress to present such a statement in person.

The Bureau of Mines fully recognizes its indebtedness to the American Mining Congress not only as the most influential agency in behalf of its establishment, but also for the encouragement and assistance which the employees of the Bureau have been constantly receiving from the officers and members of the Mining Congress.

In thus acknowledging this indebtedness, I desire to emphasize the fact that the Bureau of Mines does not belong to its Director, nor to the Department of the Interior. It belongs to the mining industry and the mining men of this country, and it looks to them for advice and guidance.

In this spirit and to an extent never before practiced by any other branch of the Government service, the Bureau of Mines from its establishment to the present time has in all its plans and policies sought and acted upon the best advice of the mining engineers, the mine owners, and the mine workers of the country. Such will be its policy and its practice as long as its present management continues.

The purpose of the Bureau of Mines is not to concern itself especially with matters pertaining to either Federal or State legislation, nor to compete with the private mining engineer or chemist in doing those things which might better be left to private enterprise. Its purpose is to conduct such inquiries and scientific investigations and to publish such reports as will best promote the health and safety of miners, lessen the unnecessary waste of important mineral resources, and advance the general welfare of the mining industry.

As to the work of the Bureau in behalf of western mining industries, I endeavored to explain to the members of the American Mining Congress both at its Los Angeles session in 1910 and its Chicago session in 1911 that during these two first years, under existing legislation, the Bureau largely and necessarily devoted its energies to the investigation of the coal and other fuel industries of the middle and other eastern states. During that time, however, the Bureau has maintained and operated in the Rocky Mountain and other western regions three mine safety cars, and it has carried on a limited investigation in connection with the smelter industry within those regions.

During the current year the Bureau is expending, mainly in Colorado, Utah, California and Montana, its first distinctive appropriation of \$50,000 in behalf of the western mining conditions, which appropriation was made under the following language:

"For inquiries and investigations into the mining and treatment of ores and other mineral substances, with special reference to safety and waste, \$50,000: Provided, That no part thereof may be used for investigation in behalf of any private party, nor shall any part thereof

be used for work authorized or required by law to be done by any other branch of the public service."

The Bureau is also expending during the current year an appropriation of \$75,000 in testing the workability and availability for naval purposes of certain of the coal beds in the Bering River and Matanuska coal fields of Alaska.

The Department has recommended that the appropriation for these western metal mining and mineral investigations during the next year be increased from \$50,000 to \$250,000. It is hoped that Congress may see its way clear to grant this increase, and from time to time to make such additional appropriations for these inquiries and investigations as will enable the National Government, through this Bureau, to discharge its full duty and to meet its full indebtedness to the mining industry of our great empire lying between the Mississippi River and the Pacific and in Alaska.

The Bureau of Mines has co-operated in the past, and will co-operate in the future with the American Mining Congress and with the mining journals of the country in getting the American people to realize the progress and the magnitude of our mining industry and what this industry means in relation to the growth and the permanent welfare of this nation. I am encouraged to believe that the people of this country are not only awakening to the importance of mining as one of its two great foundation industries, but that they are also awakening to the importance of this industry and the responsibility of the General Government in relation to the welfare of the public land states and the welfare of Alaska.

Yours very truly,

J. A. HOLMES, Director.

THE PRESIDENT: With no objection, the Secretary will take care of this in the usual order in connection with the proceedings. Special attention is again called to the discussion of workmen's compensation this afternoon. I wish you would all take note and be here promptly at 1:30.

THE SECRETARY: We have a paper by E. T. Bent of Chicago upon the subject of workmen's compensation, a paper by Mr. Storms, State Mineralogist of California, and a paper by George W. Riter of Salt Lake City, Mineral Land Laws and The Decadence of Prospecting. I would like instructions to insert these in the record without their presentation.

THE PRESIDENT: If there is no objection the communications will be inserted in the record as requested.

Mr. Bent's paper will be found at page — of this report.

Mr. Storms's paper will be found at page — of this report.

Mr. Riter's paper will be found at page — of this report.

THE SECRETARY: Here is a resolution offered by the Special Committee of the Resolutions Committee of the American Mining Congress.

Resolution No. 27, Introduced by the Committee on Resolutions.

Whereas, The Fifteenth Annual Session of the American Mining Congress held at Spokane, November 25 to 29, 1912, and including visits to the representative cities of the great Coeur d'Alene Mining District, has been one of the most interesting, profitable and enjoyable sessions ever held by the Congress, and

Whereas, The success and pleasure of the meeting have resulted from the excellent arrangements made for the sessions and from the charming hospitality extended to the members of the Congress by the citizens of Spokane and the Inland Empire; now, therefore, be it

Resolved, That this Congress hereby expresses its deep appreciation of the help and entertainment thus extended to it, and

its hearty thanks to all concerned; including especially the Spokane Section of the Congress and the local committees at Spokane and in the Coeur d'Alenes, the Chamber of Commerce, the Ad Club, the Realty Board, the Clubs and Theaters, the Press, and the Citizens generally, and its members will all carry home most delightful memories of "Sunny Old Spokane."

THE CHAIRMAN: You have heard this resolution; what is your desire?

MR. ROBERT NEILL: I move its adoption.
Motion seconded.

THE PRESIDENT: It has been regularly moved and seconded that the resolution as read be adopted; any remarks?

GOVERNOR ALLEN: And in seconding this resolution I want to say that Montana, the Montana delegation is very appreciative of this splendid, cordial and royal reception that we have received, and in return I wish to extend the invitation to every delegate attending this Congress to visit Montana, the mining center of the world. We will take the hinges off the front gate and we will open wide the door, and extend all the latch strings if you will only come and see us. We invite you. (Applause.)

MR. H. F. SAMUELS: In behalf of Idaho and the Coeur d'Alenes, we ask all the members to visit us, to come on the special trains tomorrow, and see what the Coeur d'Alenes are, one and all of you are cordially invited, and we all extend the hospitality that our friends from Montana have extended to you.

MR. H. B. BROWN, (Mining Director of the Vancouver Exhibition, Vancouver, B. C.): The gentleman here from the eastern country have seen what Spokane can do for them, and now on behalf of the people of British Columbia, I ask them to call and see us on their way back. At any time that they come in they will find the latch string out. The British Columbia people are ready to welcome them, and in Vancouver especially they will find a city that is working hand and glove with Spokane. When it comes to the development of the western country they find that we are right in line with Spokane.

COLONEL B. F. MILLARD: Mr. Chairman, on behalf of the Alaskans, or at least a portion of them, I wish to thank the people of Spokane and say to them they are welcome to our country, one of the most beautiful summer trips in the world. We have no latch strings on our doors and we have no hinges on our gates, but we have the greatest mining country on earth, and we invite you to come and see us. (Applause.)

THE PRESIDENT: Any further remarks?

MR. G. DENNIS: On behalf of Spokane I want to thank you for these kindly words. I want to say to you that if in this instance, sir, we have illustrated to you that the gates of Spokane and of the Inland Empire are always open to mining manhood, then that alone is sufficient without a vote of thanks for what we have done. We have simply appreciated, Mr. Chairman, that the American Mining Congress is a great institution of intellect and of manhood; that it is in the field to do the greatest good to the greatest number of people; that it is proceeding upon the right lines of endeavor, and having recognized that fact we could not do else than receive you with open arms upon this occasion. And, gentlemen, if in your wisdom you should determine to make this the permanent seat of the Congress, and I reiterate it, and build a temple here we will upon every instance receive you, individually and collectively, in just exactly the same spirit that we have received you here on this occasion. I thank you, gentlemen (applause).

THE PRESIDENT: Are you ready for the question?

Motion carried.

THE PRESIDENT: I am sure, on behalf of the American Mining Congress that in this resolution the maker in his statements embodied

the principle at least of the feeling of every member here. We have another resolution.

THE SECRETARY: May I, Mr. President, before reading this final resolution make a special request that each individual person will constitute himself a committee of one to bring someone here this afternoon, to bring as many here this afternoon as possible to hear the discussion of the workmen's compensation subject. It will be of great interest to everybody.

Resolution No. 26, Offered by the Committee on Resolutions.

Resolved, That while the depletion of the ranks of membership of this Congress by death is a constantly recurring source of sorrow, we desire to express our especial sense of the loss sustained this year through the death of numerous members and particularly the passing over the divide of Dr. E. R. Buckley, past president, and Col. E. G. Brownlee, active director, whose long and self-sacrificing work for the success of this organization and the good of the Mining Industry will be productive of results years after the names of the men themselves have become but suggestive of pleasant memories.

On motion duly made and seconded the resolution was declared adopted; whereupon an adjournment was taken until 2 p. m. the same day.

FRIDAY, NOVEMBER 29, 1912.

Afternoon Session.

President Taylor called the meeting to order at 2 p. m.

THE PRESIDENT: We have with us this afternoon Mr. John H. Wallace, a member of the Washington Industrial Insurance Commission, who will now address us on the subject of Workmen's Compensation.

MR. JOHN H. WALLACE: Mr. Chairman, Delegates to the American Mining Congress: I desire to make a few preliminary remarks before I take up with you the subject of Workmen's Compensation as worked out in our state. I understand from the press reports that you have been dealing with conservation, the national conservation, as taken up by our United States Government. It is a very great question, one in which you as mining men are deeply interested, and probably were I one of you, as an employer of labor or a man that operated mines, I should be agitated by the conservation policy adopted by our National Government; but there is another form of conservation that appeals to me even more strongly than does your conservation of the mineral wealth of our great country; that is, the conservation of humanity (applause). I say that in discussing a compensation law you cannot intelligently discuss it without you discuss with it the protection of life and limb; that the mere dollars and cents or the human symbols of value that you pay out to the mothers and the children of dependent workmen that lose their lives in an honest effort to gain a living, is not adequate compensation, no matter how much it is, for the loss of these lives, unless you have first done everything in your power to place a safe-guard around them that would prevent such a loss.

I want to make plain my position on this Board so that you will not misunderstand me. Our Board is composed of three members, impartial, I believe, as men representing different organizations or different parts of this great movement can be. One represents the employers of labor. He is the Chairman of the Commission, Mr. C. A. Pratt of Tacoma. The other member of the Board is an Attorney, Hamilton Egday of Seattle who deals with the moot legal questions that come before the Board. I am here representing the laboring men

of the state on that Board. So, if you glean from my reports some things which to you seem radical, remember that I have the courage of my convictions and I am only stating what I believe to be right and honest in the carrying out of a work of this character. I am not going to deal with the law in its entirety in my paper this afternoon. That would be too long and too tedious a job, but I shall be glad to answer any questions, after the reading of this paper, that you may desire to ask in order that you may be enlightened as to the workings of our Board in this state.

Mr. Wallace's paper will be found on page — of this report.

THE PRESIDENT: If there are any questions desired to be asked, we will have them now.

MR. HENRY VOLKMAR: Mr. Chairman, I would like to ask of Mr. Wallace, please, whether if a workman may have an accident insurance or some other fraternal lodge insurance that he would draw in a case of accident, whether that would cut him off of his allowance under the compensation law?

MR. JOHN H. WALLACE: This law does not contemplate any reduction in reward because the man carries his own protection.

THE PRESIDENT: Are there any other questions? If not, we will next have an address by Mr. David Ross, Commissioner of Labor of the State of Illinois on the subject of Workmen's Compensation.

Mr. Ross's address will be found at page — of this report.

THE PRESIDENT: If any person has any questions to ask Mr. Ross, we hope he will do so now. If there are no questions to be asked, I am going to ask President-Elect Brunton to come to the chair for awhile, not only to introduce him to you, but I wish to make a few remarks myself on this subject. (Applause.)

MR. BRUNTON: Mr. President, Ladies and Members of the Congress:

Permit me first to thank you most heartily for the great honor you have just conferred upon me by electing me to the presidency of your organization.

Year by year, the American Mining Congress has increased steadily in numbers, importance and value to the industry which it represents and I think we must all congratulate ourselves that this is the most delightful, and at the same time, the most successful meeting we have ever held.

At times, we may have been somewhat long on oratory, but none of our speakers have ever been short either of valuable ideas and suggestions, or good sound business sense. The enthusiasm of our members and the results of our deliberations, will, I hope, make the labors of this body felt not only throughout the mining regions of the west, but in the east and most of all in Washington, where matters of vital importance to the mining industry will soon be considered by a Democratic Congress.

Personally, I do not share in the dire forbodings of many of our members who already see the tariff on lead and zinc removed, our mines shut down and workmen idle.

Our President-elect is a cautious, careful student, both of the science of government and of business affairs, and will, I am sure, exercise due care and deliberation in bringing about tariff changes. No one, not even a Congressman, can forget for a moment that our workmen need protection and that the Government must have sources of revenue, which means that the lead and zinc interests can not be wholly deprived of protection.

For the past few years, we have been sailing over summer seas and as a consequence, many of our old members have been somewhat remiss in sending in their annual dues, which accounts for the depleted condition of our treasury. Now, however, with requests for assistance

pouring in from all quarters, it is easy to see that our organization has fully demonstrated its capacity to benefit the industries it represents, and that henceforth, it will command both the moral and financial support necessary to give it an unlimited field of usefulness.

At the conclusion of this most successful meeting, we tender our heartiest thanks to the local organizations and the citizens of Spokane, both for their invaluable assistance and the lavish hospitality which together have combined to make this meeting so wonderfully pleasant and profitable.

Gentlemen, I ask the assistance and co-operation of every one of you, during the coming year that I may be able to follow worthily in the footsteps of my hardworking and illustrious predecessors.

THE PRESIDENT: I just want to say a few words in connection with the subject under discussion this afternoon.

Mr. Taylor's address will be found at page — of this report.

THE PRESIDENT: Gentlemen of the Congress: There is a gentleman in the room, who came across the mountains with the Forty-niners to California and has labored up and down the camps, and he is here today. He has asked the privilege of a few minutes to address you this afternoon (applause). We will now hear from the Rev. W. J. White.

REV. WHITE: Mr. President and Gentlemen: As you have just been informed, I came to California in 1849 and I have been on the Pacific Coast ever since. Fifty of those years that have passed away I have been preaching the gospel and doing what I could along the lines of mission work. I spent a good many of those years in the mining camps from Arizona to northern Idaho. I want to say in behalf of the Mission Boards of the churches of the Pacific Coast that they have done their very best to reach the hearts and the minds of the men in the mining communities on the Pacific Coast, and it is no common mind nor heart. That mind and that heart as a representation of manhood and womanhood represents as grand a consistency of brawn and brain as can be found in this nation. We have not failed in succeeding as we would have done and as we hoped to have done because the mind and heart of these men in the mining camps are not susceptible of reaching everything that God's word teaches. The Missionary could not grasp their intelligence, but we failed because of this one common hindrance that is peculiar to the camps out here in the recent day and that is the desecration of the Sabbath. That has been a permanent thing against God and against humanity since gold was discovered in California. When the Comstock lode was opened up in 1864 Sabbath desecration took deep root downward and brought a fearful harvest of fruit upward. There were men that came there from almost every mining country in the world, good men, men that represented a high class of wage earners, but they said, we don't want to bring our families here, our wives and our children, where this idea of Sabbath desecration runs and controls the interests of life. The men who have control of those interests said that they had no use for any of the men who had any use for the Sabbath or who would not work on the Sabbath; a man that has been brought up to believe in the holiness of the Sabbath and will not work on the Sabbath is a hindrance to the mining work in this country. When you have that sort of an influence and control to contend with it is difficult to reach the hearts and the minds of the men. We have tried to reach the minds of the mine owners and they have tried to console themselves with the idea, this idea regarding Sabbath desecration, they would say, "If we leave those men loose on the Sabbath they will go on a big drunk and we can't get them back again for half a week." When they put up that sort of an argument, we would ask the question, "Are miners born drunkards?" Let me repeat the question and emphasize it, "Are miners born drunkards?" Is there any man acquainted as I was with mining interests that will say that miners are born drunkards? Why cannot

they leave these men have God's day for themselves and for the worship of God? If they leave them free on Sunday, will they get drunk and not go back to work for half a week? No. Mr. President, the only thing that has brought them down to this condition has been the fact that the owners and operators of the mines would not let them off on Sunday so that they could worship God and strengthen their characters. You take any class of men and leave them in places isolated from the rest of the world, leave them deprived of the institutions of the Sabbath and Almighty God and you will find a set of men subject to all of the vices, drinking, drunkenness and licentiousness, and those men have become a class of men that it is not safe to let loose on the Sabbath because they can't get them back to work before half a week has gone by. After half a century a miner feels his empty purse and his spent life, and feels that there is something wrong somewhere and he attributes it all to this man who had the oversight of those men. He thinks it is because they pay them less wages than they ought to have received and that the conditions were not right, but I want to say, Mr. President, that that is not the reason. In my observation, if I went up on the witness stand I would have to say that the mine owners in these regions from one end of the country to the other have dealt squarely and fairly in the matter of wages and in the prompt payment of those wages to their employees, but the wrong has been in this, that the mine owners have deprived their employees of the use of the Sabbath, and in that way caused those men to have weak constitutions and empty purses. Poverty begets discontent; discontent begets anarchy, and anarchy brings people not to believe in government or the administration of government, places the power on the strong rather than on the weak and brings contention between labor and capital that goes on and on unnecessarily, all because men have been deprived of these means of grace and have been brought to this depth of degradation. It is not the industrious miner, the man that is doing the best he can to lay up enough money to build a home, that class of miners are not the discontented ones, they are not the ones that are bringing on the strikes. No, it is the class of men that have nothing and have been brought to this depth of degradation and because their moral sensibility has been uncultivated, as it might have been if they had had the use of the Sabbath.

I must not take up all your time, but I just want to impress this upon the minds and the hearts of those who are present today, and I want to say that there is nothing of more vital importance to the mining world than this that those who control these interests should restore the Sabbath in the order as God gave it, as a day of rest, as a day of holy application and a day of holy conversation, and then you will have in these mining industries, instead of what you have—the very vestibules of hell—you will have the finest representation of womanhood and manhood that there is in the Christian world, the finest representation of the towns and the cities and the highest kind of Christian civilization and the best representation of the best wage earners of the world. I want to add that a brawnier, brainier and higher class of workers does not exist in the world than the mining brain and brawn, if he has equal opportunities with other classes of workmen.

God bless you (applause).

THE PRESIDENT: Gentlemen, we have two minutes until the hour set for adjournment arrives. Is there anything further to come before the—

MR. ROBERT NEILL: I want to make one little remark in answer to the Rev. Mr. White's statement. I don't want it to go out among our Eastern people who are not acquainted with the miners that the miners are the worst set of men in the world and the worst drunkards in the world. I want to say right here, while they are exposed to a great many hardships and criticisms and so forth, they are, a large proportion, a majority of the actual miners are not only a

big-hearted set of men, but there are a great many sober, pure, clean miners in the West and on the Pacific Coast and in Alaska. That is all. (Applause.)

THE PRESIDENT: Is there anything further to come before the Congress?

MR. HENRY S. VOLKMAR: Mr. President, for information I would like to make an inquiry concerning the qualification of membership in the American Mining Congress; whether it is necessary to be a resident of the United States or whether our friends from British Columbia are competent?

THE SECRETARY: Anybody on the American Continent.

THE PRESIDENT: This is the American Mining Congress. Is there anything else to be considered? If not, a motion to adjourn sine die is in order.

MR. ROBERT NEILL: We are all very reluctant to make that motion. We hate to have it happen, (laughter) but it is a part of the order of business. I thank the American Mining Congress for all its great work in our western country and in our whole country, the East, the South, the North and West, in all of our states and territories and our brethren from British Columbia.

I say I hate to make this motion, (laughter) but I do feel and believe that this Congress has been fruitful of the most beneficial results and resolutions and good fellowship and good spirit, more so than any Congress of any kind has ever done.

I say I am loath and slow to make that motion, but the inevitable must happen, so, therefore, I move that we adjourn sine die.

Motion seconded and carried.

Whereupon adjournment was taken sine die.

MEETING OF MEMBERS.

TUESDAY, NOVEMBER 26, 1912.

8:00 P. M.

President Taylor called the meeting to order at eight p. m.

THE PRESIDENT: This is the annual meeting of the members of the American Mining Congress. Delegates are not entitled to vote at this meeting, which elects the Directors for the coming year. The first thing in order is the reading of the minutes of the last meeting, and when I ask the Secretary to do this I will ask him at the same time to announce the number of delegates and the proxies which he has in his possession to be voted at this meeting.

SECRETARY CALLBREATH: Mr. President, the proxies are in hand to the number of two hundred and fifty-three personal proxies and the proxies of the Illinois Coal Operators' Association, which maintains ninety members. Those proxies are made to Mr. Taylor and myself jointly and severally. It is customary to ask for proxies because very often there are not enough members present at an annual meeting to make a quorum of the membership.

The Secretary then read the minutes of the several meetings of the Executive Committee.

THE PRESIDENT: Are there any corrections or alterations of the minutes? If not, a motion is in order to adopt them.

Upon motion duly made and seconded, the minutes were formally approved.

THE CHAIRMAN: The Secretary's report is the next thing in the order of business.

SECRETARY CALLBREATH: If you will pardon me, Mr. President, I would like first to outline the system used in keeping the accounts of the Mining Congress in order that you may better understand the report of the Secretary and the Auditing Committee. All moneys are deposited in the First National Bank of Denver which has been designated by the Board of Directors as the depository of the Association. We have no treasurer, the depository being considered in lieu of a treasurer. Moneys received are deposited in the bank and all our money is paid out by checks of the Association signed by the President and the Secretary upon bills properly audited by the Auditing Committee.

The Financial report of the Secretary for the current year, the report of the Auditing Committee and the special auditor's report were read as follows:

AMERICAN MINING CONGRESS.

Financial Statement Covering Period October 1, 1911 to November 1, 1912.

RECEIPTS.

Cash on hand October 1, 1911.....		\$ 353.48
Received from Membership Fees.....	\$2,100.00	
Received from Annual Membership Dues.....	5,859.01	
Chicago Convention Fund	524.35	
Spokane Convention Fund	1,750.00	
Special Contributions on account of work at Wash- ington, from Alaskans and coal operators.....	2,123.84	
Miscellaneous Receipts	128.64	
		<hr/>
		12,485.84
Total Receipts		<hr/>
		\$12,839.32

DISBURSEMENTS.

Expense of Washington Office, December 30, 1911, to August 20, 1912.....	\$3,369.26
Expense Chicago Office	75.00
Secretary's Salary	3,000.00
Salary and traveling expense Assistant Secretaries, Organizers and Stenographers.....	3,825.46
Printing	729.54
Telephone and Telegraph	80.06
Postage	240.00
Rent, Denver Office	320.00
Membership Pins	140.00
Returned to State Chapters	385.00
Bank Exchange	24.95
Office Supplies and Miscellaneous.....	135.74
	<hr/>
	\$12,559.56
Cash in Bank and Office.....	279.76

Denver, Colo., November 19, 1912.

I hereby certify that the foregoing is a correct statement of the receipts and disbursements of the American Mining Congress, for the period from October 1, 1911, to November 1, 1912.

(Signed)

J. F. CALLBREATH, Secretary.

Denver, Colo., November 20, 1912.

We, the undersigned members of the Auditing Committee of the American Mining Congress, having examined the vouchers and accounts of the Secretary, covering transactions for the period from October 1, 1911, to November 1, 1912, hereby certify that we find the same to be correct, and that the statement hereto attached is a correct statement of the financial transactions of the American Mining Congress during said period.

D. W. BRUNTON,

E. A. COLBURN,

Members Auditing Committee.

Mr. Jas. F. Callbreath, Sec'y American Mining Congress:

Dear Sir: At your request we have audited the cash account-vouchers, cancelled checks and bank account of the American Mining Congress from October 1, 1911, to November 1, 1912. We find all in order and correct as per statement herewith.

Respectfully submitted,

(Signed)

FLOYD L. DAGGETT.

THE PRESIDENT: There is just one matter that the Secretary has not brought out clearly to the organization and that is a fact that I suppose is little known to the majority, that the salary of the Secretary has not been paid, or rather is back from June of 1910, to date. He has received some money, of course, since that time, but his salary is back that much and that is one of the things that I had reference to in my paper last night, that I would like to have a Committee on Scope and Finance. I believe that we ought to discuss that and if we haven't time this evening I think we should discuss it tomorrow morning or set some time apart for it. The Congress has reached the stage in its existence that something ought to be done in a financial way because it is not fair to the Congress or Mr. Callbreath that one defray the expenses of the Congress. It is sufficient that he should give his time and labor as well as he has been doing and as much of it as he has been doing without having to furnish the sinews of war as well, so that I would like to have this part thoroughly discussed. However, a motion at this time is in order for the adoption of the Secretary's report.

Upon motion duly made and seconded, the Secretary's report was adopted.

SECRETARY CALLBREATH: I feel, perhaps, that my request will not be honored, but I have repeatedly requested at the annual meetings that the membership itself should appoint a special committee to go over the accounts. I would be pleased to have this done as a matter of record so that the membership might better understand how everything is being done. It seems to me that this should be done.

THE PRESIDENT: That is a matter for the association to take up and discuss if they wish to have such a committee appointed, it is in line to do so. The next matter is unfinished business. Is there any unfinished business before the Congress?

SECRETARY CALLBREATH: I want to say that nearly all of our business is unfinished. We hope to get it done in about ten years (laughter).

THE PRESIDENT: The by-laws require the election of a committee called the Nominating Committee which is done by the Congress itself. A motion is in order to designate a Nominating Committee, to consist of five persons.

MR. H. R. HARRIMAN: I understand there are some four or five vacancies occurring in the Board of Directors, and I am advised—I am unfamiliar with the custom of having this Nominating Committee appointed, but I think the purpose is that the Nominating Committee be chosen from as wide a field as possible so that all of the country will be represented. For that purpose I think it is customary to choose a Nominating Committee from as many parts of the country as possible. I therefore move that the Nominating Committee be composed of Mr. Dennis, who greeted us here so cordially, Governor Allen of Montana, Doctor Merrill of Utah, Mr. Steele of Alaska and Mr. Malcolmson of Missouri, to report to this meeting the names of such officers as they may deem wise.

Motion seconded and carried.

THE PRESIDENT: I would just like to ask the Secretary to state the names of the Directors whose terms expire at this meeting.

SECRETARY CALLBREATH: There are five vacancies to be filled: D. W. Brunton of Denver, George Wingfield of Nevada, H. H. Gregg of Joplin, Missouri, John Dern of Salt Lake City, Utah, and E. A. Colburn of Denver.

THE PRESIDENT: The names of the Nominating Committee are: G. B. Dennis, Washington, Governor W. R. Allen, Montana, Doctor Joseph F. Merrill, Utah, John L. Steele, Alaska, and James W. Malcolmson, Missouri. This committee will please get together as quickly as possible and if they are not able to report at this meeting we can take an adjournment until morning when their recommendation may be considered. We will not have a great deal of time before the hour for the entertainment this evening and I would suggest to Mr. Dennis as Chairman of that Committee that he get his committee together and if they desire an adjournment until morning we can take that adjournment. While the committee is acting together on this matter—

MR. DENNIS: The committee will report with me to some quiet spot and go over this matter.

THE PRESIDENT: While this committee is getting together the question of adjournment for a later report is in order, otherwise we will take up any other business that may come before the house regularly. Has any member anything that they wish to bring before the meeting at this time?

MR. H. R. HARRIMAN: One further motion on my part. During an informal talk this evening with some of my friends at the hotel, two of them desired to become members of this Congress. I was fortunate in finding Mr. Callbreath, the Secretary, and brought them to him. I have since then been informed that there is a regular committee to arrange for new membership and to take care of such applications. I would suggest, as there may be others like myself who have friends

here like the two to whom I spoke, who may desire to become fully affiliated with this organization, that the names of the Committee be read from the platform so that those here who would like to avail themselves of their services can do so.

THE PRESIDENT: I would like to ask the Secretary to make a statement with regard to that.

SECRETARY CALLBREATH: We have not had, during the last few years, a committee to supervise memberships. We have felt that any man who was affiliated with the mining industry who was patriotic enough to contribute to the work was probably a good enough man to become a member, and so far as I know there has been no complaint about those who have been elected. The Vice-Presidents were supposed to become the committees on membership for the several states. In some instances this has been a rank supposition and in others the State Vice-Presidents have been active. I shall hope that in the future those who are appointed Vice-Presidents shall be men who will consider themselves membership committees for their particular states and endeavor to build up the membership as far as possible. But there will be no difficulty for those persons who desire to become members without the aid of the committee in doing so.

THE CHAIRMAN: Is there anything further to come before the Congress?

MR. G. B. DENNIS: Mr. President, is it the duty of this committee to select five directors?

THE CHAIRMAN: Five directors at this time.

MR. G. B. DENNIS: And that is all?

SECRETARY CALLBREATH: Four directors to serve for three years and one director for one year.

MR. G. B. DENNIS: I would like to suggest that the Secretary meet with us that we might talk this matter over. He is more conversant with the needs and names and would be of assistance to us.

COLONEL PERKINS: Mr. President, would it be in order to move that the report of this committee be received at 11:30 tomorrow morning?

THE PRESIDENT: It would be in order.

COLONEL W. T. PERKINS: If so, I make that motion.

Motion duly seconded and carried.

SECRETARY CALLBREATH: May I say a word in connection with the request made by the Chairman of the Nominating Committee? There are two propositions which the Secretary has endeavored religiously to keep his hands off of, one, the election of directors, and the other, the meeting place of the annual convention. I felt that I ought to do that. I don't know of any other matters in connection with the Mining Congress work that I haven't taken hold of as vigorously as I knew how, but in those two points I feel that if the Chairman can excuse me, I will be obliged.

MR. G. B. DENNIS: We will certainly excuse you under those conditions, but does that burden and embargo go to the Assistant Secretary?

SECRETARY CALLBREATH: I think it does.

MR. G. B. DENNIS: I simply make this request because we are new men in a new field.

SECRETARY CALLBREATH: Perhaps I ought not to refuse to consult with you but I would not like to even seem to influence in any way the election of officers.

MR. G. B. DENNIS: We appreciate that, but we would like to have you to meet with us as a silent member.

SECRETARY CALLBREATH: Under those circumstances I think I can do so.

THE PRESIDENT: I think we will order the Secretary to do so.

Is there anything further to come before the session? I would like to have some discussion for five or six minutes on the question of a Committee on Scope and Finance for this session. My thought is this, gentlemen, that in the way the Congress has been working in the last few years it is evident to those who have been in close touch with the work that there must be some other scheme or method followed than that which has been recently followed. The work is too arduous on the Secretary and there is not enough of financial support to do the work in the proper way. The work at Washington is more than any two or three men can do during the sessions of Congress and yet we have delegated that entire work to our Secretary and about the only assistance that he has had in the past has been a stenographer and what little assistance some of the directors could give him and any special committees that might be there. The question of getting out literature and securing the publicity necessary to properly bring before congress and the people of the country in general the needs of the mining industry are such that it demands, it seems to me, at this time something more in the way of financial support than the Congress has received in the past. The fact that the Secretary's salary is back for over two years is another item which should bring the attention of this Congress expressly along the line of financial work. That is what I had in mind in suggesting that we take up the question of a Committee on Scope and Finance. It may be possible that we will have to change the scheme somewhat of the Congress; in other words, that as at present constituted, the state chapters can do a great deal of work which was formerly delegated to the particular directors in a section of the country and yet while Denver has been the headquarters, it has been shown conclusively that during the sessions of Congress, at least, that the Secretary cannot be in Denver and do the work of this Congress. Consequently, the entire work of the Congress needs some revision and it was with this in view that I suggested that we have a Committee on Scope and Finance. Those are the two things that are before us now in a way that we can't escape very long. If we are not in a position to discuss this tonight it seems to me that we should set apart a part of some session very shortly, probably tomorrow if possible, to have this thoroughly discussed and try and arrive at some conclusion. I would like to hear some discussion.

MR. E. D. SPAULDING: I would suggest that a committee on Scope and Finance be appointed consisting of one member from each state represented in this Congress.

Motion seconded and carried.

THE PRESIDENT: In discussing just briefly with the Secretary it occurs to me that inasmuch as our Resolutions Committee is composed of a member from each state it might be well to relegate this matter to the Resolutions Committee and ask them to bring in a report on that matter.

MR. G. B. DENNIS: I move you, sir, that that be done.

Motion duly seconded and carried.

SECRETARY CALLBREATH: It might be wise for me to explain a few things that the members ought to appreciate more fully than they do with reference to the work.

The only reason that the Secretary's salary is so much in arrears is because he has done a good many things that he was not supposed to do originally. He was more anxious to do the work effectively than to collect his salary. The collection of a salary would have been an easy matter if the Secretary had given that his attention, but he was anxious to do the work effectively and could not do both. There are many little things that might be attended to by the Mining Congress which are now neglected. I have had many complaints today from men who are in the Forest Reserves, who feel that they have not

had fair treatment. It may be that a simple presentation of these complaints to the Forestry Department would have secured redress. If that could be done, it would be very valuable aid to the prospectors of the United States and the prospector is the man to whom this organization should give more attention and be more solicitous for and treat better than any other. It is the pioneer that we have to thank for all the civilization that we have in the west. It is to the pioneer and the prospector that the civilization in the West owes its birth.

That would require that there should be a man specially delegated to do that work who might devote as much of his time as necessary to that purpose. He might not need to give his entire time but his service would always be in demand for work along kindred lines. I will give you an illustration of how the work ought not to be done. About two years ago the oil operators of a western state were alarmed by a bill in Congress providing for the withdrawal of the government oil lands from entry, and it included all prior locations. Of course, no such act would be legal. It would be an ex post facto law, prohibited by the Constitution of the United States, but it would take a lot of money and a lot of time to demonstrate the unconstitutionality of such an act in the courts. So these people sent a delegation to Washington to tell the members of Congress that its proposal was wrong, that it was unconstitutional. Now, that expedition to Washington and back again cost more than the Mining Congress has to spend for a whole year. To have accomplished the same result would not have cost the Mining Congress more than a few dollars. All the Committee needed was to have its attention called to the facts. It was not necessary to send a large delegation to do it. There are many, many cases where a well organized force in Washington could render service which would be of very great advantage to the mining industry.

If we want our Western conditions treated fairly we can only expect that to be done when those who treat them understand those conditions, and in order to have these conditions understood we must take our story to them. This is an expense which the Mining Congress now is not able to undertake. I hope that the Committee on Scope and Finance may provide some method by which we can carry on the publicity campaign and tell the truth concerning the West to the people of the East. I think it very important to the West that a campaign of publicity shall be inaugurated through which this may be accomplished.

There is one other thing that I wish you would pardon me for mentioning at this time. I do hope for better work by our state organizations. Each local section should undertake to look after the matters in its district. Each state chapter should look after matters of state legislation. I want to call attention to the fact that while we are interested in national legislation, we are all interested in state legislation, and there are many things to come up in the state legislatures in the next few months that should have attention.

This work cannot be done by the national officers. It must be done by the members. If each member will work for the organization as a few members work, the American Mining Congress will soon become what its officers have felt that it should be, the most influential industrial organization in the United States.

MR. H. R. HARRIMAN: Before we adjourn I want to remark that it was my good fortune to be in Washington four or five times this year and I saw the character of the work that our Secretary has been doing. He has just given you the picture of what he wants to do. If I had the gift of eloquence of Mr. Dennis or Governor Allen or many of those who have spoken to you today for five minutes I could describe to you the herculean work that he has been doing there and the fine work he has been doing there. He has been doing work for which he is noted and known all over Washington. He has been forwarding the cause of this organization more than any of you think.

I move you that the report of the Committee on Scope and Finance be made a special order of business as soon as they are able to report tomorrow morning.

Motion seconded and carried.

THE PRESIDENT: The hour has passed when we are to be entertained by an illustrated lecture, illustrating the scenes of Alaska. This lecture is to be given by Mr. C. M. MacPherson of Alaska.

Thereupon an adjournment was taken to 10 a. m., Nov. 27, 1912.

ADJOURNED MEETING OF MEMBERS.

2:00 P. M.

Meeting called to order by President Taylor at 2 p. m.

THE PRESIDENT: The motion adopted this morning makes the report of the Committee on Nominations the order of business at this time. This, of course, is a resumption of the meeting of the members of the Mining Congress alone. Is the Committee ready to report?

MR. G. B. DENNIS: Mr. President, Ladies and Gentlemen: The burden placed upon this Committee has been very sensibly felt by it. While it was not difficult to secure good men for the directorate, it was difficult to select those who would give the office the attention it requires. Your committee feels that neither President nor Secretary alone or jointly can compass and successfully carry forward the details incident to so great an institution as the American Mining Congress, and that what they must have, is the assistance of the best brain of a capable directorate. Mr. President, the nominations proposed for the new directorate are: D. W. Brunton of Denver (applause). We feel that his name and his co-operation would give grace to this—to any—Congress or to any assembly of men. The name of W. G. Conrad of Helena (applause), a man who has devoted his brain, time and money to the up-building of the State of Montana and its various mining interests, and whose name is a synonym of progress. The name of George H. Dern of Salt Lake (applause), who is proposed to succeed his father, Mr. John Dern—who is worthy of the honor—and for whom we bespeak active co-operation in the work of this Congress. The name of Harry L. Day of Wallace, Idaho (applause), a Coeur d'Alene pioneer—a man who has gone to the front in mining, who developed the great Hercules mine of the Coeur d'Alenes, who is the President of the Federal Mining Company, a man great in his own country and who would be great in any country. These named gentlemen are for the three-year term. For the one-year term, Mr. President, we name the Honorable W. B. Shackelford of Joplin, Mo. (applause), a large zinc producer. This, Mr. President, constitutes the work of your Committee.

THE PRESIDENT: Gentlemen, you have heard the report of the Committee, what is your pleasure?

COLONEL W. T. PERKINS: I move that the report of the Committee be accepted and the Secretary be instructed to cast the unanimous vote of the Association for the names given.

MR. ROBERT NEILL: Thanking the Committee for its able work.

Motion seconded and carried.

SECRETARY CALLBREATH: In accordance with the instructions of the Convention I have cast the ballot of the members present in person and by proxy for directors as follows:

For one year—W. B. Shackelford of Missouri.

For three years—David Brunton of Colorado, George H. Dern of Utah, W. G. Conrad of Montana and Harry L. Day of Idaho.

THE CHAIRMAN: I declare the election of these gentlemen to the directorate. Is there any further business to come before the

meeting of the Congress? If not, a motion to adjourn the Member's meeting is now in order. Understand, gentlemen, this is the meeting of the members of the Association which was held last night and continued until today to receive the report of this Committee.

MR. G. B. DENNIS: Mr. President, with your permission, I would like to say just one word.

THE CHAIRMAN: Mr. G. B. Dennis.

MR. DENNIS: The City of Spokane is the center of the tributary mining country, and as stated in my opening talk as Chairman of this Convention, aspires to be the permanent home of the American Mining Congress. Whether in your judgment Spokane is the proper location or not remains, of course, for you to determine. There are other locations which perhaps are just as desirable, the City of Salt Lake, of Denver, of Helena, and last and by no means least, Mr. President, the National Capital at Washington, D. C. All that I can say in support of Spokane is that it is very, very rapidly becoming a great mining center,—that its men are wedded to the cause of mining—and that the development of its surrounding mines is great and becoming greater every day, and that if in your wisdom you will compliment the city of Spokane, I pledge to the Congress the construction of a mining temple suitable and adequate for the needs of the Association, be its cost a hundred or five hundred thousand dollars. Gentlemen of this Congress, you can have it for the asking. Spokane is no more forward in this proffer than it has repeatedly been in other lines of endeavor. It is in the hands of the Congress to do with as it pleases. I thank you, sir (applause).

THE PRESIDENT: You have heard the statement by Mr. Dennis; what is your desire?

MR. G. B. DENNIS: I would suggest, Mr. President, that the matter be taken up in Committee and it asked to report back to this convention.

THE PRESIDENT: Do you desire a special committee on that, or do you prefer to—

MR. G. B. DENNIS: No, sir; that is a matter for your election.

THE PRESIDENT: I am going to ask the Secretary to make a statement on this, as I am not very familiar with what has been done in the past.

SECRETARY CALLBREATH: Mr. President and gentlemen of the convention: This is a matter which ought to be decided by the members who are supporting the organization. It seems to me before making a decided change which will fix the future of the organization, that all should be considered, that all cities desiring to compete for this privilege might have an opportunity to be heard, and I would suggest that a motion would be proper to the effect that the proposition be submitted to all of the cities which might desire to make a proposition to the directors of the Mining Congress looking to the re-establishment of the permanent headquarters of the Mining Congress based upon the propositions which might be made by the various cities. These could be submitted to the Directors and the Secretary could submit the various propositions by letter vote to all of the members, leaving to the membership to say which of these propositions should be accepted. I think that would be a way fair to all parties (applause).

MR. G. B. DENNIS: Mr. Secretary, I wish to make simply this statement, that Spokane does not propose to take from any other location what would be best for the American Mining Congress—that Spokane is built upon broad lines—that its people will contribute to any city chosen as a location for the permanent seat, but naturally prefers that that city be Spokane. The Secretary's statement that all members of this Association should have a vote upon this question is to my mind perfectly right. I simply wish you to know that Spokane stands in the front rank of the proffer (applause).

THE PRESIDENT: In behalf of the Congress, I wish to thank Mr. Dennis for this offer and assure him that it will be given due consideration. Is there any further business to come before the session? If not, a motion to—

COLONEL W. T. PERKINS: Mr. President, does that require a motion in accordance with Mr. Dennis's suggestion?

THE CHAIRMAN: A motion would be in order.

COLONEL PERKINS: If so, I move that the offer made by Spokane through Mr. Dennis be accepted by the Congress for consideration and submitted to the Board of Directors with instructions to them to request offers from other cities who may be interested in offering a permanent home for the Mining Congress, and that the Board of Directors submit the same to the members of the Congress by mail or at the next annual session as in their judgment they shall consider best.

Motion seconded and carried.

THE CHAIRMAN: Is there any further business? If not a motion to adjourn will be in order.

Motion duly made and seconded and was declared carried.

The President's Annual Address.

SAMUEL A. TAYLOR,

PITTSBURGH, PA.

The main purpose of my address shall be the placing before the mining congress some of the problems and conditions which exist in the mining industry today, and to find if possible a solution for some of them.

In the consideration of these things we will endeavor to ascertain what bearing The American Mining Congress has upon these problems. It is stated and generally taught by scientific men that the human body changes all of its parts every seven years. If this be true, the mining congress as an organization has during the period of its past existence passed through two such periods, and is now starting upon a new cycle of existence. The question which naturally arises at this juncture is whether the work of the congress has been completed, or if there is still a work for it to perform, how it can best be accomplished.

It seems pertinent at this point to stop long enough to review somewhat the incidents leading up to the organization of The American Mining Congress, and to ascertain whether or not there are still existing any such conditions or problems that can best be dealt with through such a national organization as this body. If it is shown that the congress has completed its work, then it should cease to exist. If on the other hand it be shown that there is still a demand for such an organization as The American Mining Congress, the next question, of course, will be as to whether, as it is now organized, it is properly equipped for doing the work and solving the problems presented to it in the most effective way.

The statement has been made in the call for this meeting that "The American Mining Congress as it now exists is a practical organization, devoting itself to the economic, administrative and commercial, of what might be termed Mining Politics, rather than to the technical phases of mining."

"Its annual conventions are held for the purpose of keeping in closer touch with the needs of the Mining Industry. They provide an open forum for full discussion of the more important subjects through which all persons who have plans for the betterment of

mining conditions can be heard, and through which the organization can be directed in the channels of most effective effort."

With this statement as a basis let us consider the conditions more in detail. I am not very familiar with the early history of the congress except as to this feature, that there were so many problems especially connected with the precious metal mining of the western section of the United States that called for solution, or at least needed to be brought to the attention of the public, in such a way that they might help remedy the difficulties, that it was deemed wise by those who were in touch with the situation to call a national conference of mining men. This it seems by the records was done in a temporary meeting held July 1, 1898, in Denver, Colorado. At this meeting a permanent organization was formed. The second meeting was held in Salt Lake City, Utah, in July, 1898. The third session was convened at Milwaukee, Wisconsin, in July, 1899, but adjourned to meet in June, 1900, at the same place. The fourth session was convened in July, 1901, in Boise, Idaho, and the fifth session convened in September, 1902, in Butte, Montana. The sixth session was held in September, 1903, at Deadwood and Lead, South Dakota.

Up to this time a great many mining problems came before the convention for consideration, but as before stated they had all practically to do with matters pertaining to precious metal mining alone, and at this stage in the history of the organization so diversified were the interests that it seemed almost impossible to coalesce or bring them together, on any common ground. The mining congress was at this point threatened with disruption, and only by the superb executive ability of Judge J. H. Richards, who was then elected president, was it brought through this crisis, and made the effective agency which it has become for carrying on the work connected with mining. Judge Richards served as the president for seven consecutive years from 1903 to 1909, during which time the congress met at Portland, Oregon, El Paso, Texas, Denver, Colorado, Joplin, Missouri, Pittsburgh, Pennsylvania, and Goldfield, Nevada. At the eighth session at El Paso in 1905 another great event in the history of the organization took place, James F. Callbreath, Jr., of Denver, Colorado, was elected secretary, and without criticism, or any reflection on any of the former officers of the association, The American Mining Congress seemed from this time forth to take on a new lease of life, until now it is an active power in the mining affairs of the United States. There were so many questions calling for attention such as the Smelter Rates, the Re-

vision of the Mining Laws, the Land and Claim Laws pertaining to mining, and many others which in their consideration called for such master minds as Judge Richards' and Secretary Callbreath's. These various questions through the efforts of the officials of the mining congress were brought either to a successful conclusion or put in such form that since that time very material progress has been made toward the solution of them. That the congress has grown in importance and power, and today comprises a large scope of activity, is due to no one thing more particularly than that the officials of the congress have been wide awake to the situation and cognizant of every event that has taken place that in any way bore on the mining interests. In 1907 and 1908 it became very apparent to the officers and those interested in the work of The American Mining Congress that if the congress was to become the effective agent that it should, and do the great work that was then before it, that it must broaden its field, and instead of confining its work to the interests of the western states alone, that it must reach out and include in its plans all branches of mining, and take up for consideration not only the problems that confronted the precious metal mining interests of the west, but include those of the extreme Northwest, or Alaska, as well also those of the east and middle states, giving consideration to matters pertaining to coal mining, iron ore, and clay mining interests.

Pittsburgh was therefore selected for the place of meeting for the 1908 congress and at this meeting not only were the Clay and Iron Ore Mining interests represented but the great Coal Industry was largely represented in this convention and the problems confronting it received a great deal of discussion and consideration.

It was very apparent at this time that a national organization such as The American Mining Congress was not only a necessity for bringing the problems of a specific mining district or industry to the attention of those who could help solve her problems but to have a disinterested organization such as the mining congress, composed as it was not only of producers of coal and various minerals but users as well of these minerals, which made it cosmopolitan in its character, and through this very fact have an influence in shaping the laws of the National Congress, thus producing the greatest benefit to the mining industry. At the Pittsburgh meeting great stress was laid upon the importance of the mining industry by a comparison of its immense monetary value as compared with some other industries of the country, such as agriculture. It was at this time also specially brought to the attention of

The American Mining Congress that in order to bring the mining situation properly before the United States Congress at Washington so as to secure such national aid to the mining industry as it should receive, that the industry should be represented in the National Government in the same way that the agriculture department was represented, and if such a department could be obtained, then mining would be benefited, in like manner and proportion as had been the result of the Department of Agriculture to the farms of this country.

This situation was so apparent to all giving consideration to the subject that from this time forth and up to the present time, it was deemed necessary that the secretary and as many members of the mining congress as possible, should look closely into the matter of legislation at Washington in order that as much benefit as possible might accrue to the industry as a whole. At about this time the great question of Conservation was brought to the special attention of the entire country and in some cases to the great detriment of the mining industry. The Land Laws of the country were such that they required revision in order that justice should be meted out to the prospectors of claims and to those who would develop the claims after they were prospected. Following quickly in the wake of the above conditions came the question of establishing a Department of Mining in the Government organization at Washington, whose purpose should be to look after the welfare of the mining industry. The work necessary to secure this department was of such great magnitude that many despaired of ever being able to accomplish anything in this line, as most all of the leading statesmen were opposed to the creating of any more departments or bureaus in the Government organization, but after following this matter through various situations, on account of some great accidents in the coal mining industry which occurred about that time, the task was accomplished through the leadership of The American Mining Congress, supplemented and supported by various individuals connected with the different mining industries, securing a Bureau of Mines in the Department of the Interior at Washington. Since the establishment of this bureau, with Dr. J. A. Holmes as its director, no one questions the judgment of Congress in passing the necessary legislation to establish it. The many investigations which have been carried on particularly for the coal mining industry has shown the importance of this work to the Coal Industry. This work has also brought to the attention of Congress the necessity of broadening the scope of this Mining

Bureau and extending its investigation to the problems of precious metal mining in the west. The Mining Congress has worked hard for the accomplishment of this condition, truly by a circuitous route, passing first through the precious metal mining industry, then through the coal mining industry, back again to the precious metal mining industry, until now it seems that the precious metal mining of the west is about to receive the assistance which they have been striving for for the past fifteen years or more, and which we are glad to say has now been in a measure accomplished through a preliminary appropriation of \$50,000 at the last session of Congress to begin investigations. It is confidently hoped that in the expenditure of this small appropriation such results will be obtained as will guarantee the necessary future appropriation for further investigations.

From this rehearsal of the Bureau of Mines legislation it is very apparent that to accomplish any definite results for any section of the country in the way of bettering conditions, it can only be done by united action.

Another problem which was brought to the attention of the mining congress and which was taken up by them in a way that no other organization could do was the question of the Workmen's Compensation. This was ably handled by a committee of the mining congress composed as it was of men who had intimate knowledge of this subject as applied to mining, and who could doubtless in no other way have been brought together. The result of their deliberations, after approximately two years of work, was to formulate a bill, which was recommended and approved by a later meeting of the mining congress designed for passage by the various state legislatures. In order to show the importance of this work, it might be said that during the period that this matter was under consideration and since the committee has made its report no less than thirteen or fourteen different states have passed workmen's compensation acts. Some of them very similar to the bill prepared by the committee of the Mining Congress, others differing quite materially from them, but there is no doubt in my mind that all of these various bills that were passed by the different states received a great impetus by the influence of what has been done by and through The American Mining Congress. Another matter which is almost a counterpart of this was the question of the Prevention of Mine Accidents. The work and report of this committee of the different conditions to be followed in mining has been of great advantage in the way of prevention of mine acci-

dents. Still another work of the Mining Congress that has been of very great good is that done by a committee on the Standardization of Electrical Equipment for coal and metal mines. The committee on the coal mining section made a report several years ago which has been submitted to a number of different organizations and which has received very little criticism from any source and very high praise from many quarters, in fact two years ago the legislature of Pennsylvania passed a new mining code which embraced the report of the committee of the Mining Congress almost verbatim. Other committees of this congress such as that on Forestry Relation, Revision of Mineral Land Laws, Smelter and Freight Rates, and Federal Legislation, have all had problems assigned to them to consider, and their reports from time to time as given to the Mining Congress have been of such great importance that we can scarcely estimate the value of them at the present time. Again a committee which has labored assiduously for several years is the committee on "Alaskan Affairs" and probably during no time has there been such activity in connection with Alaskan affairs as during the past year. The committee as constituted during the last year deserves the very highest commendation of this congress for the able and arduous work which it performed in connection with the various bills which were before the last session of Congress.

I do not by any means claim that I have gone over all the problems that have come before the Mining Congress for consideration, but this brief review will show conclusively the advantage that The American Mining Congress has been to the Mining Industry in the past. The Mining Industry, however, has before it today many problems that are equally as important as those with which it has already dealt and some of those heretofore enumerated are only in their infancy and will require very careful consideration in the future.

First, Safety and Efficiency in mining operations. This is a large question and one that remains so constantly before the mining fraternity that it goes without saying that it will be a live issue for many years to come.

Second, the question of Conservation which has been before the Mining Congress for a great while is probably one of the great things for the future. Not in the sense that some would define conservation but in the broader sense of true conservation, which means not only the conserving of the interests of one phase of affairs but conservation in all its broader application to the present

generations as well as those to follow. This is exemplified clearly in statistics regarding the amount of coal lost in the production of the present large output of the mines of this country, which amounts to practically 50 per cent. In other words, in the production of coal of this country, which is practically five hundred million tons, it is estimated that two hundred and fifty million tons were lost and in the production of this coal there were employed 553,000 men, of whom 2,835 lost their lives and many thousands more were maimed. The true conservation will endeavor to prevent the continuing of these conditions as much as possible. This is only one example of what conservation should embrace. In every other branch of mining there are similar conditions which require specific consideration and so great is this problem that there will be ample work to do for years to come for some such organization as The American Mining Congress.

Third, The Mining Congress has in the past raised its voice against the faker in mining investments and it has before it now in no less degree than ever before the same question of stimulating investments in practical mining operations, in a straightforward legitimate way, and probably no organization stands today in such a strong position between the prospector and the capitalist as does The American Mining Congress, and if she will exert her powerful influence toward eliminating the false promoter she will have accomplished a great good to the commercial side of mining in our country.

Fourth, during the past few years there has been such a diversity of laws in the different states controlling and governing mining operations that it is, to say the least, very embarrassing to persons engaged in the mining business. This could be remedied, or at least helped very much, if the different states could be brought to pass uniform laws governing this question, and here again the Mining Congress can exert a great influence. This influence should not be confined to the individual states but should also be applied to the Federal Government and should endeavor to have such Federal co-operation as will solve a great many of the difficult problems which pertain to economic production, treatment and transportation of minerals, which are essential to the upbuilding of the mining business.

Fifth, for some years past there has been great agitation in connection with the Federal Laws pertaining to control of Mineral Lands, Water Power and Rights of Way over the Public Domain, as well also the operation of what is known as the Sherman Anti-

Trust Law as applied to combinations of capital engaged in mining. All of these in their various ramifications need not only present but future attention if they shall be guided in the proper channels to the best interests of those engaged in mining. This feature alone is so tremendous that it is of itself sufficient to require the attention of The American Mining Congress for some years to come.

Sixth, the matter of Workmen's Compensation referred to above is practically in its infancy and while our Congress has done much in this respect, there still remains a great deal that may be accomplished through its power and influence in the future.

Seventh, Alaskan conditions which during the past few years have received much consideration by The American Mining Congress must of necessity receive a great deal of further consideration before conditions in that great territory of the Northwest shall be satisfactorily solved, not only to the residents of Alaska but to all of those interested in any way in her development.

Eighth, there are many other problems such as the use of electricity in mining operations, further revision of Mineral Land Laws, Federal Aid for Mining Schools, Interstate Trade Commissions, etc., etc., that call loudly for assistance through some national organization such as The American Mining Congress.

When we consider the subjects that have been taken up by the National Government and different state legislatures and the actions taken thereon, they indicate plainly that The American Mining Congress is at least one of the leaders of advanced thought in all subjects pertaining to mining, by the consideration that these various legislative bodies have given to the deliverances that this Congress has made on the subjects so considered.

It would seem therefore from this brief review of these various matters that instead of the Mining Congress having accomplished its mission along these lines, that it has just begun to show the great importance of its work and through its efforts of the past few years it surely has demonstrated beyond all question of doubt not only the importance but the necessity of establishing in the future a representative of this congress in Washington.

Whether the headquarters or central office of the Mining Congress should be in Washington or not should be a matter for very careful consideration, but to some of those who have been on the firing line it would seem that the work of The American Mining Congress, especially with reference to legislation, cannot be carried on successfully without some organization or central office or headquarters in Washington. This office should be maintained during

the entire session of the National Congress, and consequently it becomes a grave question as to whether or not, if the efficiency of The American Mining Congress is to be considered, the headquarters should not be in Washington instead of some of the other cities. From the changes in organization that have come about in The American Mining Congress in the past few years, namely in the establishment of the various State Chapters, it would seem to me that the logical arrangement might be to have the central office in Washington, so that legislation from all sections of the country could be attended to properly. To those who have been in close touch with the secretary's work, at Washington during the past few years, it is apparent at once how much he has been crippled in his work by not having the necessary support. The work has been carried on in small and inadequate quarters. The secretary has had little assistance, thus making it almost impossible for him to attend to the many details that arose in the various questions that came up before Congress. It seems therefore logical to say that the present demands of the Mining Congress are such that greater financial assistance must be rendered in order that the secretary, if the work should continue to be delegated, as it has been, largely to him, should be supported in the way of additional help and money to defray the expense of the campaigns that are necessary to be waged in connection with questions that come before Congress.

I will not undertake to bring before you all of these problems, these should and I am sure do come to your attention through the reports of your secretary, but I wish to say that in connection with the work of the secretary at Washington that it is not always what the various chapters and various individuals may desire to obtain on a certain line of legislation that can be gotten, but it is rather what can be secured. In nearly every case some sort of compromise must take place in order to get a bill through Congress. While this is in some cases to be deplored, yet on the other hand it is sometimes best to have some person other than ourselves to come into the consideration of these questions, and help to solve them, for we all know by personal experience that at times our own judgment has been somewhat fallacious due to our over-anxiety to have certain things accomplished, overlooking points that would be well to have included in any legislation under consideration.

From these various statements you will at once recognize that the Mining Congress has still before it a mission that no other organization can perform. As stated before, the very fact of the or-

ganization itself being national in its scope, comprising as it does in its membership not only men engaged in all branches of mining, in all parts of the American Continent, but also men who are consumers of the products of these mines, making its members both producers and consumers, and therefore the united action of the Mining Congress of much more value as a public guide than it would otherwise be if its membership was confined to either producers or consumers alone. We believe that any careful consideration of the work that is to be accomplished for the benefit of the mining industry can be best carried out by a non-political, non-sectional organization such as The American Mining Congress.

I would in conclusion suggest that at this meeting a committee on scope and financial plans for the future work of The American Mining Congress be selected, and that they be requested if possible to outline and suggest a plan to this session of the congress so that the future efficiency of those charged with the work of the congress shall be increased, and thus the future status of The American Mining Congress be strengthened and maintained.

The National Forests and Development of Natural Resources.

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There have been during the last three or four years many controversies over different phases of the conservation of our national resources. Underlying the various differences of opinion there is one clearly defined issue of paramount importance and that is whether the natural resources now owned by the public shall be partitioned out among private individuals and corporations or certain of them shall be retained under public control and be developed under public direction. This is the only real issue about which there is any serious controversy and it is one which must be definitely and squarely met by the nation. The people must decide whether they will surrender jurisdiction and control over the remaining public lands, the great open stock ranges, the national forests, the vast deposits of phosphates, oil, and coal, and the water power sites still owned by the nation as a whole. Almost all are in agreement regarding the desirability of conserving soil fertility and increasing its productiveness, of protecting our forests from fire, saving waste in manufacturing lumber and in mining, etc. The end in view is pronounced by all as splendid. Differences of opinion arise in the application of the principles of conservation in practice. Yet these differences present no great difficulties until the question arises as to the relation of the public to conservation and the demands which it makes for its own protection.

This is clearly shown in the history of forestry. Practical conservation on a comprehensive scale was first put into effect on the National Forests. When they were first established there was a storm of protest because it was believed that they were to be withdrawn from development. The idea of development of forest resources under public direction was new and not understood. After seven years of administration a great measure of this opposition has disappeared as it was seen that the resources of the forests were being put to use and as those using them began actually to feel the benefits of the protection of the Government. The present opposi-

tion to national forestry comes from two sources. The first is from local difficulties of administration. The second comes from those who are opposed to public control of natural resources and who wish to see the Forests turned over to private ownership. Difficulties of local administration are very rapidly being adjusted. This is a question of cooperation between the authorities and those using the resources of the forests. That this is being done is demonstrated by the tremendous support the Forest Service is getting in its fight to protect the forests from fire, in working out its policy of timber sales, in the use of the forest range, etc.

In the case of the second group of opponents of the policy of national forestry there can be no such adjustment, because they fundamentally are opposed to public control of natural resources. Their proposals for handling the national resources lead in practically all cases to the breaking down of public control. I am therefore very desirous of seeing this issue brought before the country and settled definitely.

The principle underlying our earlier land laws was to distribute the public lands among many small owners. The aim was to get settlers on the land and to secure cultivation of the soil, or mining development as rapidly as possible. So far as agricultural lands are concerned, the wisdom of these laws has been clearly demonstrated. In the case of mineral lands they have in the main been successful. But they were not applicable to mountainous lands adapted only to the production of timber and control of water.

Experience has shown that certain resources, particularly timber and water power, cannot be developed in small units, on which the whole theory of our land legislation has rested. Our laws have resulted in the rapid acquisition of these resources in the hands of a comparatively few very large interests. Not only does such very large ownership by a few threaten monopolies injurious to the public but, in the case of our mountain forests, it threatens the rapid exhaustion of timber and incalculable injury in the matter of water supply as well.

Forests serve two great functions, the production of timber and the production of water under stable and uniform conditions of flow. Timber land owners do not ordinarily acquire land to grow trees nor to secure public benefits of stable water supply. When one considers that it takes from 80 to 150 years, with most of our species, to produce timber suitable for the saw, it is obvious that the average private owner is not attracted to tree growing as an investment, especially in face of the fire risk and the present system

of taxation. It is here that the forestry problem differs from agriculture. In agriculture the quickness of returns offers inducements for good methods of cultivation. Even exhausted soil can be restored with comparative quickness, and the public benefits of soil conservation can be accomplished under private ownership in small units, with such public aid as may be required through education, experimental stations, etc. History in all countries has shown that the forestry problem can not be solved by the private owners on their own initiative.

The establishment of the National Forests, therefore, recognized a new principle of land administration, namely, that there are certain classes of resources which should be retained under public control, both to serve their highest use and to protect the interests of the public from actual injury.

The charge is then immediately made by the opponents of national forestry that development is blocked and that this principle imposes a great burden on the present for the benefit of unborn generations. This charge is utterly unwarranted and the contrary is proved by the facts.

Take first the question of agriculture. It has been claimed by many that there are many millions of acres of agricultural land in the National Forests which the present administration is withholding from settlement in order to grow trees on them. What are the facts? In the first place there are not, as claimed, 20 million acres or so of agricultural lands in the National Forests or anything like it. There are, however, in the forests many tracts of value for agriculture, chiefly in small bodies and scattered units, which on all the forests together aggregate perhaps 3 or 4 million acres. These are not being withheld from settlement but are being opened up as rapidly as is possible. The Forest Service has authority to classify the agricultural lands and list them for entry under the Forest Homestead law of 1906. Already about one and one-half million acres have been segregated as agricultural for the benefit of settlers. The rest is being classified as rapidly as is possible. When they are under heavy timber, the timber is offered for sale and the land opened up after lumbering. Thus in one forest in northern Idaho sales aggregating 500 million feet are about to be advertised under conditions which will clear the agricultural lands as quickly as possible. The same policy is being carried out elsewhere. Heavily timbered lands are not opened to entry before cutting, because settlement would not follow, as has been demonstrated over and over again. The entryman acquires the land and he then usually sells out

to a timber company, which holds the timber until it gets ready to cut, and then sells the land to settlers for 10 to 75 dollars per acre. The seeker after cheap land is absolutely excluded. The Forest Service cuts the timber, and then *gives* the land to the settler. This process is shown in many forests where Government agricultural land is rapidly passing into the hands of bona fide homeseekers while interior holdings of timberland owners, originally taken up as homesteads, remain undeveloped and will finally not be available except at a high price. One of the reasons why people have been deceived as to this question is because in traveling through the forests they have no means of distinguishing interior private holdings from Government land. As a matter of fact the best land was usually selected by the timberman because the rich flat bottoms, and benches are those which carried the best timber. Here is a clear case where private ownership is blocking development, and the National Forests are securing it. This is the reason why the residents of the Kootenai Valley in Montana have petitioned against any elimination of the timbered bottoms because they know that an elimination would lead to the acquisition of the land by the timberman, with the consequent impossibility of the settlers getting the land in a reasonable time or under the homestead law.

A further charge is made that the National Forests are blocking mining development. Statements have been made in this matter which are as far from the facts as those regarding agriculture. It was recognized that acquisition of mineral lands for private development should be continued on the National Forests as on unre-served public lands. Therefore, the general mining laws were made applicable to the forests. The statement that the prospector is interfered with is not true. He is absolutely free to prospect where he will in the National Forests. Absolutely the only restriction that is placed on him is that he shall be careful of fire. Most prospectors are seasoned mountaineers and know well how to leave their camp fires. But unfortunately all are not so careful, nor do all of them appreciate the damage to forests from a surface fire which destroys all the small trees which we are protecting to constitute the new crop of timber. I have repeatedly asked for specific cases where it was claimed prospectors were interfered with. Usually the statements have been general, and those making them could not tell me of any specific instances. In the instances where I have had definite cases given me, I have found either that a prospector has taken offense because a ranger cautioned him to be careful of fire, or it was a case five or six years ago when the Service was first being organized and

the personnel was not as efficient or did not understand our instructions as well as now.

Another charge is that when a mineral claim comes up for final proof the Forest Service needlessly and with inadequate information protests it to the Land Office, often holding up patent without cause. My answer to this is that no report ever goes to the Land Office except from a qualified mining expert, the best I can secure under the law. This is work which is done for the Land Office. The interests of the Forest Service in this matter are identical with the interests of the public and of the mining industry itself. If a man has a mine and has complied with the law, he should be given the land with the least possible delay and trouble. If he has not a mine as defined by the law or has not complied with the conditions laid down by the law, the land should not pass from Government ownership.

Many of these interested in mining have insisted that when claims come to patent the officers of the Government should not make any field examination to determine whether the law has been complied with. It would seem hardly necessary for me to call attention to the reason why such examinations are necessary. The fact is that over and over again the liberal mining laws have been fraudulently used to secure title to land desired for other purposes than mining. I have taken occasion during my incumbency in office to look up this very question and have been amazed by what I have learned. I have specific instances where the mining law was fraudulently used to secure very heavy timber for speculative purposes, to secure sites for water power development, to secure water holes to give control of extensive stock range, to secure control of valuable areas for summer resort development, to secure areas controlling valuable rights of way for speculation, and various other purposes. Can anyone go before the country in the name of the mining industry and ask that the Government be prohibited from undertaking to prevent such frauds? Does anyone who has the real interests of the industry at heart acknowledge that the enforcement of the mining laws is not the very thing which will protect it from the blight of the wild-cat promoter who has already often enough brought discredit upon it? Let me cite the opinion of the local county mining congress which met at Yreka, California. One of its resolutions urges as follows:

"BE IT RESOLVED, that it is the sense of this Congress that the National Forest policy and service has proved an efficient agency, not only in preserving for the prospector the undiscovered mineral deposits in the district, by preventing their acquisition through non-

mineral entries, but in facilitating their location, enjoyment and patenting by good faith mineral claimants in accordance with laws passed in the interest of miners.

“Be it further resolved, that it is the sense of this Congress that the Forest Service employes in the field should be authorized to investigate in connection with the miners the lands covered by railroad grants and other non-mineral patents in the mineral belt, preparatory to Government action in having such lands as are mineral exempted and segregated from lands properly held under such grants as non-mineral patents.”

I wish also to call attention to the timber problem of the mining industry. This has been a question of more or less discussion and some complaints have been made relative to the policy of the Forest Service. The mining law is very specific in its provisions regarding the timber on a mining claim. The law permits the use of the timber on a claim for purposes connected with the development of the mine. It does not permit the locater to sell it, or to use it for purposes foreign to the development of the mine. The purpose of this law is perfectly obvious, namely, to prevent the acquisition of timber for commercial purposes under the guise of the mineral law. The provisions of the law are not only in the interests of the public in preventing fraud, but the industry itself is protected by it. The acquisition of timber through fraudulent mineral entries and the stripping of mining claims for alleged mining development, though really for commercial lumbering, would often seriously reduce the supply at the points most needed by the bona fide miners of the region. One fact often not appreciated is that prospecting and mining is in many places absolutely precluded by private ownership of large areas of lands in mineral districts. This land has been acquired through the various public land laws, and through private ownership withdrawn from mineral development. Thus a case recently came to my attention in a Colorado National Forest where prospectors complained bitterly that large private interests had secured not only all the nearby timberland in a certain locality, but their ownership practically stopped prospecting. Here is a clear illustration of how the passing of public into private ownership effectively acts to check mining development.

The law must be recognized as a beneficial and a necessary one. Its enforcement by the Government is a real protection to the best interests of the industry. In the National Forests the miner or prospector has the full right to the timber on his claim for the purposes named in the law. If he needs more he can get it without

charge through the liberal free-use policy of the Service. This policy of free-use is applied with great liberality to prospectors. Thus it is well understood that in case of need for timber off the claim, which cannot be foreseen, a permit is not required, but the prospector is allowed to cut and use such timber as he needs, with the understanding that he will later on notify the ranger regarding the amount taken and its location. Where his mine has become a productive one, and further timber is needed, it may be secured at reasonable prices. In other words, the Government gives him timber and all he needs until his mine begins to yield ore for the market. Can this be considered an unreasonable policy?

Furthermore, the Government by its system of forestry guarantees a perpetual local supply of timber for such miners. In common with other local industries, they are considered first in any plans of sale of National Forest timber. Sales for outside consumers are made only when there is clearly more timber being produced on the forest than local miners and other nearby industries need. In a number of specific instances, notably in the National Forests of central Montana, all the timber on very large areas will be required for local mining industries. Outside sales are not made but the timber is reserved for their use, and provision made for its continued production to sustain a constant supply. Mining communities have themselves asked for this protection, and have protested when outsiders desiring to get control of the lands have tried to secure eliminations of the areas from the forest. Here again I feel that we may justly ask the support of the mining industry against the efforts to break down a system which is working to provide one of its greatest needs. Does anyone really believe that by destroying National Forestry the timber needs of the mining industry are going to be adequately met? I want to see the same kind of co-operation between the mining industry and the Forest Service as we have with the local sheep and cattle associations and the users of timber. All local difficulties are disappearing through co-operation. Why cannot we have the same results in the mining questions through meeting together in special conferences to discuss difficulties which so often arise from a misunderstanding of the aims of the Service? When the prospector and miner understand what we are doing co-operation will replace distrust.

If time permitted I could go on through the category of resources in the National Forests and show that development is not being blocked but is being promoted in a way that will result in permanence and stability of industry. As soon as there is a market

for the large bodies of timber which are now inaccessible, there can be cut every year from the National Forests over six billion feet without exceeding the annual production of growth. In other words through the system of public control there will be at least this yield sustained every year indefinitely and it will be increased as we restock those areas on which the forest has been destroyed by fire. Under the present law 35 per cent of the gross receipts go to the states. That is, there will be at least five or six million dollars of direct return from timber alone and this a rapidly increasing amount as the value of timber increases. This also means the distribution permanently of 60 to 80 million dollars a year in wages through the permanent support of the local lumber industries. This, together with the protection of the sources of water, is a result utterly impossible under private ownership.

There has recently been considerable agitation to turn the National Forests over to the states. So far as I have been able to learn, the advocates of this proposition do not have in mind a continuance of public control, but, after the states have acquired their forests, their distribution to private ownership. In most cases this is the declared purpose and the same forces which have been endeavoring to break public control of the National Forests are now turning to the states' rights proposition to bring about the same end. In other cases where this is not the avowed object, the program suggested leads definitely to the same result, or at least prevents the public benefits which can be secured only through federal ownership. The states' rights program so far as it has been developed leads to the same end as the private ownership program. Nevertheless there are doubtless some who are thinking of state jurisdiction to replace federal jurisdiction and a retention of public control. To meet this suggestion I wish to enumerate briefly a few of the reasons why it cannot be carried through:

1. The National Forests belong to the whole nation. Just as in the case of previous grants this public property should not be transferred to the states unless the national interests can be better served by state than national jurisdiction.

2. National interests require that the lands now owned by the Government and suited only for timber production be made to yield as much as possible to supply as far as they will forest products to the people of the whole country.

3. Most of the area of the National Forests lies on the watersheds of navigable or interstate streams. The Government is now spending eleven million dollars to buy from private owners forest

lands in the eastern mountains to protect navigable streams. While the protection of navigation was legally the basis of this appropriation, the real force behind the measure was the demand for forest protection to control interstate streams and to maintain the supply of timber. It was recognized that private ownership was resulting in grave public injury in both these regards.

4. The states are unable to meet the public requirements of administering the National Forests. Merely from the standpoint of paying the bills, it would be out of the question. Most of the National Forests are still undeveloped wilderness. They must be opened up at once by means of transportation and communication, merely for their adequate protection from fire. Although the Government has already built 10,000 miles of trails, 7,000 miles of telephone lines and many other permanent improvements, there remain to be built, in order to complete the primary skeleton system of fire control, over 85,000 miles of trail and 40,000 miles of telephone lines. The first cost of these various improvements still to be constructed will amount to about eight million dollars. The cost of proper protection and administration is beyond the states. The total cost would be enormously increased if there were established over twenty administrative units. If the states handled the forests properly in the interests of the public, their administration would be essentially the same as that of the Government. Much of the timber is remote and not merchantable at present, the more accessible timber having been acquired by private owners. The cost of protection and administration would exceed receipts. In case of great droughts, the states could not meet the emergency. This is clear when it is remembered that it took over a million dollars of emergency expenditures to put out the fires of 1910 on the National Forests.

The states are not now, on account of the cost, meeting their responsibilities in forestry, which are peculiarly state functions. The Government is giving direct aid now in cash contributions to the states of Idaho, Washington, Oregon, Montana and Minnesota for protection from fire of forest lands not in Government ownership on the watersheds of navigable streams. This is in addition to eight other states which do not contain National Forests. To the first list should properly be added California, which has applied for federal aid but has not yet qualified for it under the law by establishing a state system of fire protection.

5. The success of developing and administering public forests depends absolutely in having stable policies and methods of work.

The length of time required for tree growth means that every operation affects the later development. It therefore requires a long look ahead and the inauguration of plans of work which will be carried out over long periods. Sudden shift or changes in policy or methods of administration would be fatal to successful accomplishment of the desired ends of forestry. In the same way it is absolutely essential that the administration be free from all political considerations and from the influence of powerful private interests. All these things can be furnished by the Federal Government as the states cannot. In the administration of the National Forests a definite policy has been put into effect and is known. The Government is committed to its continuance. Transfer these forests to the states and twenty separate and distinct policies must be developed and tried out before the public will know where it stands.

While the National Forests are retained by the Federal Government to accomplish certain great national purposes, the immediate benefit will inevitably and should be to the states and communities in which they are situated. The object is not to swell the national treasury; it is to secure the continued production of timber, the protection of water, and the protection of the public from monopoly. The financial returns are to cover the cost of protection, improvement and administration. Any surplus which ultimately is secured, and it will in time be very large, should be devoted primarily to development and improvement work in the forests for the benefit of the people.

It is only through the Federal Government with its unlimited resources and its stable policies representing the needs of the whole nation that the best development of the forests both from the standpoint of the nation, the states and local communities can be successfully accomplished.

The Protection of Investors in Mining Stocks.

W. H. STORMS,

STATE MINERALOGIST OF CALIFORNIA.

The spectacular successes that sometimes result from mining operations have acted as a powerful incentive for a certain class of individuals who style themselves promoters, and sometimes as mining engineers, to undertake to foist upon the public mining schemes that will not bear the test of close inspection. All mining men are familiar with the type of promoter here referred to, and it seems almost needless to describe the character of these get-rich-quick propositions. Some of them are most ingenious in their presentation, others are crass, raw, and entirely overdone, so much so that there is not the least danger of those who have any knowledge whatever of mining affairs being deceived. The public generally, however, does not possess the necessary experience or knowledge to guard against these impositions and as a class are readily taken in by the highly colored statements found in the alluring promotion literature of the kind here referred to. Always the statements found in the prospectus indicates the property to be of phenomenal value—such, in fact, that were the statements really true, it is extremely doubtful if the outsider could secure a single share of stock except at a price that would make it unwise to invest in even this meritorious property.

I call to mind one concern in California, which a few years ago issued a lot of lurid literature, gorgeous and expensive, in which it was stated that the company had extensively developed to considerable depth a vein twelve feet wide, which was worth two hundred dollars a ton in gold. Every mining man knows that the owners of such a property require only sufficient money—a few hundred dollars at most—to mine, sack, and ship to a custom reduction works the first car of ore, and after that all is easy, as no further capital is required other than that produced by the mine itself. In this particular instance the promoters not only succeeded in inducing many people to invest cash in their enterprise, but they actually spent some of the money in the purchase and construction of a mill and expensive pipe-line. This concern failed, for their only asset was a vein of quartz which was, as the prospectus stated, twelve feet wide, but it was deficient in gold. Instead

of two hundred dollars per ton it was nearer two dollars, and I am not at all sure that it was even that good. It was, no doubt, the easy success of the promoters of this scheme—that is, success for the promoters, not the investors—that induced another lot of fellows to organize companies on both extensions of this fraud, and to emulate the example of the first company in the character of their literature, which appeared in gilt and colors, with a lying statement about the property and pictures of the shameless promoters themselves, showing them at the mine wearing broad-brimmed sombreros, high laced boots, and flannel shirts, and armed with brightly glistening store picks. It is a matter of regret that these, too, succeeded fairly well in disposing of shares to the easily gullible public. These three companies have been chosen as a fair sample of promotions of the fake class.

As I have already said, mining people of experience need little protection, either legally or otherwise, from promoters of this class, but unfortunately the public generally have little real knowledge of mining, and are therefore most easily imposed upon. Very naturally they believe that the stocks offered by the promoter must have some value, for they cannot bring themselves to believe that any set of men would so brazenly dare to falsify the true condition of any property. Being honest themselves, they consider the serious consequences of such illegal acts. We all know to the contrary. Men of the stamp here referred to will dare almost anything when there is easy money in sight. They look upon the public as their legitimate prey. It is true that the laws, both State and Federal, distinctly forbid the misrepresentation of mining property, but the law, and that referring to this matter particularly, has little terror for men of this stamp. These dishonest schemers have learned by experience that the public is easily deceived, and that it is not difficult to excite the cupidity of the average person, particularly with tales of rich gold ore. These human weaknesses are taken advantage of and we are all familiar with the unfortunate result. You would be surprised to know the number of inquiries that are made to the State Mining Bureau of California for some information concerning this or that stock. The company is not always a California concern, but are in other Western states. It is not strange, perhaps, that the greater number of these inquirers are women. It is rare indeed that I am able to hold out any hope to these dupes of the get-rich-quick promoter. This includes "process" propositions as well as mining companies, for the process man has been unusually active of late. Unquestionably something should

be done to put a stop to the dishonest schemes of men of the fake promoter class. I am firmly of the opinion that the vigorous prosecution and suppression of dishonest mining promotions do not hurt, or in any manner injure or react disastrously upon the industry of legitimate mining. It is clearly evident that the public is not sufficiently protected against the schemes of these foes of the legitimate industry—the fake promoters. At least, this is the case in California, for notwithstanding the existing State and Federal laws which plainly define such practices as illegal; and apparently unmindful of the activities of the postal department in prosecuting some of the most flagrant cases, the fraudulent promoter continues in business and evidently thrives.

That further and more drastic legislation is necessary is clearly apparent to all of the real friends of legitimate mining. In looking over the laws of the various states, the object of which is to afford protection to investors against dishonest promotions, the only one that in any way appears adequate to meet the exigencies of the case is that of the state of Kansas, and now famous as the "Blue-Sky" law. This particular piece of excellent legislation was enacted by the Kansas Legislature at its session of 1911, and is known as House Bill No. 906. It is entitled, "An act to provide for the regulation and supervision of investment companies and providing penalties for the violation thereof." Its provisions are simple, plain and direct. It provides that all companies, associations, corporations, etc., with the few exceptions of concerns not organized for profit, before attempting to offer or sell any stocks, bonds, or other securities of any kind other than those exempted, shall file in the office of the Bank Commissioner of the State of Kansas a statement showing in full detail the plan upon which it proposes to transact business. It must state the name and location of the company, and also an itemized account of its actual financial condition, and the amount of its property and liabilities, and such other information concerning its affairs as the Bank Commissioner may require. It is the duty of the Bank Commissioner to then investigate the affairs of the company making application for the privilege of doing business in the state of Kansas, when, if in the opinion of the commissioner, the proposed plan of the applicant is in any manner unfair or dishonest, he shall refuse to grant the permission sought.

The effect of this law is drastic, but in no wise too much so for some of the promoters I have known. It is a necessary law, and, as far as I have been able to ascertain, it has worked no

injustice to any company organized along honest lines, and which has been promoted in a decent and proper manner. It is an interesting fact that during the first year of its operation in Kansas only about six per cent of the applications made were granted by the Bank Commissioner. They must have been pretty thick in Kansas. It is estimated that this law saves from \$5,000,000 to \$6,000,000 to the people of that state each year. In my opinion the "Blue-Sky" law is all right, we need it in California, and it is my hope that the next California Legislature will pass a bill as nearly like the Kansas law as possible. It would place mining on a higher plane and no legitimate undertaking would be injured by having such a law on the statute books of the state. The natural operation of a law of this character when strictly enforced would be to limit in a very noticeable degree the number of promotions attempted, and without doubt it would act as a decided deterrent to dishonest mining promotions. There are those who, no doubt, will argue that mining is a gamble, anyway, so why may not one of these propositions of dubious reputation, to say no worse, prove to be an unexpected success? It would be unexpected. I have never known of one, which started as a fake, did not continue as such to the end, and I never expect to see one. Moreover, any scheme promoted in the interest of the promoters only, should it ever by any chance prove to be a commercial success, the promoters would see to it that the outside stockholder would reap no benefit from it. It would be considered by the promoter to be a "business opportunity" too good to be overlooked, and he would proceed to take advantage of it to the limit of his pernicious ability.

The Relative Hazard of All Vocations in Comparison with Mining.

HYWEL DAVIES,

LOUISVILLE, KY.

No industry, outside the milling, clothing and shoe industry, affects the welfare and comfort of the inhabitants of the Temperate Zones more than the coal mining industry.

It is not only indispensable in most lines of manufacture and in the generation of steam, but also in all the homes of the poor, as well as the rich. Its use is not privileged in any sense and it is sold in quantities to suit the consumer. No other product has such elasticity in its sales. It is doled out from a nickel's worth to a car load to the domestic consumer; from a wagon load to hundreds and even thousands of cars to the manufacturer; while all the larger railroad lines buy millions of tons annually.

Not by any means is it the most dangerous of vocations, yet the story of coal production is filled with such tragical and dramatic incidents as to rouse and focus the attention of the entire civilized world that otherwise trends its way in indifference as to the source of comforts, or the prominent factor that coal partakes in the making of its general welfare.

Human nature is the same the world over. The cannibal forgets any qualms he may have when witnessing the butchery of his victims in the feast that follows. We forget the tragedies of the sea when enjoying our sea-food, or the dainties from over the sea. The billiard player gives no thought to the horrors of the Congo and Equatorial Africa when indulging in his favorite game. The seal and fur dressed rich seldom worry over the story of exposure and death of many a fisherman and trapper in the Far North, made necessary to satisfy the mandates of fashion and wealth. Nor do the poor more than seldom think of the tragedies of the sweat-shop in their unconscious wear of the products of the same. We may even say that in the enjoyment of our priceless liberties and democratic privileges we rarely give a thought to the tremendous sacrifices of our forefathers which purchased them.

So, no matter which way we turn we find that the story of civilization and that of the human race in general is written in

pain, torture, sacrifice, and every conceivable horror saturated in blood, in the struggle, not only of existence, but also in the civilizing efforts which make for the uplift of the human race to greater ideals and their concurrent fads and fancies of comfort.

The toll of crippled bodies, shattered health and lives in the various industries, and even while enjoying the civilized comforts, exacted and paid annually, is startling when marshaled in statistical array. Though it is our innocent boast that the victories of peace are greater than those of war, yet here we are confronted with the fact that the disasters of peace are also greater than those of war—the only difference being that the mowing down in peace is generally on a retail basis, and in war on a wholesale basis.

These penalties of progress are caused by man's limitations in every way, and emphasize the dearness of the school of experience, due to the retarding influences of our ignorance, lack of foresight, and the proper conception and attention to the fundamentals of safety and protection to ourselves and fellow man.

We take too many things for granted, too many risks; hope too much for the best and prepare too little for the worst. In other words, we are too prone to fatalism and pay too little attention to "cause" until we have paid the penalty of "effect."

So in peaceful pursuits we reason backwards, because we are so "finite," even though in the evolution of civilization we are able to make many a milestone on the road towards the goal of perfection of human omniscency in material things. This perfection, or omniscency of knowledge of terrestrial things, will be hastened if concurrently the divine within us will also be developed, because the perfection of the machine will be marred without proper use. The most perfectly regulated industrial organization or human relation is liable to disaster unless a perfect knowledge exists of the dependence of each unit and the absolute necessity for a harmonious whole.

Discipline, rules, regulation, etc., cannot secure this without the development of a fellow feeling that recognizes the human factor as well as the mercenary results of industrial effort, and together they will reduce the toll of accidents if the intimate beneficiary public also exacts that the product consumed or used shall not be tainted by the tears of despair or saturated by the blood of victims that human foresight can save.

We have supposed that the age of pre-civilization was the age of selfishness on the theory that "what is thine must be mine" with its consequent casualties in the survival of the fittest.

In this supposed enlightened civilized age we have believed that the preservation of life and limb does not belong only to the fittest, but is the inherent right of all, regardless of age, sex, station in life, condition of health or strength of limb.

In the past the juggernaut of selfishness crushed out the lives of mankind, because the standard of value of human life was measured largely by the necessities of the strong.

In the present age of ambitious inventions and good intentions, we are, through ignorance, indifference and lack of foresight, paving the way to a greater hell of mangled, crippled and life-crushed mankind than existed in the pre-civilized times.

Of course, thanks to our limitations of knowledge, some sacrifice is generally a pre-requisite to success. The bones of the pioneer seem destined to bleach the blazed pathway of any line of discovery or progress.

That is the ideal sacrifice of progress and brotherhood, and often the name of the suffering leader or pioneer is perpetuated in the development of the discovery, visualized in marble or industry, or enthroned in the hearts of his beneficiaries.

The death toll of accidents along these pioneer lines, while often singularly numerous, as now experienced in the mastery of aviation, still, if with the sacrifice of each life the problem of safety gradually reaches solution, we will not be true to our racial instincts and our obligations to the future if we close the door before the problem is solved and man's dominion over the air will equal that of land and sea.

Yet such sacrifices are infinitesimal compared with the aggregate life toll paid annually on the altars of ignorance, indifference, lack of foresight, discipline, safeguards, greed, selfishness and penury.

Let us scan the following statistics and later make some comparative analyses:

The 6,000 killed and wounded in our Spanish and Philippine wars and 105,000 killed and wounded in six of the bloodiest battles of the Civil War sink into insignificance compared with the following annual industrial toll of casualties exacted by the so-called civilized age:

In the year 1908 Great Britain had 3,447 killed and 323,224 injured; German Empire had 9,687 killed and 662,321 injured. While in 1911 the United States had 40,000 killed and over 500,000 injured; the railroads contributing 10,396 killed and 150,159 injured.

Our statistical records of accidents outside the railroads and mining are far from being as complete as the German and British, and it is interesting to note the analyses of the German records, showing the actual proportion of all accidents divided between the different vocations and their respective hazards:

German Percentages of Accident Hazards.

Classification.	Deaths.	Injured.	Partial Disablement.	Complete Disablement.
*Agricultural & Hort....	30½	43½	45	32½
Iron and Steel Industry.	7½	10½	13	13
Mining	19	8¾	6	5
Building Construction ..	8½	7½	6	5½
State Emp. & R. R.....	8½	4	4	18
Wood Industry	2	3½	3¼	1
Warehouses	2½	2	2¼	2¼
Quarries	2½	2	1½	3
Textile	1	2	2½	1
Excavations	2	1¾	1½	4¼
Teaming	2½	1¼
All other industries.....	13½	13½	15	14½
Total per cent.....	100	100	100	100

Analyzed.

	Industrial.	Agricultural.
The Hazard of Industry or Occupation.....	43 %	33 %
Employers' fault	17⅓%	18⅔%
Workers' fault	29¾%	25 %
Employers' and workers' fault.....	10 %	23⅓%

*Note specially the surprising ratio of agricultural casualties.

The British relative hazard of occupation other than agriculture is shown for the year 1908 as follows:

	Deaths.
Home Shipping Trade.....	1⅓ per M. employed.
Docks	1½ per M. employed.
Mines	1¼ per M. employed.
Quarries	1 per M. employed.
Railways	1 per M. employed.
Building Trade	0.9 per M. employed.
Factories	0 ⅔ per M. employed.

British home and foreign shipping trade:

Deaths on sailing vessel trade, 12.69 per M. employed; deaths on steam vessel trade, 4.45 per M. employed.

To offset these foreign statistics we woefully lack in general as well as detailed statistics of accident, except in relation to mining and railroads. The records in these two departments are fairly complete and are published from time to time with startling effects, when given in a collective sense.

Analyzed in relation to other accidents and preventable diseases, for the public at large is as criminally guilty for deaths from

preventable diseases as the employer for any preventable industrial accidents, the record of industrial accidents, while most deplorable and demanding the most earnest consideration of the question of greater safety to life and limb, and every safeguard that will protect from and prevent every possible casualty or accident, yet when placed in the proper ratio of contribution to deaths from all causes, we find, according to German statistics, that deaths from industrial accidents of every description form only eight-tenths per cent of the whole, and that of the preventable diseases that the nation at large is responsible for shows that twelve times as many die from tuberculosis; nine times as many die from pneumonia; three times as many die from typhoid fever; one and one-half times as many die from diphtheria; nearly one and one-half times as many die from suicides, and twice as many die from measles and scarlet fever.

German deaths caused by occupational accident have practically doubled since 1890, when they numbered only 45 per 10,000 deaths in the Empire, but in 1908 the latest record shows the number had grown to 80 per 10,000 deaths, or eight-tenths of one per cent of the total annual deaths.

The following detailed table throws further light on the relative deaths from industrial accidents in relation to the ordinary "ills that flesh is heir to" in Germany:

Tuberculosis	9 7/10%
Old Age	9 2/10%
Paralysis	8 %
Pneumonia	7 2/10%
Cancer	4 1/10%
Whooping Cough	1 4/10%
Diphtheria	1 3/10%
Suicides	1 1/10%
Measles	7/10%
Scarlet Fever	8/10%
Accidents	8/10%

It is unfortunate that our National Census Bureau is unable to furnish more prompt data or statistics giving similar complete analysis of the annual deaths in the United States. Until we get such a record we are liable to become hysterical in our conclusions, and our viewpoints of certain industrial conditions clouded by the absence of the relative showing of industrial hazards.

The last attempt at a complete record is that of the 1909 census, which gives the following surprising totals of deaths from accidents due to familiar causes:

Railroads	6,659
Autos	632
Gunshot and wounds	944
Horses and vehicles.....	2,152
Drowning	4,558
Street cars	1,723
Burns and scalds.....	3,992
Injuries at birth.....	3,508
Coal mining (6th in total deaths).....	1,779
Sunstroke and heat.....	816

Other causes not given in detail raise the total accidental deaths to nearly 43,500, which justified a recent writer to say that "the tragedy of death through industrial accidents is enacted 100 times daily in this country, or 35,000 times a year. The danger to the laborer increases with the progress of the age. With each new invention the number of the killed and injured rises." This being largely true, let the country at large know also that what they consider a very dangerous avocation, employing 750,000 in the coal mines, the toll of accidents places them SIXTH in the list of relative hazards, with a death toll of 2,412 in 1909, or only 60 more than the 1,719 total killed on 10 successive Fourths of July, ending with 1911, or only 56 more than killed by street cars in the same year, and *1,000 less than the number killed by horses and vehicles and automobiles in the country at large.*

The purpose of this paper is not to minimize the gravity of mining accidents, nor deplore their fatal recurrence the less, but rather a plea that the Government Bureau of Statistics shall give the subject of *all* industrial accidents the proper consideration, so that bulletins on accidents will furnish an intelligent review or analysis of causes that will be fair and just to all industries, instead of the present policy of exploiting the accidents of one industry or vocation without regard to the *greater contribution to the toll of deaths by industries, vocations or preventable diseases not supervised by commissions or tabulated by bureaus.*

An analysis of the casualties or industrial accidents with such meager statistics as we have for the United States shows the following relative hazards of vocation for the ten years ending in 1906:

First. Navigation in 1910: 1,443 wrecks, 365 vessels totally lost, with loss of vessels and cargo amounting to thirteen and one-half million dollars and 403 lives lost. The ratio of lives lost among the Gloster fishermen was 11.7 per thousand employed.

Second. Railroad trainmen, 7.46 per M. employed; railroad switch and flagmen, 4.50 per M. employed.

Third. Iron mines of Michigan, 4.25 per M. employed.

Fourth. Anthracite mines of Pennsylvania, 3.18 per M. employed.

Fifth. Lead and zinc mines of Missouri, 3.01 per M. employed.

Sixth. Gold and silver mines of Colorado, 2.85 per M. employed.

Seventh. Copper mining and quarries, 2.80 per M. employed.

Eighth. Bituminous coal mining, 2.77 per M. employed.

A further analysis of the casualties in coal mining brings out some marked differences in the records of the different mining states, and no wonder the Western metal miners look upon coal mining as very dangerous compared with their own relative state experiences.

Although the average for the bituminous mines of the United States was only 3.08 per M. employed for the last 42 years, the average for Utah for 15 years is 11.67 per M. employed, while Washington for 17 years is 6.40 per M. employed; New Mexico for 14 years is 7.23 per M. employed; Colorado for 20 years is 5.51 per M. employed.

Coming to the Southern States, the average for Tennessee for 18 years has been 4.38 per M. employed; West Virginia for 25 years has been 4.62 per M. employed; while Kentucky for 22 years has been 1.71 per M. employed.

But Kentucky has two distinct coal fields, which further show a very material difference in the element of safety. The Eastern field covers 10,000 square miles and forms part of the Appalachian coal field. This section of the state employs about 50% of the miners and produces 40% of the coal. It has never had a serious explosion that killed more than five men at the same time, but two-thirds of the mining accidents in the state occur in this field, principally falls of roof.

Western Kentucky carries 6,000 square miles of the South-eastern corner of the great Central States coal field, produces 60% of the coal, or about eight million tons per annum, and employs nearly 12,000 men. This district deserves the special consideration of the statistician of the Bureau of Mines, because here is a field almost as large as that of Great Britain, Germany, Belgium and France put together, with untold possibilities of development, with its location adjacent to the Ohio and Mississippi rivers, yet with a mining record of freedom from accidents and industrial peace that shatters the much exploited records of low European mining fatalities.

The average for *thirteen* years ending in 1905, according to

Bulletin No. 90 of United States Labor Bureau, gives Western Kentucky the enviable record of only 1.05 per M. employed as killed in the mines, while the average for Belgium 20 years ending 1906 was 1.21; Great Britain 16 years ending 1906 was 1.35; Prussia 14 years ending 1904 was 2.30; France 10 years ending 1910 was 1.25.

The last is one-third higher than the average on account of the Courrieries explosion, which killed more than 1,000 men and is the Titanic disaster of mining.

Western Kentucky not only holds the record for fewer fatal accidents per thousand employed of any coal field in the world, but in addition produces a much larger tonnage per death. Thus, in 1906 the United States produced about 180,000 tons for each life lost; Great Britain produced about 230,000; Belgium produced nearly 200,000; France produced nearly 240,000. These were the best records for the European countries in several years.

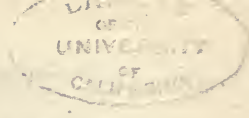
Now, take Kentucky with a record of an average of 300,000 tons for over ten years and then separate the West Kentucky field and you have a record of over 800,000 tons produced per life lost, with the largest company producing an average of 1,100,000 tons per annum for last ten years and only ten men killed in the ten years.

Here is a field that is rapidly expanding, and yet for safety of operation compares most favorably with the best in any part of the mining world.

Just one more comparison: Falls of roof cause approximately 50% of the fatalities in the United States. Bulletin No. 333 of the Bureau of Mines gives the following comparison of deaths from this cause: 1906, Belgium, 0.40 per M. employed; 1906, France, 0.47 per M. employed; 1906, Great Britain, 0.64 per M. employed; 1906, Germany, 0.92 per M. employed; 1906, United States, 1.70 per M. employed. Western Kentucky for 1911, 0.25, or three for the 12,000 men employed.

These comparisons are given only to emphasize the danger and unconscious injury which indiscriminate collective statistics and the mania for general averages lead to.

If we are to have statistics, let them be thoroughly analytical, not only as between the states, but also the relative hazards as this paper feebly attempts to indicate; and that not to draw from us the responsibility for any failure in the eternal vigilance for safety, but in order that the man we work will be a man not subject to such physical defects as to cause, according to the German records, fully one-third of the fatalities due to the workman's fault.



Government Construction of Railroads and Leasing of Coal Lands.

FALCON JOSLIN,
FAIRBANKS, ALASKA.

Mr. Chairman and Gentlemen: At the meeting of this Congress a year ago at Chicago, as you all know, the President of the United States was present and made an address. The Secretary of the Interior was also there and made announcement of the Alaska policy, which he had conceived after his visit to Alaska during the summer.

In effect and in substance the proposals of the Secretary of the Interior to relieve the conditions in Alaska were first, that the National Government should acquire, I believe by condemnation, a certain unfinished railroad which had been begun by private enterprise there. To construct it as a government-built, and government-owned road, from tidewater on the South Coast of Alaska to connect with the great navigable river systems of the Yukon and Tanana rivers.

He dwelt with great vigor on the need of railroad transportation in Alaska, and put it as the first and most important thing for development of that territory. The second of his recommendations was that the coal fields in Alaska, which have been tied up for about seven years under executive orders, should be opened for development. That in so opening them the ancient law offering them for sale in fee simple titles should be abandoned, and that a new system entirely should be started. That those coal lands should be leased in units sufficiently large to enable mines to be opened, and that the title should be forever held by the National Government. That those who desired to work them should do so under a leasehold, and yield to the treasury of the National Government annually a royalty on the amount of coal that they might produce and market. The recommendations of the Secretary of the Interior seemed to offer the first light towards really beginning the development in that territory since it had been locked up in 1906.

Those of us who live in Alaska and who had tried all the ways we knew to get the restrictions on the development of the country

removed, and had tried in vain, hailed with delight the coming of the Secretary of the Interior himself to Alaska, to study its condition. We were pleased to know that he had considered it sufficiently important to come before this great American Mining Congress and announce for the first time his program for relieving the conditions there. No subject before the Government is greater in importance than the development of its colonies. I speak advisedly, for this republic has become an empire, and owns colonies, and Alaska is one of its colonies. It also owns possessions beyond the seas, and I am afraid has departed far, far from the principles of a real republic in so doing. But those things are beside the question. We who are the colonists up there feel the pressure of unjust and unlawful actions at the Central Government. In addition to the natural hardships and burdens of that country, we have had hardships imposed upon us by our administrative rulers, that men ought not to be called upon to bear. We were glad when the Secretary of the Interior announced these proposals.

The American Mining Congress passed a resolution authorizing a committee of five from the body of this organization to be appointed to co-operate and assist the Secretary of the Interior in carrying through what then must have seemed to this Congress a feasible and possible solution of those difficulties. Following that resolution, the Chairman and your President and Board of Directors appointed a committee of five, as follows:

Mr. Wm. Griffith, Scranton, Pa.; Mr. H. R. Harriman, Seattle, Wash.; Mr. Falcon Joslin, Fairbanks, Alaska; Col. D. M. Stewart, Seward, Alaska; Mr. Maurice D. Leehey, Seattle, Wash. I had the honor to be named the Chairman of the committee.

Mr. Leehey, shortly after appointment, resigned, and Mr. J. F. Callbreath, Secretary of the Mining Congress, acted thereafter in his place.

I might say in starting that those who had studied to some extent the question of Government ownership of railroads and of leasing of coal mines, as opposed to private ownership of railroad and fee simple title of coal lands, were not in favor of Government ownership of railroads on principle, nor yet were we in favor of leasehold titles to mineral lands as against freehold title, on principle. (Applause.)

But you must think what condition that country is in. Railroad building entirely stopped, coal mining absolutely prohibited. All other industries retarded or strangled entirely. You must think what position the men are in who have gone there and spent their

money and best years of their lives hoping for growth and development in that country, and for seven years finding none. Any plan whatever that promised relief to us was worth working for. We were not going to be particular about the method if we could accomplish the result.

Your committee, Mr. Chairman, undertook this work with a whole-hearted desire to work out in the best way we could along the lines the Department itself had proposed a solution of the coal land trouble in Alaska.

It was in February or March before anything whatever was done, although Congress had assembled in December. Your committee met in Washington early in January. No bill had been proposed by the Interior Department or anyone, carrying out the recommendations which had been made by the Secretary of the Interior as to railroad building or as to coal land leasing. The committee at once got in touch with the officers of the Interior Department and with them began work preparing a coal leasing bill. They found wide variations in opinion as to what would be a workable and suitable leasing bill. From the beginning of the discussion until now they have never been able to agree with the Interior Department on the form of a leasing bill. There was always a variance of opinion as to what should be drafted into it. The principal points of difference were:

First. The Interior Department desired to reserve in the lease the right to fix the price at which the coal should be sold.

Your committee believed this would prevent anyone from taking a lease and thereby render the bill entirely useless.

Second. The Department desired a clause inserted to prohibit any railroad company or any stockholder in any railroad company from taking or holding any lease or any interest as stockholder or otherwise in any company holding a lease, and likewise to prohibit any holder of a lease to own any railroad or any interest in a railroad.

Your committee believed that this would also render the act useless. A coal mine cannot be operated without a railroad to haul away the coal. The transportation of the coal from the mine is as essential as the tunnels, hoists or other appliances in the mine itself. That as there are no existing railroads to any coal fields in Alaska, the organization and construction of the railroads must precede the opening of coal mines. That these railroads cannot be procured except in connection with the coal mining enterprise. The mine must furnish the entire traffic to support such a road.

Third. The Department contended that the terms and conditions of granting the lease, as well as the manner and method of mining under it, should be subject to rules and regulations to be made by the Secretary of the Interior and these to be subject to change from time to time at the discretion of the Secretary, especially upon any transfer of a leasehold.

Your committee believed that a leasehold to change by the lessor at discretion was not lease at all but a mere license, and that no one could afford to expend large capital for opening a mine and providing means to market the coal on a mere license. That the terms of a lease should be definite and clearly expressed in the written contract and not subject to change by either party to the lease without the consent of the other during its term.

Your committee further believed that any citizen who might desire to take a lease should be able to look at the law and know upon what terms and conditions it could be had as a matter of right and not as a matter of favor resting in the discretion of the Secretary or anybody.

Fourth. Your committee believed that the term of a leasehold should be for such time as might be necessary to work out the coal but requiring continuous work.

The Department contended a lease should be for a short term not to exceed 30 years, and always subject to change as to working at the discretion of the lessor.

Fifth. The Department contended that the leasehold should be subject to forfeiture for the breach of any of the terms of the lease, or of any rules or regulations which the Secretary might make from time to time relating to the holding or working the mine or marketing the coal. Such forfeiture to rest in the discretion of the Secretary.

Your committee was willing that for a failure to pay the rent or to work the lease there should be a forfeiture after reasonable notice and hearing, but were strongly opposed to making the title subject to forfeiture at the will of one party to the lease for every small infraction of its terms or of the proposed rules and regulations. Forfeiture is a capital punishment and should be decreed only for capital offenses and then only after impartial trial.

Your committee believed that a forfeiture for any and every breach of the terms of a lease or the regulations, no matter how trivial, would prevent anyone from seeking a lease and prevent the securing of capital for developing a coal mine under such a title.

Your committee believed that one of the most serious objections to the leasing system as against the freehold system is the forfeiture provision. If one invests capital to develop a freehold and the enterprise is not successful one does not lose everything. He may hold the land and his improvements and at a later time may try again, or sell the property and so save at least some of the capital invested. While if the investment is made on a leasehold and the enterprise is not successful, the forfeiture of the lease wipes out the whole investment.

Sixth. The Department apparently proposed to regard all the past entries of coal land under the existing law as fraudulent and void and to treat the entrymen as criminals and to insert such provisions in the bill as would finally and forever obliterate their claims.

Your committee insisted that these various entrymen, more than two hundred in number, had applied to purchase coal lands at the price and on the terms proposed by the existing law. That they had gone to heavy expense in surveying and improving their several tracts and had tendered the purchase price to the Government. That the officers of the Land Department, after examination of their entries and maps, etc., had approved them and accepted their money and given the receipts of the Government for it to an aggregate amount of more than \$320,000.

That the Government has failed or refused to give them patent to the lands while it still retains their money. That all these entries have been held up for cancellation for fraud, but only a few decided by the Department. That *none* of them have ever had an opportunity to have their rights adjudicated in the courts and that their entries must be presumed to be free from fraud until the contrary is proven.

That many of them have been indicted in the criminal courts but none of them tried, and that until they are tried and found guilty by a court and jury they are entitled to the presumption of innocence.

That the civil and criminal proceedings against them have been pending for several years and that the Government has failed to bring them up for trial or decision.

That the officers of the Department of the Interior are notoriously and avowedly opposed to the principle of the existing law under which these entries were made. That they believe the coal lands should not be sold but should be leased. That their hostility to the existing law is such that it is wholly suspended and no

entries are permitted under it. That the bias of the Department against the existing law is such that it is unfair that the entries should be submitted to them for decision.

Your committee insisted that the Department of the Interior is in effect the accuser and prosecutor of the existing entrymen and it also provides the witnesses against them and therefore is not competent to be their judges.

The bill, therefore, should contain such provisions as would enable these entrymen to submit their rights for trial and determination to the courts of Alaska with the right of appeal by the entrymen or the Government as in other actions.

Your committee believed that unless an unbiased and judicial determination of these entries under the existing law could be had it would be useless to pass any new law, for faith in the laws would be destroyed. No one could be found to apply for a lease under the proposed new law lest their applications might be suspended even after they should pay the rental required and have the Government's receipt for the money.

During the progress of the work the representatives of the Department finally yielded on the price-fixing clause and agreed that all reference to a reservation of the right to fix the price of coal mined should be omitted from the bill.

On the other hand, your committee yielded on the point of the duration of the lease and agreed that the term of the lease should be for 30 years with certain rights of renewal.

But on the other points of difference agreement was impossible.

There was little difference on the matter of the area to be leased. It was readily agreed that the area should be at least 2,560 acres to justify the expense of opening a mine.

Neither was there any great difference as to the royalty to be paid. It was conceded that the royalty should be proportioned to the selling price of the coal and should range from about 3 to 10 cents per ton.

It was also agreed that 75% of all royalties should go to the Alaska fund.

Five or six different drafts of a coal land leasing bill were made. The end of the matter was a draft of a bill on which we could come nearest to agreement. This bill was introduced by Senator Smoot, the Chairman of the Public Land's Committee in the Senate. The members of your committee never agreed to the

form of the Smoot bill. But it was the nearest they could come to an agreement with the Interior Department.

As the bill must be subject to discussion in both the Senate and House Committees as well as on the floors, your committee agreed to its introduction and resolved to endeavor to secure amendments to the bill to make it conform to their ideas before it should become a law.

There were hearings on the bill before the Senate Committee on Lands, and much time consumed in its discussion and various amendments were made. At that time (it was May) it was supposed to be near the end of the session. If anything was to be accomplished, that bill must be gotten out of the committee shortly or it would die in the committee and never be gotten out at all. So it was agreed the Smoot bill should be reported out of the committee and that such amendments as were desired would be inserted on the floor of the Senate, or in the hearings before the House Committee, where the bill as yet has not been introduced.

When the Smoot bill, therefore, was reported favorably by the Senate Committee many thought it was or had been agreed to by your committee—which was not the fact. Many people in Alaska, and in the West, who were interested in coal development there, put upon your committee some censure by misapprehension. It was supposed we had agreed to the bill. As a matter of fact your committee believed that a bill in that form would be absolutely worthless and unworkable.

Your committee drafted amendments to the Smoot bill, eight or ten amendments, which they thought and still believe would make the bill a workable leasing bill. These amendments were discussed with Senator Smoot and the draft of them presented to him in the hope he would offer them on the floor of the Senate.

Your committee also re-drafted the Smoot bill, incorporating the amendments desired, and it was introduced in the House. It was introduced by Judge Booher, of the Territories Committee of the House, and became known as House Bill No. 25749, or the Booher Bill, and is now pending before the Committee of the Territories in the House of Representatives. It is the bill that the Committee of the American Mining Congress believes would be a workable measure on a leasing basis, and which they were willing should become the law of the land. They believed it would provide for the opening of the coal in Alaska. No other bill was agreed to by the Committee of the American Mining Congress nor has ever received its sanction. This bill came up before the

House Committee on Territories and met fierce opposition, and was not reported out of that committee. The Smoot bill was never brought up on the floor of the Senate. The session ended with nothing done.

Whether the American Mining Congress believes in ownership of coal lands in fee simple or in the leasing principle, we of Alaska are ready to accept any sort of a bill, a leasehold, a fee simple title, or any kind of a bill that will open that country for development. If we cannot get the executive department or Congress to permit the present law of the land to be in operation, then we were willing that any kind of a bill should be adopted which should enable us to proceed with our development, provided always—and you will find that there is a provision in the Booher bill to that effect—that these pioneers who have made the first entries, who made the first discoveries of coal land in Alaska, and located that land, and attempted to purchase it under the law, have their rights protected. They must have the right to appear in the courts with their entries, and have them adjudicated by the courts of the land, instead of the Interior Department. (Applause.)

They are entitled to a judicial consideration, not a political or partisan decision. And in so far as the leasing provisions of the bill were concerned, they should apply only to such future entries of coal land as might be made, and not affect the existing entries which had already been made under the law. We feel like this. It is utterly useless, utterly useless to offer a lease to anybody under a new leasing bill as long as the law which offered that land for sale is violated. The faith in the law is destroyed and it has been done by the Government itself at Washington. (Applause.)

The Government offered for sale these coal lands in Alaska by the act of 1904 at \$10 an acre. These men went there and spent their money and explored and discovered that coal land. They set up their stakes and surveyed it according to the law, and according to the advice of their lawyers. The Government took their money, gave them receipts for it, recognized their possession, and then by executive order by a despotic President at one stroke of the pen destroyed that law. Repealed it as completely in effect as if Congress itself had repealed it. What is the use of passing new laws if there is no faith to be placed in the old ones? (Applause.) I for one would never agree to any leasing bill or any other form of bill that did not recognize and accord justice to the men that had located under the law as it was before. (Applause.)

The Interior Department officials say the present law is un-

workable. I don't believe it. They don't want to work it. The law provided for the sale of coal lands in Alaska in 160-acre tracts at \$10 per acre. It is a perfectly simple, plain law. It is as clear as any law in the statute books. Even if the language was obscure, the purpose and spirit are exceedingly plain, and the ordinary rules of interpretation and construction could readily be applied to it if there was any sincere desire to execute the law. It is the same law in effect that has been in force for 40 years and more. Former administrations found no difficulty in administering it. The truth is, the executive department for the last eight years has not tried to execute the coal land law in Alaska, but on the contrary has tried to abrogate it.

The Roosevelt administration began by suspending the operation of the law in 1906. The Interior Department ever since has been finding fault with it and picking flaws in the rights of those who made entries under it.

The Taft administration tried to ratify the Roosevelt order, and gave as a reason that the law was suspended to "aid legislation"!

This was a flagrant encroachment by the executive department upon the functions of the legislative department.

Where can authority be found for a President to repeal or suspend a law in order to force the passage of a new one? The President may recommend new laws or the repeal or amendment of old laws. But he is not authorized to repeal or suspend a law and then invite Congress to pass a new one. He takes an oath to support and defend the constitution and laws and to see that the laws are faithfully executed. Congress alone has the right to repeal or suspend a law. The President is limited to recommending and to the exercise of the veto when a bill is presented for his approval.

Congress has never seen fit to repeal the coal land law of Alaska, but the executive department has taken it upon itself to suspend it. They have a new "policy," a political policy, they want to see tried. The failure of the Interior Department to administer and execute the coal land law of Alaska is nothing more than an outrageous violation of official duty. (Applause.)

It has ruined hundreds of good men and strangled the development of a great province. (Applause.)

Now, as to the railroad features of the recommendation of the Secretary of the Interior. Your committee spent considerable time on this work. There had been four or five bills introduced, some in the House, and some in the Senate, for railroad

construction in Alaska by the Government under different forms and plans, and on various routes.

Your committee drafted a bill for the construction by the Government of a certain amount of railroad mileage in Alaska, leaving the selection of the route or routes to be made by a commission of expert engineers after exploration and surveys. They did not favor any particular route. They did not attempt to select in advance of surveys or explorations what line or lines should be built. The Secretary of the Interior had recommended a particular line for construction. No human being could take a yacht or a boat and sail around the coast of Alaska and say that this was the route for railroad development for Alaska, or that was the one. He could see nothing but the shores of the country, and we do not believe it possible that anybody could pick out the best route or routes for railroad across it by looking at the shore line of the country. (Applause.)

There are two things very obvious in Alaska when you consider it from a railroad point of view. There are two great navigable river systems extending through the interior of Alaska. There is the Yukon River and its tributaries, and the Kuskokwim and its tributaries.

The Yukon River is navigable for more than two thousand miles along its main river length. Steamboats run that distance on it every summer. There are tributary streams to the Yukon containing perhaps two thousand miles or more of navigable water. So that the Yukon River system of navigable water is at least four thousand miles in extent.

Now, the Kuskokwim River is not so large, but it is navigable for about a thousand miles, and its tributary streams for about a thousand miles or more, so that river system has about two thousand miles.

Now, when you propose to cover that country with a system of railroads, the most obvious thing in the world is to first connect these rivers with tidewater. It was the same problem when they began railroad building in the United States.

The Baltimore and Ohio Railroad connected the Chesapeake Bay with the waters of the Ohio River. It was the problem then, as it is now in Alaska, to connect the river system with tidewater. The Erie Railroad connected the harbor at New York with the Great Lakes. The same principle prevailed when we undertook to extend the transcontinental railroads to the Pacific Ocean. Two of these railroads were authorized by the same Congress. The

Northern Pacific and the Union Pacific were authorized for construction by Congress in 1864, in the same session, by the same Congress. The Northern Pacific Railroad was designed to connect the Great Lakes with Puget Sound. The Union Pacific was to connect the navigable waters of the Missouri River with the Pacific Ocean at San Francisco. Now, we have that same obvious problem in Alaska. We have a much more recent example of the same thing occurring in Africa. There is a railroad that runs from Mombasa on the East Coast of Africa five hundred and twelve miles to Lake Nyanza in the interior of Africa. Our ex-president, who has been so flippant with the rights of men in Alaska, recently hunted along that railroad in Africa. The problem there was the same as we have here, to connect tidewater with an inland navigable water system.

It is so obvious that anyone who would take a map of Alaska and look at it, though he had no idea whatever of railroad construction, could not miss seeing that the obvious and necessary thing is to connect those two rivers with tidewater. One river won't do. The great valley of the other would not be served at all if only one railroad is built.

When we say a railroad is needed in Alaska, that is not the problem. What we want is a system of railroads in Alaska. What is necessary is to begin or resume railroad construction in Alaska. What will be needed is probably ten thousand miles and more of railroads in the years to come. But the first roads that are necessary are two trunk lines to connect those river systems with tidewater.

Now, those two lines are not very extensive. Less than five hundred miles would connect either of those river systems with tidewater. Less than one thousand miles of railroad would connect both those river systems with tidewater.

When I say that ten thousand miles is necessary it is far understating the fact. In the Northern countries of Europe, Norway, Sweden and Finland, which lie in identically the same latitudes as Alaska, which have the same climatic conditions, they have over twelve thousand miles of railroads. They have over ten million population.

We have so far in Alaska less than five hundred miles of railroad, and we have only about thirty thousand population. Our area in Alaska is 590,000 square miles, while their combined area is only 443,000. Our resources are far superior to those countries. If you study them for a little bit, you can easily decide that Alaska

will certainly require more railroads in the years to come than is now contained in them. When once you lay down a trunk line of a railroad it begins to grow.

As a former speaker said here tonight, it is obvious that the National Government is not going into the business of colonizing, building hotels, or issuing literature, or doing the thousand and one things that a railroad must do to develop a country.

Yet we were willing to forego our objection on principle to the Government ownership of railroads, and to agree that the Government should at least build these two main trunk lines of railroads and thereby start the railroad development in that country.

Therefore, our bill provided that the President should appoint a commission of engineers with an army engineer as its chairman, to be chief engineer of the work, similar to the organization of the commission which is building the Panama Canal. That they should be instructed to proceed to Alaska, make the necessary surveys, and be authorized to construct not to exceed a thousand miles of railroads in Alaska on such routes or lines as in their judgment would best develop the country. There might be two lines or more, because these two trunk lines which might connect these river systems with tidewater would require branch lines to extend to the coal fields adjacent to them in both instances.

There possibly might be three or four lines. In the Philippines eleven different lines were designated for construction. The Philippines are not populated by white people; they are aliens and they are on the other side of the world. The little country is only a hundred and twenty-five thousand square miles, contained in a thousand islands, while Alaska has five hundred and ninety thousand square miles contained in a continent. Yet Congress saw fit a few years ago to authorize the construction of practically a thousand miles of railroad in the Philippines. It didn't attempt to say this or that shall be the line to construct on. A commission in the Philippines selected the routes, selected eleven different lines, and asked for bids for their construction. We want the same thing in Alaska. The Philippine government under the authority of Congress offered aid to the Philippine lines to the extent of a guarantee of 4% interest on the cost of the construction for a period of 30 years.

We wanted a commission of experts to go to Alaska and investigate the routes and select those that would do the most good in that territory, and then proceed to build the lines, limiting them, however, not to exceed one thousand miles. The bill did not pro-

vide for aid to private builders, but proposed that the Government itself build and own the lines.

We provided in the first draft of the bill that as fast as a line should be completed, it should be leased to the highest bidder for operation. But later we omitted this and provided that the lines should be operated by the commission until Congress should otherwise provide.

Though your committee was willing to agree to Government construction and ownership, they were strongly against the Government operation of railroads. They believed that Government operation would produce dangerous political corruption.

The Secretary of the Treasury was authorized to supply the money necessary to construct the lines by the issuance and sale of 3% thirty-year bonds, similar in all respects to the bonds issued to cover the cost of construction of the Panama Canal.

It was further provided that the bonds should be a first lien and charge on the railroad, and that the net earnings of the lines or the rental received from their operation in case they were leased should be applied to the payment of the interest on the bonds and also to provide an annual sinking fund to pay the principal of the bonds against the time they should become due.

There is every reason to believe that the earnings would be amply sufficient in time to pay both the principal and interest of the bonds, and that therefore the construction of the lines would cost the Government nothing.

That bill seemed to meet with favor. The Secretary of the Interior, however, adhered to the policy of recommending the selection of the single line which he had formerly recommended.

No further progress was made with that bill than the hearings which were had before both the committees of the Senate and House. Both committees seemed to be very favorable to the plan set forth in the bill. The Senate committee ordered the bill introduced in the Senate as a committee bill. It is Senate Bill No. 6275, and is known as the Smith Bill.

The Congress apparently were not willing to go so far as to authorize the commission to proceed with the construction. They were afraid they would make a mistake. They wanted information. They wanted to know a little bit before they authorized the expenditure of the money necessary to construct the railroads, where they were going to be constructed. So that conservatism resulted in the passage of a bill appointing the commission practically in

the form that had been proposed in the bill, but authorizing them only to proceed to Alaska, examine the country and come back and report at the next session of Congress in December, methods and routes for the railroads required to develop the territory.

The fact that it would be impossible for a commission of engineers in two or three months to go to Alaska and survey three, four, or five different routes and come back there and report anything with specific certainty as to the best and most economical routes to construct, did not deter Congress from attempting it. But they have appointed an excellent commission, who have gone there and with great energy and at considerable hardship, have investigated the problem as well as their limited time and means would permit. They traveled over land through the country clear into Fairbanks, something over four hundred miles, and back again. There is a rough wagon road on the route. It would connect up one of the rivers with tidewater. They have examined the ocean termini of all the different routes. The route to the other river they could not touch. There is not even a foot trail across it except a winter sled trail. It would take two or three years and probably a million dollars to make a survey of all the possible routes. That commission is now on the way to Washington and will no doubt render its report shortly. It seems inevitable that their report must be that railroads are required to connect those river systems with tidewater and that Congress should either construct those lines or aid in their construction.

Now, there is one other possibility. There are some railroads in Alaska. There are eight or nine different lines aggregating about 500 miles, mostly unfinished lines or light local narrow gage lines. There has been more than thirty million dollars expended in their construction. It has all been done by private enterprise without any aid or assistance. They have generally proved to be sorrowful adventures, for the men who have attempted to build there. Not a single one of the roads is profitable, and most of them are not even earning their operating expenses. One of them has been wrecked and is shut down by the action of the Government in imposing a tax on it so heavy that it required practically all its net earnings to pay the tax. This was the Seward Peninsular Railroad of Nome. It is 80 miles long, but now closed down.

It is possible that the commission may recommend to Congress and they certainly should recommend, that the restrictions and obstacles to construction of railroads by private enterprise should be removed. I am going to show you why railroad construc-

tion stopped. Why railroad building ceased there two or three years ago, and not a foot of railroad has been built since.

One of the burdens the railroads contended with there is a license tax of one hundred dollars per mile. If one undertook to build a railroad from the coast to connect either one of these navigable river systems with the ocean, five hundred miles in length, under that tax provision, he would have to pay to the Government fifty thousand dollars a year for a license.

If the same provision had prevailed when the Union Pacific was extended across the unpeopled portion of this country, that company would have had to pay to the Treasury of the United States over two hundred thousand dollars a year for a license. The same with the Northern Pacific Railroad.

Compare this with what the Canadian government is doing for railroads to develop their Northwest territory. The new Canadian Grand Trunk Pacific Railroad is to be thirty-six hundred miles long. The section, 1,800 miles in length, extending from Winnipeg to Prince Rupert, just across the boundary from Alaska, is assisted by the Canadian government by a guarantee of the principal and interest to the extent of seventy-five per cent of the cost of the line. In addition the government agrees to pay the interest themselves for seven years as a free gift. This will amount to more than four hundred dollars per mile per year for seven years. In Canada the government pays a bonus for the construction of railroads, whereas in Alaska the company must pay the Government a hundred dollars a mile for each mile operated. (Applause.)

In Canada, if one offered to build five hundred miles of road, the same as would be required to connect one of those river systems in Alaska with tidewater, the bonus from the government would be two hundred thousand dollars a year for seven years. This sort of thing helps railroads in their infancy and enables them to get on their feet and become paying properties. In Alaska we should have to pay the government fifty thousand dollars a year continuously and without regard to their infancy or their earnings.

In addition to this tax there are three other systems of taxation to which Alaska railroads are subject, but which I will not now attempt to discuss.

The eastern half of the Grand Trunk Pacific Railroad extending from Winnipeg to the vicinity of Halifax the government is building itself, entirely at its own cost. It is to be leased to the Grand Trunk Company for 50 years at 3% on the cost, provided that the company is required to pay no rental for seven years.

When the Northern Pacific and the Union Pacific were extended across the West here the Government did not require them to pay a license or prohibit them from mining coal along their lines. The Northern Pacific came through this town or to the place where this town now stands in about 1872. The government granted to that company twelve thousand eight hundred acres of land, including the coal, for every single mile of road which was built. In the aggregate more than thirty million acres of land was granted to the railroad company for constructing the line from Lake Superior to Puget Sound, passing through this place, less than fifty years ago. In Alaska, instead of granting a railroad company a free gift of twelve thousand acres for every mile, they will not permit a railroad or anyone else to buy one single acre at any price whatever. The railroads that are built there must go to California and import oil or go to British Columbia and import coal to burn in their locomotives.

Now, is it any wonder that the country has not developed by private enterprise against those conditions?

There are other things. There are other serious difficulties that those unfinished railroads are expected to overcome, which I will not attempt to detail to you. They are difficulties and obstructions the government has imposed, and not the natural difficulties by way of climate or distance. These are great but we don't complain of them. We know what they are, and are ready to face them.

All those things combined, as I say, have absolutely stopped railroad construction there.

Now it is simply a question, will the government itself build the railroads or will they loosen up? Let them remove these restrictions.

If a railroad were permitted to purchase coal lands at any reasonable price, we should have had railroads to the coal fields in Alaska five years ago. We should have now great coal mines and prosperous towns and great smelters and thriving industry. Is there anything more reasonable than to permit a railroad to purchase a sufficient amount of coal land on which to open a mine? It would not be necessary for them to have 12,800 acres for each mile. Permit it to mine coal to run its locomotives and to fill its cars for traffic. If they could buy one tract of say 5,000 acres for each 100 miles of road it would be sufficient.

Even the gift of 12,000 acres for each mile has not proven disastrous to the territory along the Northern Pacific. It surely could

not be very dangerous to allow a railroad in Alaska to buy enough for one mine.

That is how the development of Alaska has been stopped, and that is why your committee were willing to say that they would be glad to see the Government, itself, build a railroad. Even though it might prove to be an expensive experiment it would be just for the government to make it. They have stopped every one else.

It is difficult to restrain our feelings when we speak of it. This commission is now to report shortly. It seems to me to be the duty of the American Mining Congress and all of the good citizens of the United States to get behind their report. They are sure to point out these evils, and to recommend some feasible plans because they are intelligent men and giving the matter careful attention. (Applause.)

If we can procure the resumption of railroad building and the opening of the coal field, the results that follow, as the President said in a message a year ago, will astonish the world. It is as true as you live that that arctic colony, that oppressed colony, is one of the richest lands in the world. It is misgoverned, worse than the New England colonies or the Virginia colonies were in 1770 when they rebelled. (Applause.) Because the oppression of these American colonies on the Atlantic Coast was in some sense reasonable, and the oppression of Alaska is without sense or reason. (Applause.) It is not as galling for men to be taxed without presentation as it is to be made the victims of fools, dilettanti statesmen and bureau clerks striving for power at Washington. They have set up a principality of forest and other reserves within the republic and seek to become little monarchs, and from that source we are suffering.

It is hard for people to believe that Alaska is one of the richest lands in the world. But from one extremity to the other, from the southeast to the northwest and from the northeast to the southwest, it is gold-bearing country. It has hardly been touched. You can cross it in the same direction and will cross coal fields in every part of it. I spoke a little while ago of those European countries which subsist on agriculture and fisheries. They have no coal or gold. We have those things in almost unlimited abundance in Alaska, and we have copper and tin which they haven't in those northern European countries. Our agricultural resources are as great as theirs and our fisheries fully as extensive. The United States government experimental farm at Fairbanks last summer produced oats that thrashed one hundred and fifteen bushels to the

acre. Wheat that produced sixty-seven bushels to the acre and potatoes that produced eight tons to the acre. There are millions of acres of similar ground right around it. I believe it is as rich a country, acre for acre, as any land in the world. You know the State of Washington is a rich State. The Puget Sound country has a most famous crop of timber. You have little gold here. You have the finest fruit land in the world, and wheat land that will produce a hundred bushels to the acre here in the vicinity of Spokane. But we have in Alaska land that will produce a hundred bushels to the acre, also. A large portion of this State is barren mountains and sage-brush country. There is much barren lands, mountains and swamp land in nearly all States. We have the same thing in Alaska. We have up there what they call the tundras on which trees do not grow, but even they are productive. They grow reindeer on the tundras. In Seattle yesterday I had a reindeer steak that came from our tundra lands in Alaska. Men who know say these tundras supposed to be worthless will yet produce a food supply equal to the best pasture land in Montana or Texas. All that is needed is that at Washington we have a little reasonable intelligence to open it up. (Applause.) If a man should find a spring in the deserts of the Southwest you wouldn't expect the Department at Washington to reserve it and prohibit a man from taking a drink of water out of it.

Alaska is an arctic country. It has coal all over it. There are nine thousand millions of tons of coal there almost in sight of Fairbanks where I live. This is a recent estimate of the Geological Survey. We cannot touch any of that coal. There needs no other statement to show you how foolish the policy of the administration at Washington has been.

Mr. Chairman, I will not take more time. I am afraid—when I start talking of Alaska I never know when to stop.

Chorus: Go on, Go on, Go on.

MR. FALCON JOSLIN: There is no subject upon which more cruel wrong has been done than has been done toward Alaska. There is no subject that is of greater importance or more financial and national value to this republic today than the development of that country.

I thank you, gentlemen. (Applause.)

A "Day-in-Court" for the Alaska Coal Claimants.

MAURICE D. LEEHEY,

SEATTLE, WASHINGTON.

Contests arising under the public land laws of the United States are decided by the General Land Office. An exception is made of contests between mineral claimants under the Lode and Placer Laws. When the Placer law of 1870 and the Lode law of 1872 were enacted, about the only contests demanding serious consideration were those of conflicting mineral claims, or the conflicting rights of different claimants under the mining laws. Congress wisely provided for the determination of such conflicting claims by the courts. The system has worked well. Such disputes are brought to trial in the local courts, whose judgment is accepted by the General Land Office as determining who has the better right of possession.

In these days by far the most numerous and important contests which now arise under the public land laws are the contests with the government itself. The more stringent policy of recent years in the administration of our public lands has led to the appointment of scores of field agents, and a special division in the General Land Office is devoted solely to detective work. The field agents' reports are confidential, and the information collected in this important division of the General Land Office is not for public inspection. It is not even revealed to the claimant himself. No one denies that the department should carefully investigate each entry, but this system has been developed to such an extent that the officials in charge now make a careful search for excuses on which to deny an application. A disposition to be technical is shown, and while no doubt the officials of the General Land Office are striving for what they believe to be right, yet as a result of this system there has been developed a disposition to contest each entry. Indeed the spirit developed in the General Land Office toward claimants to public land is substantially the same as that of many prosecuting attorneys toward persons charged with crime. A good prosecuting attorney will not hesitate to dismiss a charge when satisfied the evidence will not sustain it, and so the worthy officials of the General Land Office will and do recommend entries for approval

and pass the same to patent when fully satisfied, but in their case is developed, unconsciously no doubt, much the same prejudice against the claimant as that developed in the prosecutor against persons charged with crime. It is but human nature to do so, and these remarks are addressed to a proposed remedy.

The officials of the General Land Office investigate the entry, perhaps file charges against it, and then they hear the evidence themselves, and pass judgment upon that same entry. It is first investigated and evidence secured by witnesses unknown to the claimant, who is given no opportunity to cross-examine, or even to know what testimony has been given against him so that he may dispute the charges or furnish evidence to the contrary. In fact he may never know this evidence, for all that information is collected and maintained in the General Land Office as forever private and confidential. Even the public prosecutor in the criminal court must produce his witnesses to testify in the presence of the accused, and the vilest criminal is entitled to the privilege of cross-examining the witnesses against him. The present system in the Land Office not only denies cross-examination, but even denies the entrymen knowledge of the charges and any opportunity to know the testimony against him that he may better prepare to refute the same.

These remarks apply to contests by the government, and to charges filed by special agents of the Interior Department and the Forest Service. We contend that the system is wrong; in the first place, because the officials of the General Land Office should not serve in the triple capacity of detective, prosecutor and judge, and in the second place, because the entryman is entitled to hear the testimony against him, and to have an opportunity to cross-examine the witnesses and interpose his defense. In other words, he should have the right to the same trial upon charges brought against him by the government that he would have if charged with murder or arson, or sued for a debt.

Such contests are nominally heard before the Register and Receiver of the Local Land Office, but are decided in the General Land Office at Washington. The decision of the Register and Receiver is advisory, and usually has but little weight in deciding contests with the government. The decision of the Commissioner in the General Land Office is really the decision of some examiner or bureau clerk. It is a physical impossibility for the Commissioner to pass upon the numerous contests. As a matter of fact, he rarely does so, for his time is well occupied with the administrative duties of his important office. The contests are decided by under-paid

and frequently inefficient bureau employes, who live in the political atmosphere of the national capital, thousands of miles away from the people on the public land, entirely out of sympathy with the people of the west, whose conditions they do not fully understand, and above all, these bureau officials are not directly responsible to the people. The only relief which may be obtained from the decision of the General Land Office is by an appeal to the Secretary of the Interior, and here again the decision is written by other bureau officials who live and work under precisely the same conditions.

One result of this system is a number of conflicting decisions between the courts and the land department. This is indeed an evil, but, to our mind, is of less importance. However, this evil alone prompted the Secretary of the Interior to recommend, under date of June 20, 1910, that appeals be allowed from the Secretary of the Interior in land cases to the Supreme Court of the District of Columbia, and on the following day President Taft sent the following special message to Congress:

"To the Senate and House of Representatives:

"There are, perhaps, no questions in which the public has more acute interest than those relating to the disposition of the public domain. I am just in receipt from the Secretary of the Interior of recommendation that in disposition of important legal questions, which he is called upon to decide relating to the public lands, an appeal be authorized from his decision to the court of appeals for the District of Columbia.

"I fully indorse the views of the Secretary in this particular, which are set forth in his letter, transmitted herewith, and urge upon the Congress an early consideration of the subject.

"WM. H. TAFT."

The right to appeal to the Supreme Court of the District of Columbia from the decision of the Secretary of the Interior might serve to avoid conflicting decisions between the courts and the land department upon questions of law. It might do so, but it would be a tedious and awkward method, would involve still further delay and much more expense, and at best give relief for only one of the great evils of the present system. The greatest evil of all is to compel the entryman to try his case before the detective who collects the evidence against him and the prosecutor who presents that evidence. This would not be corrected by permitting appeals on questions of law from the Secretary of the Interior to the courts. Neither would it give relief from the present star-chamber method of trying cases upon evidence, secretly collected, and of which the

entryman has no knowledge. Then, too, it would not correct the present slow process, but would render applications for patent even more tedious, and would involve the claimants in the additional expense of employing counsel at Washington to appear before the courts of the District of Columbia. Why not adopt the same system as to government contests which has for forty years operated so successfully in determining the rights of conflicting mineral claimants? Why not provide for the trial of these contests in the local courts? The government is already well represented by its field agents in each community, who will collect the evidence, and the U. S. District Attorney may prosecute the charges. The entryman will have an opportunity to confront his witnesses and cross-examine them. The trial will proceed fairly and in accordance with our usual court practice.

Many honest claimants of coal lands in Alaska are victims of this outrageous system. The coal lands of Alaska were withdrawn from entry on November 12, 1906, but it was understood that the rights of those who had made valid locations prior to that date would be fully protected, and patents granted them in due course. Indeed the original order of withdrawal was modified to facilitate this. Over 1,000 claims have been located in Alaska under the Act of April 28, 1904. Some 300 of these have been surveyed at the sole expense of the claimants, who have also paid into the United States Treasury over \$360,000, but so far not a single patent has been issued. It has been charged that all of these claims are invalid. We presume that only the officials of the General Land Office have sufficient knowledge to speak of all entries, but we do know of certain claims which are entirely valid, made in strict compliance with the law, and which should have been patented years ago. We know of men who went into both the Katalla and Matanuska regions and spent their time and money in the utmost good faith, strictly complying with the law in its every detail. Indeed, some of these men have actually lived upon their claims during all these weary years of waiting. Such applications there are which have been pending for six years and more, and yet no action has been taken, no charges filed, and in some cases not even the slightest suggestion of an irregularity has been made, although during all of these years a score of field agents have been at work, interviewing claimants and other persons who might have some knowledge, and employing every means of a skilled detective force to ascertain possible fraud or irregularities. Evidently the land department is not disposed to grant patents for these claims. Indeed the Secre-

tary of the Interior stated before the Committees of Congress last spring that, upon the records in his department, he would not patent a single coal claim in Alaska. Those records are made up largely of the secret reports by the bureau's detective system. These reports, though kept a secret from the claimants, have influenced the Secretary to make this sweeping statement against all coal claims in Alaska, and yet, under the existing law, these claimants can appeal only to that Secretary for justice.

This situation is the more aggravating because most of these particular claimants have agreed to accept patents under the limitations of the Act of May 28th, 1908. This act applies only to the claims located prior to November 12th, 1906, the date of the President's withdrawal. This later act permits the consolidation of such claims in groups of not to exceed 2,560 acres, but imposes severe conditions, as will be noted by Section 3 of the Act of 1908, which reads as follows:

"That if any of the lands or deposits purchased under the provisions of this act shall be owned, leased, trustee, possessed, or controlled by any device permanently, temporarily, directly, indirectly, tacitly, or in any manner whatsoever so that they form part of, or in any way effect any combination, or are in any wise controlled by any combination in the form of an unlawful trust, or form the subject of any contract or conspiracy in restraint of trade in the mining or selling of coal, or of any holding of such lands by any individual, partnership, association, corporation, mortgage, stock ownership, or control, in excess of two thousand five hundred and sixty acres in the district of Alaska, the title thereto shall be forfeited to the United States by proceedings instituted by the Attorney General of the United States in the courts for that purpose."

This is certainly the most stringent anti-monopoly clause possible to frame in the English language. But more than four years more have passed since this drastic legislation, and still no action has been taken. The claimants are compelled to wait until the officials in the bureau known as the General Land Office see fit to act, and even then no court has jurisdiction to grant them a hearing. It is urged there are many fraudulent entries which should be cancelled. Even so, should not those claimants be accorded the same trial that is given to murderers and rapists? Are we afraid to trust those cases to the courts which protect us from thugs and counterfeiters?

Prof. Ralph S. Tarr, in his splendid article on the "The Alaska Problem," published in the North American Review, says:

"The greater number of locations have been made in good faith and in the light that the prospector had concerning land laws. There is no class of men who are more frank or honest in their dealings than these brave, hardy men. They wish to live up to the law, and the vast majority of them have thought they were doing so and still think so. They feel aggrieved. Granting that some have been deliberately fraudulent and that others have been guilty of evading the law, with or without realizing it, there remain others who have done no wrong either intentional or unintentional; and yet these are suffering equally with the most guilty as a result of our hasty, unconsidered action. Men who have spent ten or a dozen years of the best period of their lives, discovering and proving the value of these coal-beds, buoyed by the hope and expectation of ultimately reaping a return either for themselves or their families, find their hopes dashed, their energies wasted, and their time and money gone to no purpose. No, not that, for they have discovered, developed, and proved the value of these 'priceless possessions of the sovereign people of the United States.' Their reward is abuse, and the brand of 'thief.' It is not right, and no action of the United States Government will be right that does not involve adequate compensation for these pioneers."

We are urging simple justice for the honest coal claimants, many of whom have invested their all of time and money, labor and sacrifice, enterprise and energy in trusting confidence that the law of 1904 would be fairly executed. Those pioneers are indeed the same honest, rugged, sturdy men and women who conquered the West, who opened the coal fields and iron mines of Pennsylvania and Ohio, who converted the prairies of the Mississippi Valley into a blooming garden, who have conquered the plains and tunneled the mountains and made the great Northwest yield up its treasure of mine and field. These same men have gone into Alaska, and endured the hardships and privations of the Northland, in an effort to open up that country in whose resources they had such abundant confidence. Some of them found their last resting place beneath the Northern Lights. Many of them have left Alaska—disappointed and disheartened, broken in health and spirit, while others still remain in the desperate struggle, some of them simply because they are unable to get away.

And why this deplorable situation? Is it because Congress willed it, and has so legislated? No, the bureaus have legislated. The whole policy of the land department has been changed in recent years. The bureaucrats have construed the law to mean just

what they think it should mean. For instance, the department has been called upon for nearly forty years to declare what is necessary to constitute opening and improving a coal mine under the Act of 1873, in order to give a preference right to purchase. They gave these words a reasonable construction. As late as 1900 the Secretary of the Interior, in the case of *Reed vs. Nelson* (29 L. D. 615), opinion written by Judge Van Devanter, then Assistant Attorney General, but now on the Supreme bench, held that Nelson had "opened and improved" a coal mine within the meaning of that act when the record showed that "an open cut was run a short distance and then a shaft sunk, disclosing a 4-foot vein of coal." Now the Alaska law of 1904 uses the same words, and provides that any person "who shall have opened or improved a coal mine or coal mines on any of the unsurveyed public lands of the United States in Alaska may locate" the same as a coal mine. It is a universal rule of construction that when an older law is repeated in a later act, the legislature is presumed to have adopted the construction placed upon it. So when Congress repeated those words in the Alaska law of 1904, it did so presuming they would be given the same construction they had received for thirty-one years in the coal land law of 1873. But in the one Alaska case which has actually come before the Department for consideration they have held that a tunnel driven 225 feet into the mountain side, along a vein of coal, with 11 cross-cuts showing the vein to be more than 20 feet in width, is not "opening or improving" a coal mine, although several hundred tons of coal per day might immediately be taken from that same tunnel. The Department contends that this was not opening or improving a mine but merely prospecting. They evidently do not believe that a mine is a deposit of minerals which can be worked at a profit, but insist on regarding the tunnel, shafts and other workings as the mine, rather than the minerals thus explored, and that 255 feet of tunnel, attaining a depth of several hundred feet with 11 cross-cuts, and a body of coal available sufficient to yield an immediate output of several hundred tons per day, is not sufficient workings to constitute a mine. They regard the workings as the mine rather than the minerals, and I suppose those learned bureaucrats will set a high value upon the splendidly developed mine, with a complete system of workings, from which every bit of coal has been extracted. That is the logical result of their interpretation, if it is the workings which constitute the mine rather than the minerals. This Alaska decision ignores the case of *Reed v. Nelson*, not even referring to it. Its logic is the more ridiculous when you

consider the fact that the law provides that such coal mine must be "opened or improved" before a location can even be made. In other words, the department tells you that you must have a completely equipped coal mine, with tunnels, shafts, up-raises, stopes and cross-cuts, mining machinery, cars and equipment, yes, and you must have all these *before you can even locate* a coal mine. And yet that same Land Department will not permit one to ship a pound of coal until after the patent proceedings have been completed and the purchase price paid.

Two attempts were made to mine coal in Alaska, but the government fined one man for selling coal to its own revenue cutters from an old Russian mine at Port Graham, and the Chief of the Field Division actually closed down in 1908 the only coal mine operating in the Katalla fields, simply because the patent proceedings were not then completed. The same were completed that same year and the purchase price paid, but as yet no action has been taken upon that entry, not even charges filed against it—simply nothing done. The net results to date are that one claimant was fined for mining coal, another stopped although he had his machinery on the ground and a contract made for his output. This was in 1908, but in 1912 the department cancelled several other locations because the claimants had not mined coal.

In the light of this experience, can you blame these Alaska coal claimants for doubting the fairness of the Land Department, and the impartiality of a Secretary of the Interior who has already made up his mind that every one of these claims should be cancelled? Is their request unreasonable for an act of Congress permitting them to bring suit in the courts of Alaska to determine the validity of their respective claims? There is no question involved as to the character of the land. It has already been classified by the government as coal land. The department should not object to presenting whatever evidence it has accumulated against these claimants, as a result of its eight years of investigation, for the judgment of the courts in Alaska, subject to the right of appeal to the Circuit Court of Appeals and the Supreme Court of the United States.

Surely, under all the circumstances, every sense of justice demands that the Alaska coal claimants be given relief from the arbitrary and hostile attitude of the Interior Department. If every claim is fraudulent, even then they are entitled to a fair trial, though we may be sure every claim will be cancelled by the courts, without half the delay which has already occurred. If only one

honest coal claimant be found in all the Alaska locations, justice demands that he be given a fair opportunity in the courts.

It will not be an adequate remedy to permit an appeal from the Secretary of the Interior to the courts of the District of Columbia. Such an appeal could only be taken upon questions of law. It would compel claimants to wait until the Land Department sees fit to act. Some of these claimants have already waited for six years without even a charge filed against their entries. An appeal to the courts would still leave the decision of the facts with those who investigate and prosecute. Their decision upon the facts would still be influenced by their star-chamber investigation, and there could be no review of such decision as to the facts upon any appeal from the Secretary of the Interior. The practice would be still more tedious, still more cumbersome, and still more expensive than the present tedious, cumbersome and expensive procedure. The American people insist that every man shall have his "day-in-court" upon any charge asserted against him involving his life, liberty or property. The Alaska coal claimants ask just that much and nothing more.

Law Enforcement for Alaska.

GEORGE E. BALDWIN,

VALDEZ, ALASKA.

We Alaskans, who have been coming to the States for the last several years and relating our grievances to the Mining Congress, to various conventions and commercial bodies, are beginning to feel that Alaska and its troubles must be more or less of a joke and that our complaints come near being "chestnuts" to the people who have to listen to them.

In a small measure our troubles have been relieved recently by the passage, by Congress, of an Act creating a Territorial Legislature for Alaska, conferring upon it limited legislative powers. These powers, if properly exercised, which they undoubtedly will be, will in a great measure relieve us of some of our minor difficulties. For instance—I am sure that the Legislature will see to it that the present law, under which brown bear are protected at government expense and the only relief for destitute prospectors, is to have them arrested as vagrants and put in jail, will be remedied.

One of the difficulties with which our Legislature will have to contend comes from the fact that we have a very limited amount of property to tax. The paramount title to approximately 99.98 per cent of the land of Alaska rests in the United States. Less than two-hundredths of one per cent is privately owned. Less than 100,000 acres of land in Alaska has been patented by the government of the United States to private individuals.

One of the great bug-a-boos and cries about Alaska is—that it has been, and is being, "gobbled up" by the so-called Morgan-Guggenheim Syndicate. I want to make this statement—stating it as an absolute fact—that that Syndicate and all its subsidiary companies own in fee simple less than 5,000 acres of land in Alaska, both mineral and non-mineral. Many ranchers in Eastern Washington, who are not known by reputation twenty miles away from where they live, own larger areas of land than this.

The Syndicate have never had, so far as I know, any serious trouble in securing patents to mineral or non-mineral land they desired, as they purchased nearly all they hold from individuals and corporations who had secured titles before the era of conservation.

They are not now, so far as I know, applicants for title to any land in the territory.

Alaska is decreasing in population. Its trade with the United States is decreasing. Why?

About six years ago, or more, a propaganda was started by certain interested people in the east, some of them well meaning, no doubt, but others cold-blooded, designing place-seekers and power-seekers, putting up the ridiculous and foolish theory that our resources were rapidly approaching a point of exhaustion. Public money was used, the press was subsidized, the muck-raking magazines aided the campaign because it furnished sensational literature, and at last conservation was born—an idea totally at war with every economic fact, and a theory that will not stand the test of being examined and tested.

Despite the fact that at that very time the statistics of the Geological Survey, compiled and on file in Washington, showed 6,000 years' supply of coal actually in sight and 1,340 years' supply of iron ore actually in sight, the people were gravely told that these two necessities would both be exhausted in something like a century. As a result of this, large areas in the west, and practically all of Alaska, were to be developed under this so-called "conservation" theory.

If any person had seriously proposed that large areas in the eastern states be depopulated and the resources there saved for future generations, they would have been considered candidates for the lunatic asylum; yet no concern is evidenced by these "conservationists" about the resources of the more densely populated portions of the country, but all their time and energy were directed toward seeing that the resources in the partly settled sections were absolutely locked up, particularly in Alaska, where there is only one human being for every eleven square miles of territory.

The whole scheme of conservation, as it has been carried on to date, amounts to this—that the land must be kept in public ownership, and that every artifice must be resorted to by the government to retard applicants from securing patents for public lands.

Communism may have its advantages over individualism, but the history of the American people does not show it. The first settlement of English-speaking people in the New World, made 303 years ago, was a communistic settlement. At the end of a year, the colonists were standing on the banks of the James River anxiously awaiting the arrival of a vessel from England to bring them food to keep them from starving and take them back to their old

homes. The new Governor instituted a system of individualism, giving to each colonist a tract of land and granting to him all of the products therefrom. From that day to this there has never been a shortage of food in Virginia.

If communism and common ownership of land would not succeed in that mild and equable climate, where the soil was fertile, woods full of game, the rivers full of fish, oysters, clams and crabs, how can we expect it to succeed on the inhospitable shores of Alaska? Yet that seems to be the policy—and the carrying out of that policy is what we are complaining of today.

Congress has never given the slightest evidence that it intended to treat the pioneers of Alaska any differently than it had treated the pioneers of any other territories. Alaska has every law that has been passed for the development of the territories of the west, and four more, but what we are demanding is law enforcement and not law enactment.

The attitude of the Bureaus toward Alaska, particularly the Bureau of Forestry and the General Land Office, is what we mostly complain of. Every restriction that can be thrown upon the development of our territory; every obstacle that can be placed in the path of our development; every hindrance that can be imposed upon our progress—is faithfully attended to by these two Bureaus.

The Mining Law of 1873, as passed by Congress for the States, was extended to Alaska over a generation ago. This law provided a speedy, simple and inexpensive method by which the discoverer or his assignee could obtain full and free title to his discovery. By a series of rulings, and exacting more and more of the locator, the Department has, and is, practically nullifying the intent of the Congress that passed the law. This is being done, we believe, with the end in view of seeing to it that as little of the land of Alaska as possible shall pass to private ownership, and that it shall remain in the hands of the government and to be worked by our citizens as tenants and lessees.

The ignorance of our affairs manifested by those in charge of executing the laws is almost past comprehension. To illustrate this—I wish to relate an incident that occurred a year ago last August, during the visit of the Secretary of the Interior to our Territory. After having been entertained by the people of Cordova, he was taken in a special train on a trip over the Copper River Railroad. When lunch time came the party went into the dining car to have lunch. The dining car was pretty well filled up, and in the course of the conversation some of the citizens made some reference to

the hardships of the pioneers, who, fourteen years before, had toiled up that river; how they had started from the present site of Cordova early in February; pulled their sleds by the neck, as we say up there, as they had neither horses nor dogs; and when the river broke up and the ice went out, whipsawed lumber, built boats and pulled them up against the current; and by September had reached a point perhaps 100 miles inland; of their hardships in the way of being short of various supplies and some of them necessities; of their fighting the mosquitoes and gnats; and of the almost total failure of all of them.

The Secretary expressed himself very freely—that the prospector did not deserve any credit and that that kind of talk made him rather tired; that the Geological Survey had gone ahead and shown the prospectors where to set their stakes.

What can we hope when the absolute decision largely as to whether we are to progress or retrograde is in the hands of a man so hopelessly ignorant and prejudiced as that?

To relate a few instances of the injustice perpetrated upon the people by these Bureaus would be to tell you people some things that you would hardly believe, except those of you who have had nearly the same conditions confronting you in the States.

The town of Seward received a very serious setback when the railroad projected from that point to the Matanuska coal fields suspended operations in 1906 on account of the government's attitude toward the granting of patents to coal lands in this field. The people there, those of them who are left, have made a brave struggle and are making one, for which they should receive every encouragement. By common agreement, the citizens burned wood instead of coal, despite the fact that coal was a little cheaper. Using the wood with which the town was surrounded kept the money in the community which otherwise would have been sent out to British Columbia for coal.

Adjoining the townsite of Seward are a number of homesteads partially timbered. These homesteaders, some of them on account of lack of means, have been unable to push their claims to patent. Some of them, while clearing up their land, cut the timber into cordwood, sold it to a firm in Seward, engaged in the draying, wood and coal business, at an average price of \$4.00 a cord. This draying firm was delivering the wood to the people of Seward at \$5.00 a cord. Along comes a special agent of the Land Office, in the name of the United States seizes this wood, advertises it for sale at public auction to satisfy a government claim of \$5.50 a cord

stumpage on the wood, and proceeds to prosecute as criminals the members of this draying firm. Had these homesteaders, in clearing up their land to raise produce, piled the logs up in a pile and burned them, this would have been conservation, but because they cut them into cordwood and sold it to their neighbors, in order that they, the homesteaders, might support their families, they became criminals.

To speak of men responsible for this state of affairs, without using language too strong for publication, is beyond my power. I will simply say—borrowing from the late Horace J. Stevens—that they are “political economists of the Stone Age and first cousins in mental capacity to the Troglodytes.”

One of the problems of our Territory is to secure the investment of capital. The greatest obstacle to the investment of capital in Alaska today is the uncertainty as to title to land still in the possession of the government. No single thing, no combination of things, has so impaired the confidence of capital in Alaskan investment as the attitude of the government of the United States toward applicants for title to land.

Of course, it is easy enough to complain and to find fault, and sometimes difficult to suggest remedy, but in our case the remedy is surprisingly simple. The same treatment for Alaska as has been accorded the other Territories of the West, the enforcement of the laws which stand upon the statute books, with a spirit of fairness and justice to all, encouraging the prospector, the homesteader, the investor, to believe that, whatever may happen, he will not be considered a criminal until he has been proven to be one.

One man in particular, whose name no true Alaskan speaks except to curse, has been unduly prominent in the discussion of Alaskan affairs throughout the Nation. By the aid of an unearned fortune he has had abundance of time and money to spend attending to other people's business. And how has he attended to it, as far as Alaska is concerned? He has attended to it like Attila the Hun attended to the statuary and art treasures of the Eternal City—by destroying it. And I have no doubt that the Huns and Vandals who sacked Rome were fully as appreciative of the beauties of that city as Mr. Pinchot is of the hardships and trials of pioneer life.

He has been to Alaska, it is true, but he knows about as much about it as an inhabitant of Mars would know about the State of Washington if he could look at one acre of sage brush out here in the middle of the State. He started for the Matanuska coal fields.

but played out, turned around and came back. Though he started out with the avowed determination to personally inspect them and was on a trail one legged men have packed supplies over on their backs. Would Alaska have ever amounted to much if its pioneers had been as infirm of purpose as he?

On his return he published an article supposed to be the last word upon the subject of Alaskan Development, in which he promulgated the absurd, preposterous and childish scheme of Alaska coal being opened up in five-acre tracts. Verily "In the presence of human stupidity the gods stand helpless."

The conservationists are to be congratulated for what they have done for Alaska. They have discouraged its pioneers, despoiled its investors, depleted its population, but conserved its resources. We Alaskans are hoping that a brighter day is coming and if it does not come soon it will do few of us any good when it does come. It is a significant fact that when the Panama Canal became a certainty the howl about Alaska coal broke forth. Some of our Alaskans do not hesitate to charge that certain interests that expected to supply coal to the Pacific Coast upon the completion of the Panama Canal were, to say the least, not unfriendly to this conservation clamor. Whether Alaska is to progress or not will soon be decided, for it certainly cannot progress under present conditions nor under any conditions which are offered or have been offered by the last two administrations in lieu of the existing laws. I can only in closing repeat, that we, the people of Alaska, have a right to demand the same laws be enforced as were provided for the people of the other western territories.

Transportation Facilities in Alaska.

DUNCAN M. STEWART,

SEWARD, ALASKA.

Mr. Chairman, Fellow Members of the American Mining Congress, and Gentlemen:

It is my privilege to appear before you on this occasion as the "accredited representative" of the people of the town of Seward, Alaska, and the country contiguous thereto, in accordance with a certain resolution recently passed by them and which reads as follows:

"THEREFORE BE IT RESOLVED, That the sense of this mass meeting unanimously expressed is that D. M. Stewart be, and is hereby declared the accredited representative of the people of the Town of Seward and the country contiguous thereto, and is hereby instructed to use every honest endeavor before Congressional committees at Washington, D. C., before the American Mining Congress, the Chamber of Commerce of the United States of America, and other bodies, to secure the proposed legislation."

You will observe that the people of this district specifically mentioned the American Mining Congress in their resolution, and in the achievement of legislation that will develop the resources and advance the interests of the people of Alaska in general they have ranked this body as second only to the Congress of the United States. The people of Seward, and I think of all Alaska for that matter, recognize the weight that attaches to the deliberations of the American Mining Congress and the importance of securing the sympathy, assistance and support of this influential body in the accomplishment of constructive legislation and the promotion of any sound policy of development. The fact that these good people at a mass meeting—where every rank of business and professional life was represented, where the prospector fresh from the hills rubbed shoulders with the bank president, where the leaders of the church and of the saloon sat cheek by jowl, where the press, the bar and the dignitaries of the Town Council smoked the pipe of peaceful unanimity—did recognize the importance of this Congress and

did specifically instruct their delegate to place their views before it, is sufficient testimony to the intelligence and sound common sense of that community without any further encomium, without even calling attention to the selection of their delegate!

On behalf of the people of Seward and of the Kenai Peninsula therefore I now have the honor to thank you for having given their spokesman a place on your program today, and with all the sincerity within me to thank the American Mining Congress for the interest it has taken in Alaska and Alaskan matters and for the efforts it has made—during the past year in particular—to procure increased transportation facilities for us and to procure legislation that would release our coal from the intolerable conditions which have kept it locked up for the past seven years.

I would not be performing the duty that devolves upon me on this occasion if I did not read to you the full text of the resolutions passed by the good people whom I represent here today. They are as follows:

“WHEREAS, The people of the town of Seward and adjoining country continue to suffer from hopelessly inadequate transportation facilities and from lack of proper means of communication with the great interior country behind us; and

“WHEREAS, There is absolutely no railroad transportation from this port during seven months of the year, although a railway could be maintained and operated at ordinary cost throughout the entire year; and

“WHEREAS, There is urgent need for the construction of a railroad that will open up the rich agricultural valleys of the interior and that will enable the coal of Alaska to be mined and transported to market; and

“WHEREAS, We are now forced to buy coal imported from British Columbia and Japan at exorbitant rates, namely \$17.50 per ton at Seward, when we are within 150 miles of bituminous and anthracite coal of the highest quality, which, if we were allowed to mine, could be sold here at a price not to exceed \$5.00 or \$6.00 per ton; now therefore, be it

“RESOLVED, That the honorable body, the Congress of the United States of America, be and is hereby requested to cause the immediate construction of a trunk line of railroad from the Pacific Coast to the Yukon River, having its terminus at Seward on Resurrection Bay; be it further

“RESOLVED, That we demand the immediate opening of the

coal fields of Alaska to entry on a leasing or royalty basis, with due protection to those who have already located coal claims honestly and according to law; and be it further

“RESOLVED, That copies of these resolutions be sent to the towns on the coast and in the interior of Alaska and their endorsement and co-operation requested.

“Ordered drawn, passed and approved in mass meeting duly assembled upon published call and notice this 17th day of October, 1912, at Seward, Alaska.

“(Signed)

FRANK L. BALLAINE, President.

L. H. PEDERSEN, Secretary.”

As there are other men present from Alaska, who may have different views on the subject of the ocean terminus of any proposed trunk line Government railroad, I naturally shrink from advocating Seward as the ideal location for such terminus at this gathering; I feel that the American Mining Congress has no part in the rivalry of Alaskan coast towns for that distinction; that it should not be made a party to the claims of any one section or community, and that therefore this is not the place to make a feature of that portion of the Seward resolution. I am sure my friends from Valdez and other aspiring cities will agree with me, and that they will appreciate the motive which actuates this expression.

I venture to state that there is not a single town or village composed of white people throughout the length and breadth of Alaska that would not pass resolutions similar to those passed by the people of Seward, so far as the general principles therein expressed are concerned. The opening up of the coal so that they can use it—so that they can stop importing coal at prohibitive prices—and the construction of a great trunk line of railroad from *some point, somewhere*, on the Pacific Ocean where there is a safe harbor open to navigation every day in the year, to and through the rich valleys of the interior and connecting with the great natural water highway, the Yukon River—these are the two things that chiefly occupy the minds of the bona-fide residents of Alaska. The whole future of the country depends upon the answer to these two questions. *Where* such a railroad shall be built and *how* the coal shall be reopened to development, are matters of detail that will have to be threshed out on their merits. Members of Congress at Washington; members of the American Mining Congress, and even Alaskans themselves, differ on these points, but no one familiar with, or even moderately well informed as to the actual conditions,

climatic, physical and commercial, can have two opinions on the general proposition of increasing transportation facilities in Alaska and the opening of her coal to exploitation.

I could quote figures and furnish statistics about Alaska that would make your head swim, but I do not think it would do any good. In case there may be some one present, however, who thinks the opposite, and not merely to make good my assertion, I will get a few "into the record," as they say at Washington.

Alaska has a land area of 590,884 square miles—about one-fifth of the area of the United States, more than twice the size of Texas, and over twelve times the size of New York State.

Alaska has produced in GOLD ALONE since 1880 over \$200,000,000.

Alaska has produced in gold, silver and copper over \$230,000,000.

Alaska has produced in fish and furs since 1869 over \$230,000,000.

Alaska's trade with the United States for 1911 was \$55,924,404.

Alaska's average trade with the U. S. for eight years prior to and including 1911 was \$55,862,077.

The total commerce of Alaska for the eight years, 1904 to 1911, both inclusive, was within \$1,400,000 of the total trade of the United States with China for the same period, while it exceeded her total trade with each of the following countries: Hawaii, British Australasia, Scotland, Ireland, Spain, Russian and British India.

The trade value of Alaska to the United States is nearly \$1,500 per head.

The trade value of Hawaii to the United States is about \$350 per head.

The trade value of the Philippine Islands to the U. S. is \$4.13 per head.

Alaska has yielded to the United States since 1869 over \$450,000,000.

Alaska was bought by the United States from Russia in 1867 for \$7,200,000.

When one considers that the total white population of Alaska is only about 36,500; that the annual gold output is almost equal to that of California and in some years has even exceeded it; that the annual trade is nearly sixty millions of dollars; that the annual value of her fisheries is nearly twenty million dollars, and that

there are less than 450 miles of railroad in the whole Territory, one is staggered by the facts, and begins to wonder what limit the figure would reach with five millions of people and 5,000 miles of railroad!

But we have all seen these stupendous figures quoted before. Every magazine writer, every theorist, every "conservationist" delights in them, and it seems to me as if we would almost have been better off in Alaska without the recitation of such facts, much less a fanciful exaggeration of them, and that a more accurate perspective would have been obtained by less spectacular methods. The scenic grandeur with which Alaska abounds; the salubrity of her climate; the immensity of her area, and the abundance of her natural resources, are of small moment if her people chafe under oppression or suffer from a yoke which prevents their moving naturally onward in the path of progress. Let us therefore endeavor to look into conditions in Alaska from a more practical standpoint; let us get down to the "brass tacks" of the situation; let us apply the true test of a country's wealth, namely, the happiness and contentment of its people! Working along these lines you will find that the bona fide Alaskan either loses his self-control entirely, or retains it with undisguised effort, when he discusses the actual conditions as they affect him. Is it easy for a man doing business at a place surrounded by forests in which the timber is rotting or growing so thickly that it is injuring the trees—to discuss without emotion the high cost of the lumber, which he is forced by absurd governmental regulations to import from the wealthy merchants of Puget Sound at the rate of \$25.00 to \$40.00 per thousand for "rough" lumber? Or do you expect a man living where coal abounds in absolutely limitless quantities, to smile cheerfully when he tells you it is against the law to take one shovelful of that coal, and that he must perforce pay \$150.00 per ton for coal produced by the coal barons of British Columbia and Japan? Or, again, do you wonder that it is extremely difficult for a resident of Alaska who has to pay 20c per mile for a ride on the railroad, and the price of an "outfit" for shipping it a few miles by freight, to keep his indignation below the point of ebullition? For traveling on the railroads that have their terminal at tide-water in Alaska proper, the passenger rate is 20c per mile, and the freight rates are correspondingly high, yet these roads are said to be running at a loss, so that we cannot be too harsh in our judgment. Indeed from one point of view these railroads are a distinct blessing, and the people of Alaska are very much better off with than without them. The transportation of heavy freight would be impossible without them,

while there are many mining properties contiguous to their routes which would be valueless were there no such railroads. In view of such facts we must not be too ready to condemn these companies, which probably have a superabundance of troubles of their own. The truth is, that while Alaska is just as inexpensive as any part of the Northwest to operate and maintain a railroad, so far as climatic and other natural and local conditions are concerned, the cost of fuel is practically prohibitive because of the inability to avail themselves of the native coal. Imagine the conditions which compel a railway company in Alaska to import oil from California for its locomotives, when vast quantities of the finest steam-coal in the world are to be had along its line of route.

The title of the subject assigned to me is "*Transportation Facilities in Alaska*," but, as you can readily see, it is extremely difficult to discuss it without dragging in some other matters, more particularly the coal question, which in more than one sense is *the* "burning" question. The title, moreover, is a misnomer, and if I were to adhere rigorously to it as my text, I could dispose of the subject in about two seconds, for the reason that Alaska is celebrated chiefly for its *lack* of transportation facilities. I wish the members of the American Mining Congress and "all to whom these presents may come" would accept this statement as fact—for fact it is—without calling upon me to prove it. Not that I mind doing so, or am unable to do it, because I intend to prove it, but because the general experience is that the fewer figures, calculations and statistics with which you burden the public, the more likely you are to secure their attention in making any statements of fact, and what the people of Alaska really desire is to bring home to Congress and to the people of the United States certain broad, general facts, illustrative of their real needs, and in such a way as to challenge attention and speedily accomplish the enactment of such laws as will allow and enable Alaskans to proceed with the development of the abundant natural resources lying latent about them.

Such facts are in reality very few, I mean such facts as are really vital, and I think can be summed up under two heads. Here they are:

1. Alaska needs more railroads, wagon roads and trails.
2. Alaska needs more people.

Inasmuch as you automatically supply the second by satisfying the first need, an adequate transportation policy, wisely executed, constitutes and embraces the really vital needs of Alaska.

If her needs can be thus summed up in a single heading, what she wants may be summarized under three headings, as follows:

1. Alaska wants to regain the right—unjustly, inadvisedly and illegally snatched from her seven years ago—to mine and use her own coal.

2. Alaska wants the present nonsensical and demoralizing Forest Reserve regulations revised, if not cancelled absolutely.

3. Alaska wants the Homestead Law revised and made compatible with the natural and climatic conditions of the country.

While what Alaska *needs* and what she *wants* are two different things, the one is as insistent as the other in the call for immediate satisfaction. Now, a short tabulation like that ought to be easy to remember, and yet short as it is, it contains all the broad, general facts essentially vital that demand the prompt, considerate and sympathetic attention of the Government and people of these United States, to whom Alaska belongs and upon whom devolves the responsibility of her proper administration, and the peace, happiness and prosperity of her people.

There are other facts about Alaska which, while not vital or absolutely essential to her welfare, are very interesting and instructive and well worthy of attention, but they are too many to enumerate here.

Then, there are facts about Alaska which, while not "vital," are worth recording in the hope of eradicating certain impressions an uninformed public in the "East" has perhaps unconsciously received, and which, if given expression in the form of retrograde legislation, would *become vital* and affect the country most injuriously. Here are a few of those kind of facts and "he who runs may read," although if he contemplates settling in Alaska and waits until he gets there before reading them, very likely "he who reads will run":

1. There are six real and two "alleged" railroads in Alaska, with a total mileage of 445 miles. The Honorable, the Secretary of the Interior, says: "There is only one real railroad in Alaska outside of the White Pass & Yukon Railway (which is really a Canadian road). Those are Mr. Fisher's exact words.

2. Every railroad in Alaska, and more particularly those intended or proposed as trunk lines from the coast to the interior, is or can be maintained open throughout the whole year. The Tanana Valley Railway, which is in 65° north latitude, operates all the year round.

3. The United States Geological Survey reports some fifteen billion tons of coal in Alaska. This refers only to those parts of the country the Geological Survey engineers have examined, and represents but a small portion of the territory.

4. The coal found in the Behring River and Mantanuska fields is high grade anthracite and bituminous, and makes a particularly excellent coke.

5. The heat value of the Matanuska and Behring River coal, as stated by the United States Navy after exhaustive practical tests on warships and otherwise, is 15,400 B. T. U., as compared with a heat value of 14,800 B. T. U. for Virginia coal now supplied to the navy.

4. No Alaskan, white, native, American or alien, resident or non-resident, is allowed to mine, take, use, sell, burn or remove any coal found in Alaska. No person may use for any purpose, whether for himself and his family or for others, a pound of coal that is found, contained, or "growing" in Alaska or any part of it. To do so brings him within the purview of the criminal law and makes him guilty of larceny. This condition has existed for over seven years by virtue of the hasty, illegal act of the Hon. Theodore Roosevelt while President of the United States.

5. All coal used in Alaska for domestic and other purposes is, on account of the above mentioned facts, imported from Canada and Japan, at a cost to Alaskans, and to the Government itself at its naval and military posts there, of all the way from \$10 to \$300 per ton.

6. The Guggenheims do not own Alaska now and never did. They have no monopoly of gold, silver, copper or coal and never did have. They have no monopoly of transportation and never did have. They own what Secretary Fisher says is the "only railroad" in Alaska, which they built without Government aid to a copper mine they bought from legitimate prospectors, who located it, and this road has rendered comfortably available to placer miners and "hard rock" miners and prospectors a country formerly considered inaccessible 200 miles from the sea coast.

The primary need of Alaska is not solely the construction of a trunk line of railroad connecting the Pacific Ocean with the great waterways of the interior; it includes the building of wagon roads and trails which would act as feeders to such a line, encourage and facilitate agriculture, and create latent mineral wealth into live assets coursing through the channels of trade and commerce of the world. The following official statement explains itself:

Roads and Trails Constructed in Alaska to June 30, 1911.

Kind.	Mileage.	Total cost including maintenance.	Average cost per mile.*
Wagon Roads....	800.2	\$1,634,960.14	\$2,043.20
Sled Roads.....	534.0	104,474.06	195.65
Trails	1,557.0	130,454.98	83.80
Total	2,891.2	\$1,869,889.88	\$ 645.26

*Includes cost of maintenance and repairs.

"Note.—All cost figures given include cost of construction and maintenance of bridges, also office expenses and all other charges of every description connected with the work of the Alaska Road Commission."

A "sled road" is a swath cut through the woods, or a path across the hills, just about wide enough for two dogs abreast in harness. It is meant to be used in winter and can generally be used in summer as a "pack" trail for horses.

A "trail" is a cross between a sled road and a wagon road and is sometimes worse and sometimes better than either.

A "wagon road" is best described in the words of the Hon. Walter E. Clark, Governor of Alaska, who says:

"A wagon road is a road 16 feet wide, with a 3-foot berm on each side of the graveled or wearing surface, with a ditch on each side not less than 2 feet deep and 2 feet wide, and often larger. Those dimensions are almost invariably maintained, except in going around hills, when it is necessary to make a cut, or in going around a particularly steep place. There they sometimes narrow the road down to 8 feet."

All of these 2,900 miles of trail and roads are built and maintained under the supervision of the body known as the "Alaska Road Commission," a sub-department of the War Department, which includes in its annual report an estimate for appropriations for roads and trails in Alaska. This annual appropriation averages about \$200,000 and is woefully inadequate. The administration of this Commission is most excellent, and one often wonders how they accomplish what they do with the meager amount of money at their disposal. Just here I should like to refer to a remark contained in my address before this Congress a year ago which seems to have been misunderstood. I then said: "The people of Alaska owe a great deal to the Road Commission for the zeal and efficiency it has displayed and the work it has accomplished in the face of 'red tape' and ridiculously inadequate money appropriations. These gentlemen do the best they can, but the results nevertheless are horrible." This somewhat unhappy expression was in no way

intended to reflect upon the Alaska Road Commission, as any fair-minded person could see from the context. What I meant was that after the Commission had done its best and had exhausted the annual appropriation, there was still so much new work needed and so many additional roads required that the condition resultant was "horrible," and that statement holds good today.

We may eliminate "trails" and "sled roads" as important factors in the transportation problem, the limitations as to cost and carrying capacity of pack-horses and dogs being too well known to argue about. What then can you think of a system of wagon roads with a total mileage of 800 miles in a territory whose land area is larger than the combined areas of the states of Washington, Oregon, California, Arizona and Nevada? How can such a system develop any country of such magnitude? How can one expect to prospect properly, much less develop and operate, lode mines at any distance from tidewater, where heavy machinery has to be hauled? You practical mining men know the answer, Alaska should have an annual appropriation of \$1,000,000 for the building and maintenance of wagon roads. Such an appropriation, wisely expended in the extension of good roads to existing placer mining districts and well defined mineralized zones, would give a tremendous impetus to lode mining, which, owing to the utter lack of transportation facilities, is at present almost entirely confined to districts within easy reach of, or actually on, tidewater.

Needs for Railroads.

The Honorable the Secretary of the Interior, in his address before the American Mining Congress at Chicago on October 27th last year, said: "*What Alaska needs more than all else is a trunk-line railroad from THE OCEAN TO THE GREAT INTERIOR VALLEYS OF THE Yukon and the Tanana, opening up the country so that its future development may really be possible.*"

The Hon. William Sulzer, now Governor-elect of New York, has repeatedly said the same thing, while Mr. Gifford Pinchot expressed the identical view even more emphatically in an article published by the "Saturday Evening Post" of December 11, 1911.

I mention these three public men not because their opinion is any better than my own, or that of other people familiar with the situation, but because every one of them went to Alaska with certain pre-conceived notions as to what it really needed and with a panacea for all its woes up his sleeve, and, after careful study on the spot, each one by himself and at different times from the

other, in his own independent manner, arrived at precisely the same conclusion. All three of these men placed the need of Alaska for railroad transportation facilities before everything else, even local self-government. Messrs. Fisher and Sulzer selected the same route for such a trunk-line railroad and Mr. Pinchot approved of it, merely qualifying its emphatic endorsement by the statement that, as he was not an engineer, he did not feel competent to say whether the road should have its ocean terminus at Seward, Valdez or Cordova.

Both the Secretary of the Interior and the Hon. William Sulzer have urged Congress to build this projected railroad, the former giving as one reason for having it a Government undertaking, the withdrawal of the coal fields of Alaska from entry and the proposed reopening of them on a leasing system, which he says "will take away from the promoters (private individuals) of such road the lure of great gain from the exploitation of the coal fields." I am quoting literally from the Secretary's address delivered before this Congress last year. The address was the first official pronouncement of the policy of the present administration in connection with Alaska, and was publicly ratified and confirmed the next day after its delivery by the President of the United States when he honored this Congress with his presence. A committee composed of members of the American Mining Congress was appointed to confer and co-operate with the Secretary of the Interior in promoting and bringing to speedy fruition the policy so ably enunciated in Chicago. I presume that committee will present a report and speak for itself.

In the announcement of the Government's policy two radical proposals were expressed, namely, Government ownership of railroads and the opening of the nation's unappropriated coal lands on a leasing basis. So far as the people of Alaska are concerned, and particularly that portion of them whom I represent and speak for here today, they are not concerned as to who undertakes the construction and operation of the proposed trunk-line railroad. They realize their own needs; they know how terribly handicapped they are by lack of transportation facilities, and it is a matter of indifference to them who builds such a road—*what they want is a railroad*, and they don't care who builds it. Personally, I do not believe in Government ownership and operation of such a railroad, not because it could not be successfully done, but because it would not accomplish or promote anything like the general development that would be brought about by private ownership and operation.

Modern railroad managers plat town-sites; colonize large tracts of land; build hotels; help to open mines, and erect smelters, and are generally on the *qui vive* for the establishment of new industries that will bring traffic to their road and customers for their subsidiary concerns. That is precisely what a new, sparsely populated country wants, but the wildest imagination cannot depict the Government of the United States in any such role. At present, and almost certainly until the fuel and tonnage questions involved in the exploitation of the coal are satisfactorily settled, railroad building is and will be at an absolute standstill. The people of Alaska therefore welcome the proposal to build a great trunk line Government railroad, if and so long as the conditions are such as to prevent private individuals from doing so, and so far as Government sympathy and encouragement are concerned, the present conditions in Alaska are probably the most discouraging in the world as regards railroad building and enterprise on the part of private individuals. We feel that great injustice has been and is being done to existing railroads in Alaska, and that the Government should aid rather than hinder, and protect rather than attack, any corporation or individual who has sufficient faith in the future of Alaska to build a railroad there, or in any other way increase her transportation facilities.

There was so much opposition on the part of people interested in places other than that suggested by Secretary Fisher and Mr. Sulzer as the ocean terminus of the proposed railroad, that the Government finally appointed a Commission to investigate all of the proposed routes and report to Congress. This Commission has just returned from its tour of investigation in Alaska, and its recommendations are awaited with great interest.

The Leasing System.

The transportation question and the coal question are so closely allied that one cannot well discuss one and not refer to the other. The Government's proposal to lease its unappropriated lands is a new and radical doctrine in America, and I believe it is largely due to misconceptions and false impressions created originally in the minds of certain people who were honestly, if unduly anxious or over-sensitive, about the rights and property of the nation. For instance, a story was circulated and received the most widespread belief that there were just two good coal fields in Alaska, worth untold millions of money, and that certain grasping, greedy "malefactors of great wealth"—habitat New York—had conspired to

gobble up these two rich spots, to the everlasting injury of the shivering residents of Alaska and the eternal impoverishment of the great American people. A cry of alarm rang throughout the land, but by one great patriotic—if illegal—stroke, a President, ever watchful of his country's weal, averted the calamity by withdrawing in a night every particle of coal land, appropriated and unappropriated, in Alaska from entry. Prior to this withdrawal the *bona fidè* residents of Alaska could keep warm in their homes, heat the iron in their blacksmith shops, make steam for their little mining plants, and generally avail themselves of the benefits derived from this wonderful gift of God. People were prospecting, developing and preparing to mine and sell this coal in Alaska and outside of it; hundreds of men were employed, railroads were being constructed to haul this coal to market; smelters and mining operations on a large scale giving employment to thousands were contemplated, and a buoyant, hopeful feeling prevailed throughout the land. That was seven long years ago, and from that fatal day to this, from the moment that paralyzing edict went forth, not a shovelful has been taken from the untold billions of tons of coal that lie scattered all over the country; not a foot of development work has been done on them, not a shaft sunk, nor a tunnel driven. Railroad construction ceased, smelter projects dropped; people left the country, business in those sections contiguous to the larger coal fields became paralyzed, merchants were ruined; a period of stagnation set in, and where happiness and peace reigned before there came misery, discontent and dissatisfaction, which eventually developed into a feeling of disloyalty bordering on treason and rebellion. Do not imagine that this is overdrawn. I was at a public meeting where a thoroughly respectable American citizen introduced a resolution that had previously been made in two other towns, advocating secession from the United States and annexation to Canada. The outraged people of another town, in emulation of their Boston forefathers, dumped a cargo of foreign coal into the sea, while nothing but the wise counsel of a few of the leading men prevented the probable murder (drowning) of a well-known "conservationist," whose illogical, ill-advised activities the citizens of another town considered responsible for the commercial disaster wrought upon them. During this period of terrible suffering on the part of "hardy pioneers," business men, and even large corporations, that relied upon the laws of the land for their protection, those "malefactors" of Wall Street, who were supposed to be the real object of attack, do not seem to have lost much sleep,

or to have undergone any particular discomfort. But, happily, a more enlightened administration succeeded that which had effected such disastrous results, and, during the summer of 1911, the first step towards a practical solution of the "Alaskan problem" was taken, when the present Secretary of the Interior visited the country and made a personal investigation of the situation. The result of that investigation was given at Chicago on the 29th of October, 1911, in one of the ablest speeches ever made before the American Mining Congress, and which has since been published as "Bulletin 36" of the Department of the Interior, Bureau of Mines.

The policy of the Government as announced by the Hon. Mr. Fisher was hailed with delight throughout Alaska, where the people felt that after their long and lean seven years of famine, a new era of peace and plenty was dawning for them. Many individuals and public bodies in Alaska who had formerly been "unalterably opposed" to the reopening of the coal fields on any other than the fee system, changed their attitude and approved of the leasing system as advocated and propounded by the Honorable the Secretary of the Interior. The people of Alaska read the Eastern newspapers; they are as intelligent and enlightened as any civilization on this continent, and after following the long debate on "conservation"; after seeing a Cabinet Minister fall before the weight of a new public opinion aroused to the boiling point by the erroneous impression that this official was ready to barter or give away their natural heritage of public lands, the Alaskans came to the conclusion that "conservation" had come to stay; and that however erroneous the conception; however removed from the truth might be the reason for their decision, the people of the United States—or a majority of them—had, rightly or wrongly, determined that the time had passed when the nation should or would convey an unrestricted title to its coal, its oil and its other natural resources. They believed that Secretary Fisher voiced this new and powerful public sentiment when he said: "*The day is done in which the Government should deliberately encourage the unrestricted private exploitation of the sources of power.*" The people of Alaska had suffered from the closing of the coal fields; they were discouraged by the long delay in reopening them, and they felt that almost any system which would lead to the rehabilitation of business, the construction of railroads, and the opening of the coal mines would be welcome. They met at different towns and passed resolutions approving the policy of the Taft administration towards Alaska, and, in the fervent hope that these great latent resources would

be opened up shortly, they approved of the principle of a leasing system, as you have seen from the resolutions by virtue of which I stand before you today. They now appeal to the American Mining Congress to use its great influence in bringing about the reopening of these coal lands by a leasing system if that seems to be the best, the most feasible and the most quickly obtainable plan. But in adopting this principle, which they do chiefly as a matter of expediency, perhaps, there is not a man in Alaska who advocates or favors a modification, much less an abrogation, of the rights of those men who went into the country and located coal claims honestly and according to law. The people of Alaska are a law-abiding people; they uphold and respect the law, and they maintain that all those men who located coal in accordance with the law as it existed before the withdrawal of the coal lands from entry in 1906, are entitled to a patent, that in every instance where the law has been complied with the claimants shall receive their claims and own them in fee simple as the law provided. I want it to be clearly understood, therefore, in placing before you the views of the community which I represent that they do not contemplate or approve of any system which seeks to deprive honest coal claimants of their property.

And just here it may be pertinent to discuss a phase of the Alaska coal question which seems to me has too often been overlooked. The views and opinions of the public—or that portion of the public that is sufficiently interested to form any opinion at all on the subject—have been shaped largely by the contentions of those persons who are interested in coal lands directly and indirectly as locators, on the one side, and by arguments and by actions of the Government, who is opposed to them, on the other. Nearly everyone thinks only of the rights of the coal claimant or the wrong he has tried to perpetrate on the Government, and public opinion generally is based on the theory that these are the only parties concerned, they are certainly the most frequently and most poignantly heard from. Now, I venture to say that there are at least 25, more likely 50, people in Alaska who are in no way connected with or interested in coal or coal lands as *locators*, for every one person directly or indirectly interested in that way. Moreover, the great majority of registered coal claims reside outside of Alaska, and never did intend to live in it, but resident or non-resident, they have all suffered from both the action and inaction of the Government, according to whether their claims have been considered fraudulent or not. That many, if not the greater portion,

of coal locations in Alaska were made honestly and according to law, or at least with honest intent, there is scarcely any doubt, but whatever the real merits of the controversy, the fact remains that *there are untold acres of coal lands which have never been claimed or located*, and that because of the failure to open them and allow them to be mined, the 36,000 odd people resident in Alaska are suffering keenly. These are the people who are paying the toll to foreign coal barons; these are the people who are forced to pay from \$20 to \$300 per ton for British Columbia and Japanese coal, and they must do it or freeze in some places where the timber is also withdrawn.

It is on behalf of the great multitude of innocent people, interested *not as locators* but as *consumers* of coal, that I speak today. We say this controversy must stop; we want this coal opened up before we die. We advocate any policy that will protect you coal claimants and give you your just rights and privileges; we sympathize with you in the treatment you have received; we cannot respect a Government that accepts your money and then refuses to either issue a patent or return your money. But we wish you to understand that we are not in favor of having all this coal that we need so badly tied up and locked up because you want the Government to adopt some particular system or policy for opening these public lands that may take years to become effective. We want you to sympathize with us a little; we want you to try to look at this thing from our standpoint, as we do from yours.

We want the Government also to look at this matter from the resident consumer's standpoint; we want it to give the existing coal claimants prompt relief; a fair trial and proper redress; we want it to put an end to the vexatious delay that has held these coal claims unexploited; but, pending a just settlement of those, we call upon the Government to *open up the unlocated, unappropriated* coal lands of Alaska; to let us mine some of the coal that is not involved in any controversy; and to repeal the law that makes a criminal and a law-breaker out of the prospector, the miner, the farmer, the fisherman, the trapper, and any other "hardy pioneer" who takes a lump of coal for his camp fire; to heat the iron in his forge, or to warm his home. Do all this and yet leave not the other undone.

Summing it all up, the situation in Alaska is just this. The people there favor Government-owned railroads to open up and develop the country, chiefly because they believe existing conditions are not conducive to such undertakings by private enterprise. They

favor the leasing system because that seems to many of them the only system under which the coal will be opened up within anything like a reasonable time. In both cases it is now a question of expediency with them, and as this does not necessarily involve a breach of principle, no one can blame them. The plain fact is that they are undergoing real suffering and hardship because of the locking up of the coal, and, on account of the fearfully inadequate transportation facilities at their disposal, and any honest plan that will remedy both of these conditions and do it speedily, will have their earnest support and heartfelt approval.

The Leasing of Mineral Lands.

WILLIAM GRIFFITH,

SCRANTON, PA.

Reformers, or so-called conservationists, in their recent efforts to secure or conserve for the people a greater share of the proceeds of the mining enterprises on the public lands, have fixed upon the leasing method as the one best adapted to secure this end, and hope to substitute it instead of fee simple sales. They would distribute in various ways for the public good the royalties arising from such leases, and to avoid the chance that an increased market price for the products might result eventually in an unduly small royalty, they would require short tenure leases, that the royalty might be from time to time changed as the market value of the product varies, and thus reserve for the people a more equitable share of the proceeds; and all for the purpose of aiding the laws of conservation.

We respectfully submit, however, that this proposed plan of short tenure leases is unsatisfactory, impractical, and one of the most wasteful that could be conceived. It has been abundantly proved during the hundred years' life of the coal industry of Pennsylvania, during which all sorts of titles have been held, that the short-term lease is exceedingly wasteful and non-conservative in its tendencies. The results of experience throughout the mining and industrial world prove that there is an economic law governing these matters, which must be recognized by all conservationists everywhere, viz.: Short tenure tends toward small operating units, careless methods, extravagant waste of national resources, with *excessive loss of human life*; while long tenure promotes large operating units, careful and scientific methods, with the greatest possible conservation of life and property. The courts in many of the states have declared over and over again that a perpetual lease, that is to say, in case of a mining property, a lease until all the mineral in the land is exhausted, is a sale, the royalty being payments on the installment plan. If, therefore, it is determined that the public lands of this country shall be leased, the proper sort of holding would be a perpetual lease, so called, or as near approach to it as may be possible; not less than 50 years—unless

the mineral is sooner exhausted—with rights of renewal. In order that the royalty may fit the fluctuating physical and market conditions, it should be arranged on a sliding scale, automatically adjustable—a percentage, if you please, of the market value of the product; thus obviating the necessity of frequent changes of lease and royalty. There are a number of reasons why titles held on this plan are very advantageous, some of which we will briefly enumerate below:

A perpetual or long-term lease is advantageous for the lessor or owner, and for the lessee, whether prospector or operator. It is best from the viewpoint of the financier. It tends to the greatest conservation of resources and human life. It is best for the people, and tends to reduce speculation.

It is best for the lessor:

A. Because it tends towards large operating units, induces permanent equipment, and is attractive to substantial, experienced operators.

B. It tends toward the greatest conservation of the raw material and the least loss of human life, through the introduction of scientific and workman-like methods and life-saving devices, resulting in a greater output and larger returns of royalties, and is consequently more remunerative to him than an outright sale.

It is best for the lessee:

A. If a prospector, it encourages exploration, discovery and development, and would secure to him a surer reward with the least outlay, for if he shows a good prospect his lease is more salable than a fee simple title, because there is less money at stake and less hazard on the part of the purchaser.

B. If a lessee is an operator, it is best for him, because the money which he would otherwise invest in a fee simple title may be used to prove the property, and if found good, to develop and equip. He thus secures the property on its merits, and can regulate his investment accordingly. If the developments show the property to be worth it, he will be warranted in installing substantial equipment, and his title affords suitable security upon which, if desired, to borrow the necessary capital. If his provings show the property to be unsatisfactory, he may forfeit his lease, and thus save what would otherwise be lost through purchase of the fee simple title.

Next to the fee simple title, a perpetual lease is the best from the viewpoint of the financier, because it tends toward more substantial, permanent equipment, larger outputs and profits, thus affording better security for loans, and permits long-term bonds

which are more attractive to investors. Short-term leases or contracts, subject to changes at renewal periods, are poor security, and cannot be easily financed.

From the viewpoint of the conservationist the perpetual lease is preferable:

A. Because the lessee expects to exhaust all the coal, and therefore conserves the supply for the future by avoiding waste in mining, and to secure this end, can afford the expense necessary to install permanent, up-to-date plants, use the latest and best mining methods, employ competent engineering advice, and means for preserving the lives and comfort of employes.

B. It is to the advantage of the operator for conservation purposes to experiment with and investigate new methods of mining and utilizing his product in order to make a market for inferior portions of the ore or coal which might be otherwise wasted.

C. The quantity of ordinary waste or refuse material from large plants is so great that its possible value becomes an item of considerable importance, and is worth the expense of searching out new methods for its utilization and conservation.

Perpetual leases promote public welfare, because:

A. They will stimulate prospecting, and the discovery of new coal or mineral areas.

B. They hasten developments more rapidly than any other sort of title.

C. They will produce revenue for school and territorial purposes.

The leasing method is not advantageous for the speculator in lands or mines, because his profits would necessarily be smaller than in case of sale of fee property, for the purchaser must pay twice; first, as a profit to the speculator; second, as royalties to the lessor.

The above general principles would seem to be universally applicable, and to apply with double force to the coal lands of Alaska, because the best coals of the territory are high-grade only because of their proximity to the volcanic rocks, and are therefore liable to be much broken, folded or crushed through the movements or quakings common to eruptive measures.

On account of the unfavorable physical conditions, added to the high cost of labor and material, and lack of transportation facilities, the preliminary expense of properly proving Alaska coal lands for the operator will be unusually large. This must be done, however, before he is warranted in making the investments necessary

to equip a mine plant. How much better, therefore, it would be under these circumstances if land could be purchased on its merits, by this installment plan, instead of first hazarding the cost of a fee simple title, which might ultimately result in a dead loss. Under the perpetual lease the rights of the prospector or operator may be well protected, and he is at all times posted as to the probable value disclosed by his development work, and may regulate his investments accordingly, without first being required to gamble on a fee simple title.

The long-term lease is a very popular method of handling coal properties in the Eastern United States. It is favored both by the land owner and by the operators. In fact, most coal operators would choose such a title in preference to investing so much of their capital in land purchases; but no one favors the short tenure lease. The coal land owner, as the result of dire experience, views it as the ingenuous device ever instituted for the purpose of wantonly wasting his substance, and the operator regards it as a delusion and a snare. It deludes him with the pleasant but often-mistaken notion that he can pay out the investment with large profits before his short lease expires, and it becomes a snare when he gets in financially, and then finds that he can't get out.

Mineral Land Laws and the Decadence of Prospecting.

GEORGE W. RITER,

SALT LAKE CITY, UTAH.

In former days prospectors going upon the public domain, searching for precious metals, used to think they were taking as many chances as they ought to take, when they gambled their judgment, their time, their labor, and the whole of their financial resources, against the whims of nature. On learning, nowadays, that they must also gamble against the whims of the executive branch of the Federal Government, they begin wondering whether the effort is really worth while.

Western mining men are plainly disconcerted over the abrupt changes in the interpretation of the law by the Department of the Interior, as evidenced by the ruling in the case of the East Tintic Consolidated Mining Company, originating in Utah. In that ruling the department directs the cancellation of a mineral entry "in its entirety," and says:

"The exposure of substantially worthless deposits on the surface of a claim; the finding of mere surface indications of mineral within its limits; the discovery of valuable mineral deposits outside the claims; or deductions from established geological facts relating to it; one or all of which matters may reasonably give rise to belief, however strong it may be, that a valuable mineral deposit exists within the claims, will neither suffice as a discovery thereon nor be entitled to be accepted as the equivalent thereof.

"To constitute a valid discovery upon a claim for which patent is sought, there must be actually and physically exposed within the limits thereof a vein or lode of mineral-bearing rock in place, possessing in and of itself a present or prospective value for mining purposes; and before patent can properly be issued or entry allowed thereon, that fact must be shown in the manner above stated."

Unmoved by appeals for a reconsideration of the case, the department stands its ground; and, speaking through Assistant Secretary Adams, it suggests that the welfare of the nation calls for a more literal interpretation of the existing statutes than has heretofore been customary. It does no good to point out that the East Tintic ruling is not consistent with department practice in

other matters. In the classification of oil lands, coal lands, phosphate lands, and other lands that are withdrawn from entry, appraised, or handled in a special way, the sort of evidence sought for and used by the Department of the Interior, as a basis for its own acts, is exactly the sort of evidence that a prospector is forbidden to use as the basis for a location or a mineral entry. "Surface indications"; the peculiar nature of the "substantially worthless deposits on the surface"; facts relating to "the discovery of valuable . . . deposits outside"; deductions from established geological facts"; on this sort of evidence, gathered perfunctorily, the department justifies itself in appraising, bartering, withdrawing, or otherwise dealing with lands on a wholesale scale; but discredits such evidence when it is presented by a prospector who has gathered it slowly, laboriously, and at a cost to himself that is quite high per acre of land involved.

As has been pointed out frequently by eminent writers on mining topics, the federal mining laws, so called, are nothing more than statutes authorizing the Department of the Interior to sell mineral lands to citizens, or intended citizens, who comply with certain statutory requirements. The act of 1866 began with a declaration of national policy. The same is true of the act of 1872. The language is different, but the spirit is the same. The first section of the act of 1872, which is reiterated in the revised statutes now in effect, reads:

"All valuable mineral deposits in land belonging to the United States, both surveyed and unsurveyed, are hereby declared to be free and open to exploration and purchase, and the lands in which they are found to occupation and purchase, by citizens of the United States and those who have declared their intention to become such, under regulations prescribed by law and according to the local customs and rules of miners in the several mining districts, so far as they are applicable and not inconsistent with the laws of the United States."

Now, the Department of the Interior, as a part of the executive branch of the Government, is supreme in the matter of its own reasoning and procedure. So that when the Secretary of the Interior reasons that the welfare of the nation calls for stricter interpretation of the law relating to mineral entries, or decides that an entryman has or has not complied with the law, he speaks the last word, and there is no chance for any appeal, except to the people at election time once in four years, or to Congress for a change in the law upon which the ruling is based. The East Tintic case

sets a precedent; and from now on, and until Congress chooses to act, the cancellation of any mineral entry "in its entirety" will be quite regular. Cancellation may not become common, however, because fewer mineral entries will be attempted, and the capital formerly available for prospecting will hereafter keep itself at a safe distance.

The feature of the existing law which is perhaps the most deplorable of all, and which becomes worse and worse with age, is the one permitting lode locations to remain in loose, indefinite state, for unlimited period of time, without requiring a survey or any sort of record in the United States Land Office. As time goes on it becomes more and more difficult, if not absolutely impossible, to determine what unpatented *mineral* lands are held under a valid right, or whether any valid rights exist within a specified area. Perpetuation of the boundary monuments of unpatented lode claims is not even required. The official notes filed in the Land Office of lode claims surveyed for patent show that in a surprisingly large number of cases the location corners could not be found by the surveyors at all, or were not in the places contemplated by the location notices. The final result in every active mining district is a group of tangled claims, whose rights and boundaries when any valuable ore deposit is involved, must usually be determined by law suits that are as expensive and as distressing as the stakes are high.

Until recently any prudent mining man who wished to ascertain before spending too much money what rights he really had, as against other possible locators, could make application for a United States patent for his claim; whereupon, adverse claimants, if any existed, were obliged to define and maintain whatever rights they claimed or be forever barred. After notice of intention to apply for a patent had been advertised for the statutory period, the applicant knew where he stood. The patent, when issued, conferred no new rights, but merely certified the rights already acquired through location and development.

Upsetting all this, we now have the precedent set by the cancellation of the East Tintic entry "in its entirety." In effect, this means cutting off the opportunity to go through the only proceeding by which a claimant may determine with certainty whether he has even preferential rights within a specified area. If the intention of the ruling had really been to unsettle titles and to discourage prospecting, it could hardly have been more to the point. Under this ruling few of the big mines of today could ever have been

patented during their period of development; and in the absence of quiet title, it is hardly likely that anybody would have risked the money necessary to bring these properties to their present producing stage.

The economics of prospecting is a subject upon which few mining writers have dared to venture openly and seriously. By "prospecting" more is meant than the nomadic act of roaming over the country, looking for outward signs of the existence of mineral deposits. The word as used here includes everything that is involved in bringing a mining venture through its infancy and until it reaches a stage where it can produce at a profit. Prospecting is liable to so many pitfalls that no mining writer feels competent to treat the subject comprehensively. If competent, he would write at the risk of becoming unpopular, for the reason that disagreeable truths are seldom welcome.

The decadence of prospecting is being discussed seriously throughout the West. Other countries than ours are discussing it with signs of alarm, and are trying to make their mineral laws more and more liberal. If a liberal policy on the part of our own Government was ever justifiable at any time, is it not justifiable now? The easy mining ventures have already been picked over pretty well, and from now on the chances are remote for discovering precious metal deposits of importance, except as the result of long, patient and expensive effort.

The Washington Compensation Act.

JOHN H. WALLACE,

MEMBER INDUSTRIAL INSURANCE COMMISSION OF WASHINGTON.

Gentlemen of the American Mining Congress: I am here in response to your telegram. I am here to bring you some information regarding the first year's operation of the first compulsory workman's compensation system in force on the American continent. The whole civilized world has risen in arms against the negligence or litigation system, and there is not a legislature in the United States during the coming winter, where the old system has not yet been broken down, that will not be discussing that antiquated, strife-breeding thing which has done more probably than any other one social institution to bring about bitterness between capital and labor, and cause whole sections of working men to believe in class warfare.

For nearly thirty years almost every enlightened nation of Europe has been content to see the common law system of damage litigation safely repose in the legal scrap-heap. The American states have suddenly awakened to the fact that they are in this respect the least progressive in the sisterhood of nations. Now, in the last three years compensation commissions of the Federal Government, and of at least 22 states, have been searching European experience and weighing constitutional provisions to obtain the best possible substitute for the injustice-dealing system so universally condemned.

In some quarters the idea still prevails that the old machinery can be patched up by abolishing the fellow-servant doctrine, the contributory negligence theory, and the rule of assumed risk. A study of the appalling facts of work accidents that students and economists are mining out and bringing into daylight demonstrates beyond peradventure that justice to working men in hazardous employments cannot be obtained by any such half-way measures. For instance, the United States Bureau of Labor analyzing 46,000 accidents in Germany shows that notwithstanding the extraordinary supervision and safeguarding applied to working men of the same race and tongue, who have had military training, still forty-two

per cent of accidents result from the inevitable risk of the trade. No man with knowledge of the American character, of American machinery and working conditions, with a knowledge of the cosmopolitan crowd and the babble of tongues that make up the rank and file of our industrial population with practically no training in the pursuits which they now follow, can seriously question the proposition that fifty per cent of the accidents that happen to working men cannot be compensated except through the installation of a compensation system, even though the unholy trinity of employers' defenses be abandoned.

The workmen's compensation, or industrial insurance act of the state of Washington, became a law for administrative purposes when Governor Hay signed the bill March 14, 1911. It went into effect as between employer and employe October 1, 1911, and the first compensation year ended October 1, 1912. During this year something like 6,000 employers have been compelled to contribute to forty-seven groups of industrial funds, paying into the hands of the state for purposes of compensating injured workmen, roundly, \$1,000,000. During this same year there was formally reported to the Industrial Insurance Commission, which administers the law, 11,896 accidents, a close approach to 1,000 accidents per month out of an industrial army of approximately 125,000 men.

Out of this \$1,000,000 contributed by the industries of the state, and for which they were absolutely protected against all damage suits by their workmen of every kind and character, there was paid to injured workmen, roundly, the sum of \$700,000, and \$300,000 remained on hand as a balance credited in various amounts to the forty-seven classes, out of which we are now compensating injured men in the second compensation year.

This fund has been accumulated and distributed without the aid of courts, juries, lawyers, claim-agents, bailiffs and constables—the whole jurisdiction of the courts having been swept away by the most courageous piece of social legislation enacted in any state. The idea of blame as a ground for damages is abandoned; the idea of revenge at the hands of a sympathetic jury is discarded; the idea of a great, glittering, gambling chance to be obtained through perjury is gone. I think it is not too much to say that a new day of industrial peace has dawned in Washington.

I do not mean to say that in my judgment the awards to injured workmen are as much as industry could afford to pay. But I do believe that at this time, until other American states shall have established schedules of compensation, the workmen

of this state should not attempt to penalize the young enterprises that are here trying to get a financial foothold by putting them under a burden which their Eastern competitors do not bear. Accordingly the first annual report of the Industrial Insurance Commission will not recommend that the award schedules providing the sums of money to be paid to injured men, or their dependents, if killed, be materially increased.

The award schedules in the Washington act fall into three heads:

First, a workman temporarily knocked out and incapable of working is allowed \$1 a day until he is physically able to get back to his job. If he has a wife he will be entitled to something less than \$1.50 a day; a wife and one child, \$1.75 a day; a wife and two or more children, \$2 per working day, always providing, however, that an award shall never exceed sixty per cent of his wages when hurt.

The second group provides for the survivors of killed workmen, \$20 a month to the widow for life, \$25 if she has one child, \$30 if two children, \$35, the maximum, if three or more children. And the particular industry which killed the bread-winner is required to put up a reserve to guarantee the continuance of these monthly payments through the widow's life, and until the children reach the age of sixteen, a sum not to exceed \$4,000 on any one workman's life.

The third group provides for dismemberments, or other permanent crippling which can be surgically measured. The maximum, \$1,500, for a workman's arm at or above the elbow. The commission has worked out a proportionate scale which will be published in detail in our first annual report, and which I need not therefore refer to, except to say that the scale allows \$225 for the entire right index finger, \$850 for the loss of an eye, etc.

As one of the three commissioners, and accredited with representing labor on that board, I do not mean to say here that the law is entirely satisfactory to the working men of this state. Organized labor and labor's friends will urge with great vigor and insistence that supplementary legislation be enacted in Olympia this coming winter that will provide that the cost of medical treatment be supplied him as a part of the cost of production in each industry. Our statistics for the first compensation year show that the average workman receives, under the compensation act, about one-third of his loss. That is, his wage loss, due to accident and the cost of treating his injury combined, amounts to about three

times the award under the law. That is to say, as the law now stands, the workman bears two-thirds of the burden of work accidents and the industry one-third. Labor, organized and unorganized, will insist that the workman, through his carelessness, is not responsible for more than one-third of the accidents that happen and that any system is unrighteous which asks him to bear more than one-third of the burden.

I am perfectly aware that good employers all over this state do now go to expense for their injured workmen, pay transportation, pay the doctor, pay hospital bills and frequently advance money to the family. Labor will insist that it is no more than just that the employer who declines to voluntarily do equity shall be brought up to the reasonable standard of the good employer by coercive legislation.

Now, labor and labor's friends are going to point out in connection with the Workman's Compensation Act of this state, that during the seven years ending with 1911, there was drained out of this state into the treasury of casualty companies over \$4,000,000 in premiums on policies designed to protect the employer against law suits. During this same seven years the sworn statements of the officers of these companies show that they paid back to the injured workmen less than \$975,000—less than twenty-five per cent of their receipts—and you know, and I know, that these losses included many a large verdict, half of which the lawyer got, and in many cases the workman paid the costs of appeals through four or five years besides.

Now add to this annual premium drain for court protection a drain that amounted to over \$900,000 in 1910—the indirect costs of the negligence and law suit systems such items as verdicts in excess of the \$5,000 which was the usual limit of a policy's protection, the retainers paid lawyers, transportation and hotel bills furnished witnesses, the reduced production in the plant by the employer's enforced absence and the absence of his foreman, etc. The time and expense and worry of ferreting out and keeping in touch with witnesses, the misunderstanding by the workmen resulting from pending litigation, the danger of bankruptcy through vindictive jury verdicts, and the impairment of credit at banks incident to considerable litigation, add to these real but indirect drains upon industry the premium of self-insurers like the coal companies, the street railway companies and the horde of contractors who "took their chances" and it is, I think, sufficient to claim that the \$900,000 of casualty premiums in 1910 is but a portion of the drain upon in-

dustry. There could not have been less than \$1,250,000 of a drain upon the industries in 1910 against the \$700,000 paid out in full and final settlement of all charges in 1912. Thus you get the measure of satisfaction to the industries of the state resulting from the Compensation Act, for \$300,000 of the \$1,000,000 paid in to the 47 funds was on hand on October 1st to continue the second year's work.

I have said that labor is not entirely satisfied with the results under the compensation system, and I think I have demonstrated that industry can do better and still be less burdened both mentally and financially than under the discarded litigation system.

I believe first aid should be provided by the industries either wholly from the accident funds or partly by the industrial fund and partly by the individual employer in whose plant an accident occurred, and, at this point I can not make the position of labor clearer than through a quotation from a recent address by the Chairman of the California Board of Accident Awards. Mr. Pillsbury said:

"Few employers have sensed the fact that ever since the rise of free industry in the world the industries of the world have been subsidized out of the sacrifices made by injured workmen and those dependent upon them. Such is the fact. In part this subsidy has been paid by the hurt and their dependents, and in part by taxes paid for the relief of the poor. Therefore it is true to say that the industries of this and other countries have in part thriven off bonuses paid to them by poverty and property, and, to that extent, those industries are paupers and are not paying their own way. They should be made to, and the industry that cannot continue except it be subsidized out of the blood and broken bones of men, the tears of widowed women, and the sobs of dependent children, were best to terminate their unprofitable existences."

The key thought of requiring an employer in whose plant an accident occurs to pay to a limited amount in all cases as certainly as he must pay for the wife's groceries, the medical cost of treating an injured man is to promote safety, to stimulate his thought along safeguarding and protective lines. As the financier of an enterprise he will recognize and check such a drain in his balance sheets. He then will think about protruding set screws, better mining ventilation, unsafe boilers, unfenced elevators, unguarded cogs and unprotected electric wires, or any other dangerous agencies which can, at small expense and with little thought, be rendered safe.

When accidents are reduced to their irreducible minimum who

can gauge the cost to industry and the compensation permissible for those injuries which are purely accidental?

A compensation law continually and imperatively calls for scientific study of accident prevention. It is so elementary that to point out seems absurd that if you prevent accidents under a law like that of Washington where industries are called upon to pay only enough for accidents you save premium cost to the industries, suffering and pain to the workmen, disorganized plants as a result of these recurring casualties.

Because, to prevent accidents is to save money for the employers. Our first annual report is going to recommend safety legislation in this state that will call employers in conference to discuss ways and means of safety and thereby obviate the drain of accidents and the needless waste of human lives, limbs and work energy. In other words, we hope to see minimum standards of safety established through democratic discussions in trade conferences; the penalizing of those who fall below the standard and the lightening of the accident burden of those who excel in safety.

I believe to a considerable degree the Washington Act discriminates against the employer whose humanitarian instincts and enlightened self interest have led him to incur considerable expense in installing safeguards providing safety supervision and abolishing conditions conducive to accident. Such an employer must pay into the accident fund of his class a premium equal to that of the employer with obsolete and atrocious equipment and utter ignorance and conscienceless disregard of human life and limb.

A line of cleavage, if not acute dissension, arose on our Board over the proposition that the employers and employes of this state need education as to the requirements and conditions for safety. On August 1st, 1912, after the Commission had received formal reports of over 9,000 accidents it issued its first safety bulletin, a placard with a red cross designed to be posted where both master and man might stop and think. It contained quotations from engineers and officers of great corporations like the Illinois Steel Company whose safety campaign in recent years has resulted in a 66% accident reduction.

It has been said with considerable force and repeatedly pointed out by critics of the Washington system that where a pure compensation system exists, there is not as great a tendency to prevent accidents as there ought to be because there is no premium as to care. If you take stock of human nature as it operates every day, you will agree that if John Smith has to pay a certain amount of

money, whether he has any accidents in his establishment or not, he is liable to be less careful, or, if he is not, those employed by him as foreman and superintendent are liable to look more to the product than to the safety of the workingmen.

The growing conscience of this generation is insistent that the weak shall not be exploited for the benefit of the strong. Legal slavery passed away with the gray gigantic host which defended it. The employment of children of tender years is now almost everywhere prohibited by penal statutes. The employment of men and particularly of women for unconscionable hours each day is an industrial condition rapidly passing away under crystallized public sentiment. The exploitation of ignorant immigrants at less than living wage is condemned from the Atlantic to the Pacific, although this "pauper labor" continues to be syphoned over our high tariff walls. The practice of one species of fraud upon the unprotected public was struck a death blow by the Pure Food and Drugs Act. The lure into oblivion of the daughters of the poor for the profit of caterers of dissipation has caused assemblies of citizens in every city and town in this great republic to vibrate with indignation.

Lastly, the system whereby industrial establishments have been subsidized not by the consuming public so much as by the weakest members of society—those who work with their hands day by day for their bread—so that a workman struck down in the course of duty by an industrial accident was merely pushed aside and left to the care of the casualty companies and the damage case lawyers, and the associated charities—has at last given way to compulsory workman's insurance. The Washington Act, I believe to be incomparably better than any similar law yet enacted by any other American State. I believe that the coming session of the Legislature will see the burden equalized by a reasonable first aid bill amending its provision. I believe that the same legislature will enact safety legislation that will apply to industry the broad-gauged views and democratic principles that have made a success of the public utility and railway commissions that have so successfully brought the transportation corporations at last under reasonable public control.

Workmen's Compensation.

EDWARD T. BENT,

CHICAGO.

I regret that lack of time and ill health have prevented my outlining in any detail what I would consider the important features of a model bill providing for workmen's compensation for industrial accidents. I have given a good deal of thought and study to the subject during the past two years, as a coal mine operator, as a representative of the coal mine operators upon the Liability Commission of the State of Illinois which framed the Act that went into effect May 1st last, and as Secretary of the Mutual Liability Insurance Company of the coal mine operators of this and adjacent states.

The American Mining Congress, at its last annual session, after due deliberation, unanimously passed the following resolution:

“RESOLVED, That we are in favor of a fair and just compensation to workingmen for injuries received while engaged about their duties, one that will be just and equitable to both employer and employe, and we recommend to the Congress of the United States and to the state legislatures the enactment of such legislation as will secure this result.”

The organization being thus on record, I will not discuss the merits or demerits of the system, or of the one which it supplants, but will confine myself to the consideration of what, in my opinion, a proper compensation act should consist.

The act should be compulsory and constitute the sole remedy. Of the eleven commissions that have exchanged views and met in conventions, including the Federal one, all, as I recall it, favored a compulsory law as the sole remedy, if constitutionally possible; and more recent decisions seemingly indicate that a compulsory act, taking away the common law remedies, is open to scarcely greater constitutional objections than are the various elective measures which have been reluctantly resorted to because of the adverse decision of the New York Court of Appeals. Where constitutional objections cannot be overcome the state constitution should be amended, if possible, as New York is doing. While the elective

acts now in effect are valuable experiments, to the extent that they are accepted, they create a chaotic condition, continue controversy, and throw neighboring industries out of competitive relations when one employer accepts the Act and another does not. The effect is to greatly handicap the cause.

If the employer is to pay for every accident, regardless of fault, what is considered reasonable on the average, he should not be subjected to suit under the common law or other statutes in exceptional cases, at the option of the person injured, where the measure of damages might be large; nor is it desirable that the person injured should be subjected to the temptation of ambulance chasing lawyers leading him to reject automatic compensation much better *on the average* than the average result of litigation. To the extent that the opportunity and the temptation to litigate are left the prime purpose of the compensation system is lost.

The basis for determining compensation in each instance should be established and made as automatic as possible. If it is constitutionally necessary, as it apparently now is, to permit final resort to the courts and trial by jury, such resort should be made just as remote, unattractive and difficult as possible. The employer and employe should be permitted to agree on the basis of the probable disability as determined by the doctor or doctors. Failing to agree the question should go automatically to arbitration. Resort to the courts should be only on appeal from the arbitration award.

The maximum period for both fatal and non-fatal accidents, both the minimum and maximum total compensation and the minimum and maximum compensation per week should be established in the Act. Most states have made the maximum period eight years. Illinois has made the total minimum and maximum compensation \$1,500.00 and \$3,500.00 respectively, and the minimum and maximum weekly compensation \$5.00 and \$12.00 respectively, which seems to me proper.

There should be an initial period without compensation to discourage malingering, avoid unnecessary congestion of cases and to permit larger compensation for graver accidents than industry could otherwise afford. This free period has been made one week in some states and two weeks in others. I favor two weeks.

Compensation should cover total permanent disability, partial permanent disability and temporary disability, all of which relate to loss of earnings or earning power; but should not cover disfigurement, as such. Disfigurement not affecting the earning power has

no place in a law providing compensation for lost earning power and its presence has already been found to be a fruitful source of controversy and possible litigation.

The Act should specify a period of disability to be applied to specific injuries such as the loss of one or two eyes, of one or two legs and the like, so that the opportunity for disagreement and occasion for arbitration may be reduced to a minimum and that the compensation may be automatically determined wherever possible.

The compensation should be on the basis of half wages during disability. Some states have made it 60% and 65% for certain classes of accidents, but such states I believe provide shorter maximum periods and permit lower maximum compensation, one or both. It is better for both dependents and society to pay compensation for a longer period than to pay a larger weekly amount.

Compensation should be in the form of a weekly pension rather than of a lump sum, and permit the payment of a larger sum only on a proper showing to a designated court of record that the paying of a lump sum is in the interest of the dependents or is necessary to the employer on account of his going out of business or the like.

The compensation should be paid by the employer without contribution from the employe. Many favor a small contribution by the employe, and much can be said in its favor, but it appears politically impracticable and there are valid objections to it. In Germany where the employe pays a small proportion, the employers themselves are seeking to have the law changed so that they shall pay it all in order that labor shall have no voice in the administration of the fund.

The act should make invalid any attorney's lien on the award by agreement between the attorney and the person injured or his representative and the compensation of an attorney for the plaintiff should be determined by the trial judge. This will abolish a great and fruitful inducement to litigate.

State insurance and providing of the funds by the taxation of the various industries should be opposed. Of the eleven commissions in joint conferences during the past two years, all but two (Washington and Ohio) were opposed thereto. The first object of society should be to prevent avoidable accidents, and in no other way can the necessary cost to industry of workmen's compensation be so well controlled. In my judgment no State Board can enforce safety regulations so effectively as can and will the employers of

each industry, from self-interest, if these employers, who furnish the money, can collectively insure themselves and penalize those of their number who are careless or disregard statutory or other safety regulations. Furthermore, it is unlikely that any State Board under existing political conditions would administer the fund as economically or take as effective steps to prevent malingering as would the employers collectively. Moreover, constitutional taxation would have to be levied uniformly and the rates in the same industry throughout a state, though the natural hazard widely varies between districts, as it does in coal mines, and between individual plants in the same district, could not be graded by the state and readjusted from time to time as experience dictates, as it could be by the employers themselves. Hence, I feel that the Act should not cover state insurance, but should permit and encourage, if not require, the formation of mutual companies of employers by industries. Most of the existing acts, outside of the two states having insurance, permit this and two (Massachusetts and Wisconsin) provide therefor. My preference for mutual insurance is the result of seven years' successful experience with it for the coal mines of Illinois and adjacent states.

There should be a State Board of Administration, paid by the State, with its powers carefully limited. This Board should suggest to the Legislature from time to time such changes in the law as experience shows to be desirable. It should collate and publish accident and compensation statistics. To it should be reported all accidents that occur and it should oversee the various arbitrations and designate (preferably from among its agents) the third arbitrator in each case. It should not, however, have power to raise the funds required by the Compensation Act, to pay awards, or to interfere with collective action by employers to prevent avoidable accidents.

Compensation should cover only accidents arising out of and in the course of employment and employes exposed to the inherent hazards of the business. This is the usual provision. The act should apply to all hazardous occupations and should indicate as clearly as practicable what employments are deemed to be hazardous.

The Act should provide, in addition to the pension provided, for necessary first aid and medical, surgical and hospital service, within a specified maximum period and amount.

Compensation should be based upon the average *annual* earnings and not upon a basis of the *daily* wage, so as not to work in-

justice to employments where it is customary to work irregularly, as in the coal mining business and the building trades.

Examination of the person injured by a medical practitioner selected by the employer should be permitted at reasonable intervals and refusal to submit to such examination should suspend compensation while it continues.

The employer should be liable for accidents to employes of contractors employed by him and of their sub-contractors, if recovery cannot be had from said contractors and sub-contractors.

Casual employes and clerical and administrative help not subjecting the employe to the inherent hazards of the business should be exempt from the Act.

Workmen's Compensation.

MR. DAVID ROSS,

COMMISSIONER OF LABOR OF ILLINOIS.

Mr. Chairman, I am deeply interested in this general question and particularly in the declared attitude of this Congress regarding legislation along the lines indicated by the very able address of Mr. Wallace. It was my privilege at the 1908 Convention of this Congress held at Pittsburgh to offer the first resolution bearing upon the question of Workmen's Compensation. The subject was quite generally discussed at the Goldfield Convention the year following, and at the Los Angeles Convention in 1910 the Congress went on record as approving in a general way the principle that in respect to industrial accidents the burden should fall not on the individual victim, but on the industry responsible for such accidents.

This indorsement by the Congress, representing as it does the employing classes, proved of great help in securing the passage of laws on this subject in the several States.

This subject is so big and broad that one is almost at a loss to know just where to begin or where to stop, and I am going to rely largely on the limit of your patience to tell me when to quit.

Frederick L. Hoffman, an acknowledged authority on statistics of all kinds—and I shall not weary you this afternoon with quoting statistics—reports that there were thirty-five thousand people killed in the United States last year, and that almost two millions of people were injured. He estimates that of these numbers fully one-half were the direct results of industrial employments. Confining our computation, therefore, to the percentage of industrial fatal accidents, those figures show that we lost on an average three hundred and twenty-six lives a week or fifty-six every working day. Only a few months ago the civilized world was startled by the sinking of the Titanic, involving the loss of sixteen hundred lives. Notwithstanding the real or the alleged charge that this is a commercial age, life is still more valuable than property. (Applause.) The fact that a modern steamship, representing an investment of more than ten millions of dollars, was destroyed in mid-ocean through its contact with a mass of floating ice, of itself excited no

special interest; but when the sad story of those few tragic hours was told, a profound sense of the *human* loss instinctively obliterated all other considerations and that, too, Mr. Chairman, quite regardless of the earthly stations of many of the ill-fated, personifying great wealth in the case of Astor, or great learning in the case of Stead, or, perchance, the humble ambition of some unknown peasant, hoping to find if he reached the new land, a larger liberty and a better life. (Applause.) From the quoted figures we glean the gruesome fact that every twenty-eight working days the number of lives sacrificed in this country in the pursuit of peaceful employments—equals the death toll of the Titanic disaster. The only difference being in point of time, in one case the work of destruction required three hours and in the other twenty-eight days. While this is important so far as its effect on public feeling is concerned the loss with all its consequences is the same. We have the greatest material development here in the United States that the world has ever seen. And we are proud of it; but in our pride, and in our enthusiasm, let us not lose sight of the other side, of the tragic side of this great problem, of what you have to pay every year and month and day in human life as a price or as a penalty for our industrial pre-eminence.

And the simple business proposition, Mr. Chairman, is, how are we going to meet it? Are we going to continue the obsolete methods of the past with all their waste and friction and hate; or are we going to adopt some method that will meet the requirements of the present minute, and adjusted to the necessities of the industrial situation as it is presented now?

MR. ROBERT NEILL: Now, don't look at your watch; go right ahead.

MR. DAVID ROSS: Now, we are probably under a time limit. Brother Taylor called me once before.

MR. ROBERT NEILL: Go ahead.

MR. DAVID ROSS: Now, then, what is the situation? You know as a matter of experience, and out of accumulated wisdom of the past has come the maxim that experience is a great teacher. And we may go further and say that experience is the only teacher. After all we can't learn very much from books. It has got to come out of the lives and human relationship of men. That's where our information comes from. We may indulge the pleasure of reading other men's dreams, but it is not knowledge. We have got to experience the facts for ourselves before we know. The little boy who persisted against his father's repeated warnings

in playing about the heels of a vicious mule, finally got what was coming to him. (Laughter.) The steel circle that reinforced the hoofs of that bad-tempered brute caught the boy fair in the face, and displaced many of his feaures. Some weeks after that happening, when he was able to sit up, he asked his father if he looked bad. "Well," the old man said, "my son, you don't look near as pretty as you used to, but you know a heap more." (Laughter.) You have to surrender something in the interest of learning (laughter), but when we procure it in that way we get a certainty that we are never liable to forget, and we are in that process of evolution now, from standards of personal and business experience with the present methods created through the inapplicability of the present employer's liability laws and we are feeling the economic necessity of trying another plan.

What is the actual situation? I needn't take up your time in repeating it. The intelligent work of accident prevention has been started in this country and it is bearing splendid fruits, and we bid God-speed to all the men and women who are engaged in that holy work, but when we have done all that human ingenuity can do, there is still that tremendous intimidating force born of industry itself, and that despite all the care we can exercise, accidents are going to happen, and when they do happen under circumstances of whatever kind, the simple business question is, how are you going to meet them? What plan do you propose to adopt and endorse that will bring the best and most immediate results to those directly concerned at the least possible expenditure of energy, time and money? This, my friends, is the great conservation question now before the American people (applause), to avoid waste and the loss incident to the old methods through which we have sought to meet—and as the record shows, in the most unsatisfactory way—the question that confronts us now.

Under the procedure of the common law when a workman is injured he has the privilege of instituting suit against his employer for damages, and his chance for recovery is conditioned entirely upon his ability to prove that the negligence of the employer was the direct cause of the injury. Modern notions of legal negligence and the proof required to establish it has made it impossible in a majority of instances for injured workmen to recover anything under that plan. It totally disregards the fact that in fully fifty per cent of accident cases neither the employe nor the employer is legally liable, and the purpose of the new legislation is to put the burden and the loss not on the individual but on the industry re-

sponsible for such occurrence. (Applause.) The starting of a damage suit is a declaration of war and the ultimate effect is the separation of the person bringing suit from his employment. More jobs are lost on this account than from any other cause. As a rule the person acquiring this right has no money but has no difficulty in finding some obliging lawyer willing to prosecute it on a contingent fee, and when once started no one can foretell when it will end. Let me cite you two brief examples of the loss in time and money of this procedure. Twenty-two years ago a boat loaded with naphtha and other combustible material, destined for some port across Lake Michigan, was forced to seek shelter on account of an approaching storm, and tied up in the Chicago river; while thus stationed, for some reason, no one knew, the boat exploded, killing twenty-one men. From that time until this moment the case has been tied up in the courts. Everyone connected with the inception of the case, the jurymen, the witnesses, most of the judges have all answered the last roll call. There remain only the court records, almost everything connected with it has been forgotten except the case itself, and that, like the poet's brook, threatens to go on forever.**

Twelve years ago two men were employed in repairing the interior of an open hearth furnace in one of the South Chicago steel mills. At that time the power was gas supplied from reservoirs located in an upper story. The gas pipe leading into the mouth of that furnace in which these men were working with open lights on their heads was properly disconnected. Without warning and for some reason never accounted for a column of gas shot into the mouth of the furnace and there was an explosion. One of the men, fortunately, was killed outright; the other, a most pitiable object, lived to bring suit. The jurymen, who had a chance to survey the wreck, departed from the usual practice and returned what is known as a quantitative verdict—that is to say each man estimated how much he ought to get—these several sums were added and divided by twelve and the quotient represented the verdict amounting to \$22,500. It dragged its weary way from one court to another, and nine years from the time it started the highest court in the state affirmed the ruling that the steel company was in no sense responsible for the accident. It cost that company nearly

*This noted suit, which has occupied the attention of the courts for a period covering 22 years, was finally concluded by a ruling in the Federal court January, 1913, granting the heirs damages amounting in the aggregate to \$110,000.

six thousand dollars to prove that it was not liable. As a result of the accident the wife—and we were all touched yesterday with the eloquent speech of our friend, Congressman-elect Decker of Missouri, who impressively described the important part that woman takes in the work and advancement of mankind—in no sense responsible (possibly the steel company was not responsible) had to take up the burden of supporting the family, and under the double pressure of grief and toil her health failed and with it her mind. She is now an inmate of the State Asylum and the children depend for a living upon the charity of the good people of Chicago. No more severe indictment than this it seems to me can be drawn against a supposed civilized society and the lesson it teaches is that the costs of accidents cannot be evaded—they must be paid in some form or another. Instead of encouraging the gambler's hope of securing in rare instances large verdicts every man who is disabled because of his employment should be provided for while disqualified, and instead of a conflict over the question of legal negligence, there should be a specific scale of benefits leaving out of consideration the personal fault of the employer or employe and an endorsement of the idea which all compensation laws recognize that this class of costs should be listed as other items of expense are and charged up to the business, thus requiring society to share in the losses as well as the gains of industry. In this kind of legislation, like that of the parcels post, our country is fully a quarter of century behind the times. We have now awakened to a real sense of the situation, and the plans now on trial in fifteen different states are notice to the world that we are about to take our proper place among the more progressive countries. Regardless of the ultimate result of present plans one thing is certain, we shall never return to the old system—that has passed out with the conditions that made it possible—never to come back. There are now in effect two different plans—one optional, the other compulsory—one leaving the matter of insurance to the judgment of the individual employer, the other compelling contributions to a fund to be distributed through the agency of the State. All of the other states with more or less modification base their enactments on the optional method. Washington stands alone as an exponent of the compulsory principle both as to benefits and the methods of guaranteeing payments. Personally, assuming to speak for no one except myself, I think the Washington law comes nearer solving the issue than any other American Act upon that question. (Applause.) If the liability of the employer is greater (which I do not admit)

under compensation than under the common law as we understand the term, the plan of escaping such liability through an election should be prohibited partly because it is not good public policy and partly because it operates as a handicap or discrimination against the competing employer who does accept it. The immediate effect of a compulsory plan is to place all employers in respect to this form of liability on a basis of equality, which in a nation-wide scramble for business is an important consideration. The legal question as to whether such a law would be constitutional is but another attempt to tie us to the dead issues of the past. We are engaged in a vast humanitarian enterprise and have no patience with the interruptions which the clutches of legal procedure interpose.

Although the preponderance of judicial opinion at this time would seem to sustain such enactments—the only notable exception to this tendency is the opinion of the New York Court of Appeals and that decision has been almost unanimously repudiated by other courts and individuals suspected of possessing good law knowledge. The only other state passing adversely upon this legislation was that of Montana—so ably represented in this Convention by our good friend, Lieutenant Governor Allen. It was the first state in fact to move in this matter and as early as 1909 passed a law providing for a levy of a tax on coal—a measure framed somewhat along the lines of that reported at our last Congress from the coal tax committee.

The Supreme Court of Montana, while it indorsed the principle of the law, felt compelled to declare it invalid solely because it was phrased in such a way as to give an injured workman a double cause of action against his employer—that he could take in the first instance under the compensation law—and then maintain a common law action for additional damages. No friend of compensation laws has any grounds for quarrel with the court because of that decision.

To the credit of our people it can be said that of late we are mixing a good deal of humanity with our law. We are looking more and more to the present and future results of policies as they affect the public interest and giving less attention to mere abstract issues, and that former legal ideas are adjusting themselves quite consistently to the newer social and economic ideals.

This is obvious in much of our recent social legislation and the changed standpoint from which these laws are viewed and interpreted. It is not so long ago since the law and the courts held

that women—and men too—had the absolute right to contract their services for as many hours per day as they chose to work—in sustaining this theory we felt we were affirming the sacred right of individual contract. We are still as jealous as ever of the rights of the individual only we have enlarged our vision somewhat and in connection with that are more than ever concerned about the general interest and the public good.

We are looking in a very large measure to you men of the West to lead the way, and your sister state, Oregon, on the question of limiting the hours of woman's work, set a high example. Not only did the Supreme Court of that state affirm the right of the Legislature to fix such limits but the United States Federal Court on appeal sustained it. This gave us in Illinois some encouragement. Fifteen years ago our court declared a similar law unconstitutional. Two years ago our Legislature enacted a similar law, except as to the time limit, and our Supreme Court as now constituted approved it. The court did not exactly reverse its former decision, it simply rendered another opinion in harmony with fuller information and a clearer insight into the issues involved. (Applause.) There is now pending in the Federal Court an appeal from this state involving the constitutionality of your compulsory compensation law. The act is an open repudiation of all previous precedents and practices. From a legal point it is almost as revolutionary as the Oregon act, denying the right of individual contract, and we are waiting with some anxiety information as to what view that court will take of it.

We are not permitted either to anticipate or prophesy but may be pardoned for indulging the hope that the light of these new relationships which prevailed in the case of Oregon may control in the case of Washington. (Applause.)

Closely connected with all plans of Workmen's Compensation is the question of protection against all accidents unavoidable or not. This concerns the employer who under our elective plan is responsible and must make a money settlement with the person injured or his heirs. It is an individual liability for which he must make provision. This protection is found in the different forms of insurance—and our law on that subject was amended in a manner intended to meet the requirements of the Compensation law—permitting various employers to form mutual associations—and authorizing under certain conditions inter-insurance exchanges, etc. Quite a fierce controversy has been going on between these various companies. The old line stock companies maintain that they only,

because of their strong financial standing, are able to meet the obligations imposed by our new liability legislation. The mutuals allege that much of the premium exacted by old line concerns is absorbed in high salaried officials and in other expenses that should not be incurred, while the inter-insurers, at lower rates, hope to supersede both. I do not care to go into these contentions. If the plan is to furnish the most protection at the least cost you seem to have provided it in the Washington law. Under it not the individual employer, but the group of industries with which he is listed is liable for all accidents occurring in that group, thereby observing the rule of uniformly distributing the loss. Furthermore under the Washington law every penny contributed by employers finds its way back to the homes of injured men. There is no capital tied up and none employed for private profit.

I learn from personal inquiry that in respect to some industries of this state one assessment—equal to a monthly premium paid to a casualty company—on the basis of last year losses yields sufficient revenue to meet similar obligations for several years to come. It was the fear, I am informed, on the part of employers of the Commission's power to assess that caused them to oppose the law when it was first offered. On my trip to Spokane it was my fortune to meet one of your leading employers, and this will interest Mr. Wallace. Without knowing each other we began talking about compensation laws. The subject is as general a topic of public interest as the liberation of the Alaskans. (Applause.) Everybody is discussing it. It was the poet who said,

“Ever the Truth comes uppermost,
And ever is Justice done.”

Our friends in Alaska may feel justified in the belief that it is slow in coming, but it is surely on the way. (Applause.) I have no firmer faith or hope in this Republic than that the great body of the American people are in favor of doing the right thing. (Applause.) There may be delays, and now and then departures, we may get switched from the main line, but it is only for a time and that seems so long to those that wait. When the facts filter into the conscience of the American people, depend upon it justice will be done, not only in regard to the people of Alaska and this public land region, but on all the other stirring questions that press for solution now. (Applause.) He told me the employers were against the Washington Workmen's Compensation law because as a new proposition they were afraid of it. Judgment founded on fear is usually misplaced. We are frequently most hurt by the

things that don't happen. He explained that he opposed it because under the law the Commission could have levied upon his company for seventy-five thousand dollars annually, whereas under its actual operation in conjunction with others engaged in the same business he has been required during the past year to contribute between seven and eight thousand dollars on account of accidents—or a sum considerably less than it formerly cost them to contest and settle damage claims. He is now an enthusiastic supporter of the law and all employers in this state are well pleased with results so far.

Is there any reason to believe it will not continue a success? Are there any unforeseen liabilities likely to arise that will suddenly bring about the failure of this plan?

Some insurance agents appear to think so and believe the policy is foredoomed to failure. One of the most important requirements of the new plan is that guarding against the possibility of insolvency—that the compensation due injured workmen shall be paid without fail. This is absolutely vouchsafed by the Washington law. The bankruptcy of employers here and there will not in the least affect the complete fulfillment of the pledge that the benefits promised shall be paid. What stronger guarantee could any one require?

Your act admittedly is not perfect: it is lamentably weak in its omission to provide adequate first aid and medical service. These are details that I hope will be supplied later. But as a general enactment I think it is the best we have—better than that of Illinois which is a serious admission for me to make—because our law, everything considered, has worked out in a fairly satisfactory way. I congratulate the good people of Washington for their sound sense in enacting this law which, with some modifications, can be safely adopted as a model for other states.

I thank you. (Applause.)

Workmen's Compensation.

PRESIDENT S. A. TAYLOR.

I just want to say a few words in connection with the subject under discussion this afternoon. In my early boyhood it was my good fortune to begin my life work in the mines, and for nearly forty years I have followed mining in one way or another. That has given me the opportunity of observing some of the conditions of mining camps and knowing some of the conditions that confront the miner in his every day work, and this very knowledge helped me very greatly when I came in later years to become the manager and part owner of some mines. A number of circumstances in connection with the life of the miners were brought to my attention at different times, but none greater than those of the accidents which occur in mines, especially coal mines. We have some things in coal mines which you of the precious metal mines do not have to contend with to any great extent, and the public hear little of the ordinary accident that occurs in and around a mine. It is only when an explosion of gas or dust takes place and a great many lives are snuffed out that the general public has any conception of the dangers in connection with mining. They have little idea also of the distress occasioned by such an accident as those that happen in our mines, and no one who has ever looked down into death's dark chamber from which they are bringing out the blackened bodies, charred by the explosion, will fail to have a proper conception of the feelings of sympathy that should be extended to the unfortunate victims of these explosions in the mines.

Knowing this and having experienced such things as this, it was my privilege or duty a number of years ago to prepare a paper for the Mining Institute of America on the subject of taxation. This is probably seven or eight years ago. In that paper I took advantage of the opportunity to discuss compensation, and I worked out from a table which I had compiled from the statistics of Pennsylvania from the year 1880 up to that time, and which I have completed for thirty years, of the accidents that occur in the mines of Pennsylvania, how they occur and what they were, how much it would be necessary to tax the output of those mines in order to take care of, in a fair way, those who were dependent upon that industry. The speakers preceding me have asserted the right idea

to my way of thinking, and I have given this subject considerable thought, that the industry should take care of its maimed and killed or those dependent upon its killed. With that in view I discussed the subject and possibly had something to do with the bringing of it before the American Mining Congress, but the situation and provisions as outlined by several of the laws recently passed do not contain all of the provisions that I think are important, and which should be embodied in law if equity is going to be administered to all parties interested in the outcome of such a law.

It is all well and good to talk about fixing a stipulated amount of twenty dollars per month for a widow for her lifetime, if that can be accomplished in some way and through some source which will make it constant, but I have in mind two instances, one of a great explosion in which almost two hundred men were killed, that mine belonging to a rich company, or rather a company owning a number of mines who were able in and among themselves to take care of the persons connected with that accident. I was at the mine after that accident and know a great deal about the conditions of it, and that company settled those claims because they were enabled to pay a certain amount to take them up and keep them out of the hands of shyster lawyers and the court, but it cost them almost two hundred thousand dollars to do that. The Compensation Acts of today that require a stipulated amount would have pretty nearly ruined that company, although it was a rich one.

I know another company that was not so strong that had an accident in which about one hundred and twenty-five lives were taken. That company was not strong enough to pay the penalty that would be expected of it under any one of these Compensation Acts. What would have been the effect on that company? If they had taken the entire property that belonged to that company they could not have paid much over five hundred dollars to each dependent person as the result of that accident. And consequently it seems to me that if we are going to establish a condition or a law that will result in the best and most good to the owners, the dependents and the public, we must do it through another source, and my conception of this is, that this law to be effective, and to do the most good, should require that the money resulting from a fair assessment, and thus become a part of the cost of production, shall be paid into the State Treasury. Now, I don't mean to thrust paternalism on any person or to advocate that, but what I wish to get at is this: The industry should take care of its own dependents resulting from accidents, and if through the course of years when

the accidents are small, a certain stipulated amount—whether it be fixed on the production of the mine, or whether it be a percentage of the pay roll—is paid into a treasury, and this should, I believe, be the State Treasury, because if the dependents as it now stands are not taken care of by the individuals they become a public charge and in the end are taken care of by the State or some other public charity.

This fund can be handled and taken care of through a particular source, such as the Commission in your State of Washington is now doing. That will guarantee to the person and his family, who are maimed or killed, a stipulated amount. This year the amount needed may be less than the fund produced. Next year we may have some of these great accidents which will wipe out a great deal of the surplus of that fund, but still at the same time the persons who should be taken care of will be taken care of through that fund. In other words, it really becomes a matter of state insurance, paid for by the operation whatever it may be, whether mines or manufacturing concerns. In the State of Pennsylvania—and this was probably one of the things that brought it to my attention as much as anything else—we had for years, and especially in my own county, some firms of lawyers who had runners somewhat similar to a commercial house with their traveling salesmen, who went about in the different camps and communities, and in case of an accident these runners were soliciting the business for those lawyers. And on what terms? I have heard, whether it be true or not, that in some cases they took as much as seventy-five per cent of the verdict that they would receive. The party that should receive the money and who would have been paid under the proposed law by the person employing that party, was getting a very small amount, these shyster lawyers taking the most of it for their services. In other words, the firm who employed the injured man would very much prefer—I don't know where that would not be the truth—to have paid that money direct to the widow or to the children, or to the maimed of that industry than to these legal parasites.

The question of justice is thwarted by this practice, and even today we have them in our midst, although they are not as prevalent as they were before. This practice led up to the question of death and accident insurance. It was through that very fact that a number of insurance companies became such factors in our mining operations. And then the people who would insure in those companies, costing them a certain stipulated amount, dependent

upon the pay-roll, brought into the conditions a new factor which was almost as unsatisfactory, if not worse than the original, because then we brought into the case another cold-blooded business factor. We had not only the lawyers, but we had the insurance companies as well, and in case of an accident—now we tried this ourselves, so I am speaking from the book—that insurance company would prevent the owner or operator of that mine from going and trying to settle with the man or his family. In case of need they wouldn't permit you to go there and render assistance lest by so doing you in some way prejudice their case, their idea being that, if we did that, we at once acknowledged that we were in the wrong, and that we were to blame for the accident. So that these two things coming together brought out the necessity of compensation in some other form which should be equitable.

I can explain that by one case if you will pardon the personal reference, in one of the companies in which I am interested. We had an accident, and clearly, so far as we could see, we were in no way responsible for it, and I said to the manager, "Go out to that woman and see if she is in need, and give her some money." He went out there and gave her a hundred dollars. But she said, "I may sue you." He said, "Go ahead. Here is a hundred dollars anyhow. You are in need, and if you want it to employ a lawyer pay it to him." There happened to have been a lawyer's runner to see that woman, but she fortunately had good common sense and said to herself and to one of our men, why, if the company was willing to pay me a hundred dollars to employ a lawyer, why don't they do justice to me themselves? The result was that we gave that woman quite a sum of money—didn't question a moment about whether we were responsible or not, and that woman and others in the camp were similarly treated. I don't believe a lawyer today would have a show with them, because they felt we were willing to treat them right.

Just another case in another property where the exact reverse took place. A man was killed and I said to the manager, "Go to that woman and see if we can render her any aid." When we went to see her, an attorney's runner had already been there, she said she was going to make us pay for that, that we were responsible for killing her husband, and we would have to pay for it. The result has been three or four years in court, and the case is not yet adjudicated. Now, we would have been glad to pay that woman something, but from the interference from an outside source, we were not permitted to do what we considered fair treatment to that

woman, not from any feeling of liability on our part, but from a desire to assist in the matter.

So, I say, there must be a different line of action than the one ordinarily pursued. That any fund that is created must be put in a place where, independent of the question whether the person himself is liable in any way or has been guilty of contributory negligence, all of the people interested and dependent on him can be taken care of. And our thought was that this fund should be placed in the hands of the State authorities.

We have a very strict law regarding the question of mining, strict as to the safety of the mines. A mining inspector comes to our mines, a State mining inspector, who makes a thorough examination and if there is anything wrong we must correct it at once. It is only one step further to take to have that same State inspector see whether we are liable or whether the person maimed is liable. But is that going to do any good? It will do good this far, that if we place this fund to be administered by some State office, and the State still has jurisdiction over our properties in the way of telling us what we must do to make them safe, it seems to me that it is only a logical conclusion that the State through its inspectors compel the compliance with the law, or pay a penalty for not doing what is required, and hence the State should be the party to distribute this money. Then both sides, both the employer and the employe, must be satisfied. The main feature of this method of administering the law is this one fact of knowing the exact cost per ton, which can be added to the cost of production. In your western properties here you are not confronted with the close competition and close margin of profit that we of the east, especially in the coal mining industry, are subjected to. When I tell you that in many of our properties if we make five cents a ton we consider ourselves very fortunate, you will understand better what I am about to say.

Now, suppose for an instant, that one of these great accidents occur, not only would it wipe out the entire profit of years but it might take away the entire property itself. If a stipulated amount can be set aside, and we are able at the present time to work out in the State of Pennsylvania from the records of the past what would be an average amount, almost as closely as the actuaries can calculate percentage for life and accident insurance, of course, that doesn't take account of the great accidents that are caused by explosion, but I mean all the other ordinary accidents, and we can through a period of thirty or forty years figure about how

many accidents might take place. We know, of course, that in the future we may have more accidents than in the past on account of the different conditions coming into mining. On the other hand, we know also that those conditions will be met through the investigations that have been made, and I believe the common average of the past would suffice. From this data we can figure out about how much to tax the industry that produces coal in Pennsylvania to take care of all persons requiring assistance resulting from these accidents, and supposing, for instance, it were a half a cent a ton which could be added into the cost of production and thus paid by the public, which is the proper place to collect such costs, I think that every operator in the State would prefer to pay that half a cent a ton right into the common treasury where, whenever a man was hurt or killed, the party that was dependent on him would receive a stipulated amount independent of whether he himself were negligent or not, rather than pay even a smaller but indeterminate amount by the present practice. It would have the effect that the fund which was created from time to time would guarantee to the small operator with a small capital the same amount of security as it would to the large one. It would also guarantee to the employe of that small company the same treatment as the employe of a large company, for the reason that he would not be dependent either upon the operator or the owner, but would look to that fund for recompense, and I believe that wherever this is carried out, and when it will be carried out in Pennsylvania, it will embody some such provision as that and it will then be fair for the operator, mine worker and the public.

(Applause.)



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