

THE COAL MINES OF BRITISH COLUMBIA .

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The total production of coal and coke up to and including 1898 in the Province of British Columbia amounts to \$40,306,160. The production for 1898 was 1,135,865 tons, of the value of \$3,407,595. Over 3500 men are employed, of whom rather more than two-thirds are underground.

The Nanaimo Colliery.

This is the oldest colliery in the Province; first opened and worked by the Hudson's Bay Company, and taken over in 1862 by the Vancouver Coal Company now known as the New Vancouver Coal and Land Company Limited.

This company employs 1200 men, and its output for 1899 is 614,000 tons. It owns 30,000 acres of coal lands, and for the last 16 years has been under the management of Samuel M. Robins.

The Wellington Colliery showed an output for 1898 of 315,788 tons; the Union Colliery an output of 236,395 tons, and the Alexandria Colliery an output of 45,560 tons. I have not the returns of the last named for the year 1899. Mr. Dunsmuir I was informed, was absent, and for this reason I did not procure his evidence. I believe however that the output for 1899 largely exceeded that of

THE CROW'S NEST PASS COLLIERY COMPANY.

The amount of capital actually invested in this company is \$750,000, and it is expected that much more will be expended within the next two years.

Two hundred coke ovens have already been built and are in operation, and it is intended to build 800 more at an expenditure of \$400,000. Mr. Fernie, one of the Directors, declared: "That enlargement will still not meet the requirements. Mr. Johnston, the General Manager, concurred in the statement.

The Company now employ about 293 men. When the additional capital has been expended it is expected that at least 1,000 men will be employed.

The 8-Hour law does not relate to coal mines, but 8 hours is the length of the working day in this mine, and indeed in all coal mines I believe in British Columbia. Mr. Fernie on being asked :

"Q. What is your view as to the 8 hour system for the men working underground?" answered : "I think that 8 hours underground is plenty, and I think a man can tire himself out and do a fair day's work in 8 hours."

Q. What is your view as to contract and day labor ?

A. I think contract labor is the best for both.

"I think that Government interference in the hours of labor is a mistake. I think it should be left to be decided between the mine owners and miners. It cannot be done satisfactorily by the Government."

The men in this mine work by contract and receive 60 cents per ton. The present production is about 100 tons per day. The wages average about \$3.75. Some men make as high as \$120 per month, others make \$30.

The development has been greatly delayed by the difficulty in procuring the prompt supply of machinery requisite for the development of the mine.

COKE AND COAL.

The General Manager declared that the demand for coke and coal is three times as much as he expected. The demand for coke is in the United States, and for coal in British Columbia. The coal is required for the British Navy, but of 1,000 tons only 350 could be supplied.

"Q. What do you say in regard to the quantity of coal in the immediate vicinity. Does there appear to be any limit to the supply ?

A. I think the supply will last to the 23rd century. It is estimated that there is 6,000,000 tons to the square mile, and we have 1200 square

Both coal and coke is of the very best. The General Manager says: "I consider this superior for coal and coke to that of the mine I formerly worked in".

He does not think there is a sufficient number of skilled miners to meet the demand which is anticipated in the immediate future.

The General Manager was under the impression that the 8-Hour Law applied to coal mines, but that is not so. There has been no labor troubles at this mine, and a large increase in the number of men employed, and the output, is assured in the near future. A number of the miners who were examined expressed themselves as well satisfied with the present conditions.

(See Evidence pages 1 to 30.)

BRITISH SUBJECTS AND ALIEN LABOR.

Nearly all the Miners employed by the Crow's Nest Pass Colliery Company are British subjects; indeed, the foreman declared they were all British subjects except perhaps one or two foreigners, and 90 Per cent of the miners employed at Nanaimo are British subjects, and this probably is the proportion in the other coal mines of the Province

NUMBER OF MEN REQUIRED.

From 700 to 1000 additional men will be required in the coal mines of British Columbia within the next two years.

The evidence of coal miners all concurred that 8 hours was long enough to work underground, and this was the working day before the 8 hour law came into force.

They were also all unanimous in favoring the contract system, claiming that men were better satisfied under that system. To repeat the expression used, "He gets what he earns, and is more independent."

CHINESE LABOR.

No Chinamen are employed at this mine, nor are any employed below ground by the Vancouver Company.

The question of the employment of Chinese labor in mines is an important one for British Columbia, and the answer for or against its employment depends upon the object in view. British Columbia is not and never can be an agricultural country in the sense in which Ontario may be said to be so, although containing a considerable area of very rich land. Her population must therefore depend largely upon her mines, her fisheries, and

timber. If the object is to realize the utmost possible profit from these natural resources, doubtless this can be done by employing Chinamen, as the cheapest labor, but if upon the other hand the object is to develop the Province, with homes, schools and good citizenship, law abiding in time of peace, and a strength and safeguard in case of war, there can be no question as to what kind of workmen should be employed in the mines. The one policy will give you two great classes, wealthy corporations, and a low labor class. The other policy will give you towns and villages sustained by sturdy miners, with schools and churches, and all the other conditions of a highly civilized state. The nature of the country and its resources answers the question.

S U M M A R Y.

The principal mining districts in Southern British Columbia are the West Kootenay, Boundary Creek, Kettle River, Yale and East Kootenay District. The West Kootenay District contains the Slocan, The Slocan City, The Ainsworth, The Nelson and The Trail Creek Mining Divisions.

(See plans Appendix A.)

The Silver-Lead ores are produced principally in the Slocan and Ainsworth Divisions, with recent promising developments in East Kootenay. Silver-Copper and Gold is found at or near Nelson, and Gold and Gold-Copper in the Roseland Camp, Ymir, The Boundary Creek and Kettle River Mines, and in many other parts of the Province.

MINING LOCATIONS.

The number of mining locations entered with Mining Recorders exceed 25,000, hundreds of which are being more or less developed.

PRODUCTION OF WEST KOOTENAY MINES.

In 1898, the Slocan Division had 17 producing

Ainsworth	11	"
Trail Creek	5	"
Nelson	3	"

The total production for West Kootenay in

produced \$2,619,852; Trail Creek (including Rossland) \$2,430,811; Nelson \$694, 680; Ainsworth \$159,801, Yale \$432,512, and other parts \$97,631.

While the above represented at that date the producing mines, it by no means indicates the present capabilities of the district in mineral production. Many mines upon which very large sums have been expended and in which large masses of ore have been blocked out, and are ready to enter the list of shipping mines are not included in the above list, as the returns only indicate actual shipping mines at the time. It does not include for instance the "Centre Star", one of the most valuable mines in the Province, and upon which has been spent a very large amount of money in development work, but which had not at that date commenced to ship, nor the "Ymir" mine in the Nelson District, the "Wakefield" and "Bally Keith" nor "Silverton", nor the "St. Rugens", and other mines in East Kootenay, and the Boundary Creek and Kettle River Country.

LIST OF MINES AND CAPITAL INVESTED.

The following contains a list of many of the principal mines with the amount of capital actually invested, as nearly as can be ascertained. In most cases the particulars are given under oath by the

managers; in other cases I had to rely on information otherwise obtained, but all I believe trustworthy.

<u>Name of Mine</u>	<u>Amount Invested</u>	<u>No. of Men</u>
Le Roi (British America Corporation Limited, including the Le Roi, the East Le Roi, the West Le Roi and the Coluzobia Kootenay Mining Companies, Limited.) (Exhibit "W2")	6,190,751	573
War Eagle and Centro Star	3,500,000	595
The Hall Mines Ltd.	1,541,526	150
The Payne Mining Co.	3,000,000	130
London and British Columbia Gold Fields	1,500,000	210
Duncan Mines Co.	452,102	137
The St. Eugene Consolidated	600,000	20
The Idaho Mines	400,000	100
The Athabasca	100,000	125
The Mother Lode and Smelter No. 7	300,000	125
Canadian Pacific Exploration Company	250,000	45
Billy Keith	125,000	shut down would require 45
Hastings Exploration Syndicate	100,000	41
Nelson Copperfields Ltd.	100,000	140
Wakefield	100,000	36 shut down will require 20

The J.M. Williams Syndicate	170,500	45
Utica Group	850,000	
The Joker Mine	60,000	
The Mollie Gibson	200,000	50
The Ruth	600,000	shut down would require 100
Whitewater	600,000	120
Jackson	200,000	shut down 50
Antoine	150,000	shut down 30
R.S.Lee	150,000	shut down 40
Last Chance	500,000	shut down 70
The Noble Five	250,000	shut down 32
The Slocan Star	175,000	87 the shut down
Minnesota Silver Co. and Sunshine Mine	450,000	shut down will require 125
Slocan Kilo Co. (including Skylark, Reindeer, Smuggler group, etc.)	100,000	81
Brandon	120,000	20
Winnipeg Mine	120,000	20
Arlington Mines	300,000	
Dundas Mining Co.	96,000	25
Snowhee	50,000	20

Gold Drop	50,000	20
Knob Hill	500,000	125
Granby Smelter Co. including Smelter	400,000	150
Majestic	100,000	20
War Eagle (Boundary)	100,000	20
Monarch	75,000	20
Dominion Copper Co.	60,000	60
		will employ 300

and many other mining "propositions" employing from 5 to 20 men.

THE BOUNDARY COUNTRY.

There has already been invested in this rapidly developing district between \$2,000,000 and \$3,000,000, and between 500 and 600 men are now employed. It promises to be one of the most flourishing mining districts in British Columbia.

CAMP MCKINNEY.

At Camp McKinney there are 13 important "mining propositions" being developed, and a number of lesser importance, employing over 150 men.

DIVIDEND PAYING MINES.

On the 12th June last when the 8-Hour law came into force there were in British Columbia 22 dividend paying mines, of which 15 are in the Slocan. The following is a list :-

In the following list "S.L." means "Silver-Lead"; "G" "Gold", "G & C." "Gold and Copper", and "G.S." "Gold and Silver."

DIVIDENDS.

List of Dividends paid by the Mines of
SOUTHERN BRITISH COLUMBIA.

Compiled to June 15, 1894.

<u>Mine.</u>	<u>Dividends Paid</u>	<u>District</u>
Antoine, S.L.	\$25,000.00	Slocan
Cariboo, G.	248,000.00	Camp McKinney
Fern, G.	10,000.00	Nelson
Goodenough, S.L.	35,000.00	Slocan
Hall Mines, S.G.C.	160,000.00	Nelson
Idaho, S.L.	292,000.00	Slocan
Jackson Mines, S.L.	20,000.00	Slocan
Le Roi, G.C.	825,000.00	Rossland
Last Chance, S.L.	125,000.00	Slocan
Monitor, S.L.	65,000.00	Slocan
Number Five, S.L.	50,000.00	Slocan
Payne, S.L.	1,075,000.00	Slocan
Peorman, G.	75,000.00	Nelson
Rice, S.L.	250,000.00	Slocan

Ruth, S.L.	\$120,000.00	Slocan
Rambler-Cariboo, S.L.	50,000.00	Slocan
Slocan Star, S.L.	400,000.00	Slocan
Surprise, S.L.	20,000.00	Slocan
Two Friends, S.L.	20,000.00	Slocan
War Eagle, G.C.	300,000.00	Rossland
Washington, S.L.	20,000.00	Slocan
Whitewater, S.L.	194,000.00	Slocan

It will be noticed that the Centre Star is not included in the above list, not having at that time commenced to ship. It may be convenient here to refer also, for the sake of comparison, to the dividend paying mines in Washington and Idaho. They are as follows:-

WASHINGTON.

<u>Mine</u>	<u>Dividends Paid</u>	<u>District</u>
Deer Trail No. 2	\$32,500.00	Cedar Canyon
Republic Cons. G.	94,500.00	Republic

IDAHO.

Bunker Hill, etc. S.L.	705,000.00	Coeur d'Alene
Coeur d'Alene	340,000.00	" "
Tiger Poorman, S.L.	20,000.00	" "
De Lamar, G.S.	2,346,000.00	S. Idaho
Empire State, S.L.	146,233.00	Coeur d'Alene
Granite, S.L.	83,400.00	" "
Helen, Prisco, S.L.	475,000.00	" "
Standard, S.L.	1,745,000.00	" "

FUTURE OUTPUT.

The following is a list of mines with the tonnage which it is estimated they will yield in one year when the labor troubles have been settled and shipments have been resumed if no unexpected difficulty arises to again stop the work. This estimate is based in some cases on the statement of managers usually reduced in order to be on a conservative basis and upon various information considered to be reliable, and is believed to be within the market:-

Payne - - - - -	12,000 tons
Sloven Star - - - - -	4,200 "
Ruth - - - - -	2,400 "
Race - - - - -	400 "
Sovereign - - - - -	360 "
Ajax - - - - -	240 "
Madison - - - - -	240 "
Last Chance - - - - -	3,000 "
Noble Five - - - - -	1,800 "
Whitewater - - - - -	2,400 "
Jackson - - - - -	600 "
Antoine - - - - -	240 "
Rambler - - - - -	1,800 "
Dardanelles - - - - -	180 "
Minnesota - - - - -	600 "
Monitor - - - - -	600 "
Summit - - - - -	4,800 "

Idaho - - - - -	3,600 tons
Yakima Sunshine - - - - -	360 "
Bosun - - - - -	1,200 "
Vancouver - - - - -	600 "
Wakefield - - - - -	1,200 "
Nocnday - - - - -	900 "
California - - - - -	480 "
Marion - - - - -	120 "
Galena Para - - - - -	1,600 "
Lardo Dist. (Arrow Lake)	480 "
Ainsworth District - - - - -	1,800 "
Lardo-Duncan District - - - - -	600 "
Mollie Gibson - - - - -	3,000 "
North Star - - - - -	14,400 "
St. Eugene - - - - -	10,800 "
Lake Shore - - - - -	1,500 "
Miscellaneous - - - - -	420 "

Making a total of 79,200 tons.

The expenditure in connection with the mining of this ore would I am informed be over \$1,000,000 and if it were to be all smelted in Canada the expenditure, most of which would be for labor, either direct or indirect in the form of fuels and flux would be in the neighborhood of \$700,000. The above list refers to Silver-lead Mines only, and does not include the Silver King nor of course any of the gold mines.

For further particulars of the output of the Slocan Mining Division for the year 1898 see Exhibit "X".

CAPITAL INVESTED.

From all the data at my command, carefully verified under oath, I think \$30,000,000 a conservative estimate of the amount of capital actually invested ^{in mines} in Southern British Columbia, (exclusive of the coal mines.)

MEN EMPLOYED.

The number of miners ^(including laborers) employed in and about the mines of Southern British Columbia probably exceed 4,500, of whom two-thirds work underground.

BRITISH SUBJECTS OR ALIENS.

I took especial care to ascertain the relative number of miners who are British subjects, or aliens, but with no very satisfactory result. A comparison of the various statements and data obtained leads to the conclusion that at the present time, in the Slocan District, about 45 ^{or 50} per cent are British subjects. The President of the Rossland Union says that of 1500 members 70 per cent are British subjects, but upon actual count of the men working in the "Le Roi" group, and in the "Far Eagle" and "Centre Star", I am satisfied this is a

total number of men employed when the count was made, 250 were British subjects, 248 American citizens, 1 Dane, 10 Italians, 10 Pines, 2 Norwegians, 1 German, 1 Austrian and 2 Swedes.

In the War Eagle an actual count resulted in the following: British subjects 265, United States citizens 261, 7 Italians, 5 Germans, 2 Swedes, 2 French, 2 Pines, 2 Laps, 1 Austrian, 1 Swiss, total 578.

In the Kettle River country from 50 to 60 per cent are said to be British subjects. In the Boundary Country, Mr. Francis Caldwell Robins, Manager of the Dominion Copper Company, puts the number of British subjects as low as 10 per cent.

At the Hall Mines, Nelson, of 126 men, 92 are British subjects and 36 aliens. I am of opinion that of the total number employed in mines less than one half are British subjects, and this proportion must be very considerably reduced before it would apply to the skilled miners. Of aliens I should say that nine-tenths are American citizens, a considerable number of whom are not native born. Of aliens other than Americans, the larger number are Swedes, Pines and Italians. The proportion of aliens to British subjects is much less now than it will be when the mines are working.

supply must come largely from the United States.

NUMBER OF MEN REQUIRED IN THE FUTURE.

A much larger number of men will be required to work the mines at their full capacity in the near future. In the Slocan District, probably 2000 will be required. In the Roseland Camp, a third more than at present. In the War Eagle and Centre Star, where, until the recent shut down 490 men were employed, the manager states that "in the future we hope to have work for from 750 to 1000 men."

Having regard to the large number of "mining propositions" under development, the preparations already made in many of the mines for an increased output, the rapid development of the Boundary Country and Kettle River Districts, and assuming that the set back occasioned by the labor troubles may be overcome within a short time, I think it may be safely stated that at least from 3000 to 4000 more men will be required within the next two or three years than were employed on the 1st of January, 1900.

PRESENT SUPPLY OF MINERS.

I am of opinion that there is not within British Columbia a sufficient supply of miners to meet the requirements so soon as the labor troubles are

many new miners will come into the district as soon as a settlement of the trouble is known in the other camps, and in the bordering States, and by degrees a sufficient number of men will probably come into the country if the wages and other conditions offer a sufficiently strong inducement. It must be borne in mind however that there is a great expansion in mining development in the Western States. Mr. J. B. Hastings, until recently the General Manager of the War Eagle and Centre Star, and still Consulting Engineer of the two companies, says:-

"The demand for miners in the Western United States, which is a source of supply, has been very brisk, so much so that in response to invitations that I sent to mining men in California and Michigan, suggesting that good men could find steady employment at from \$3.00 to \$4.00 per day, met with no response, for the stated reason that they found steady employment, though of course at lower wages than they would have here."

Mr. Kirby, the present manager of the War Eagle and Centre Star says:-

"There has always been a surplus of unskilled labor and a shortage of skilled machine drill miners. These are greatly needed and for want of them it has hitherto been necessary to employ a number of men who are not competent for this particular work. x x x x x x x x x x"

"It is well understood that the only source of supply is the United States. Eastern Canada cannot furnish them because of the distance, the limited number of mining districts, and the fact that a withdrawal of men would injure these districts.

The alien labor laws make it impossible to bring in men, and yet as a matter of fact most of those secured have drifted in from the United States. The effect of this restriction therefore is to make a slow process out of what might be done quickly and the industry suffers from the delay. The mineral sources of British Columbia are the basis for a great Commonwealth which in the future will be self-sufficient and equipped with mining skill of every grade. At present, however, with a small population and a new industry, it is impossible to develop rapidly without the aid of miners from the United States. Natural location has created a mutual industrial dependence which cannot be severed by a political line."

CONDITIONS AT NELSON.

The principal producing mine in this section is the "Silver King" of the Hall Mines Company. The output from 1st October 1897 to September 30th 1898 was 53,470 tons, from October 1st 1898 to September 30th 1899, 30,757 tons. The pay-roll for the year ending 30th September 1898 was \$212,435; from

1st October 1898 to 31st March 1899, \$102,143 ;
and from the 1st April 1899 to the 30th September
1899, \$8,220, a falling off of \$14,000 in six
months.

The Athabasca situated a short distance from
Nelson is a gold quartz mine, and has a stamp
mill with a capacity of 400 tons a month. Under
the 10-hour day miners were paid \$3.50, and other
men at the mines \$3.00.

On the 29th of May the men were told that
under the 8-hour system the wages would be \$3.00
for miners and \$2.50 for laborers, and board would
be reduced from \$7.50 to \$5.50 per week. The
matter was discussed between the manager and all
of the men, but no agreement was arrived at, and
all but four miners quit work. In 10 days' time
applications for work began to come in, and on
the 1st of July 25 men were working in and about
the mine, and on August the 1st about 30, and from
that time on, all the men that were wanted. The
Manager says in regard to the supply of men at
that point:

"Our experience at present is that there is
a large surplus of men, but of course conditions
now are somewhat unusual. We have refused work to
about 25 men in less than 3 days."

It will be seen that by the reduction of board
at this mine the adjustment made would be about

\$3.25 per day for miners.

CONDITIONS AT ROSSLAND.

The rock throughout this district differs from that in the Slocan, in being harder and the ore, speaking generally, of a lower grade. The result is, that not only in development work but also in mining, machine drills are generally used, whereas in the Slocan, for stoping, hand-drilling is almost exclusively used, as the ore there is of high grade and requires to be picked over and separated from the rock, and unless this is done with great care a very serious loss results; so that while in the Slocan, except in development work, hand-drilling is necessary, in the Rossland district, at Yair and in the Boundary country contract work is quite practicable.

At the time of my visit to Rossland in December all the principal mines were worked. The rate of wages was as follows:-

Machine men -----		\$3.50
In Shafts	\$4 to	\$4.50
Shovellers and carmen		\$2.50
Timbermen, \$3, \$3.50 and		\$4.50
Mechanics	\$3.50 to	\$4.00
Engineers, \$3.50 and		\$5.00

and \$3 for underground 8 hour work.

The present shift is 8 hours for all underground work.

Surface work is 10 hours, including time for lunch.

CONTRACT WORK.

During my investigation at Roseland I was surprised to find that the Miners' Union was opposed to contract work. The majority of the members of the Union held the view, as I gathered from the evidence before me, that the effect of contract work was steadily and continually to reduce the wages and create in fact a sweating system. This view however was not unanimous, many of the men holding a different view. I found no objection to contracts for development work at Sandon.

It appeared to me that the question of contract work was one of vital importance: First, because it is a civil right, next in importance perhaps to the protection of person and property, and ought not to be interfered with. Second, assuming that it could be adopted without unfairness to the men, it would afford a means of greatly lessening the friction arising from the disputes occasioned by the introduction of the 8-hour law. I, therefore, took special pains to ascertain what had taken place in regard to this question.

The Constitution of the Miners' Union of Sandoz formerly contained this clause relating to contracts:-

"Article IV, section 2. No member of this Union shall contract to work upon any shaft, tunnel, drift or stop, or contract to do any work whatever under ground without receiving an assurance from the company, corporation or individual granting such contract that in case the party or parties taking such contract do not make three dollars and a half (\$3.50) per day the company, corporation or individual letting such contract will pay them day's pay, at the rate of three dollars and a half (\$3.50) per day."

This clause was repealed, and no objection was made by the Sandoz Union to contract work. But while certain development work may be done by contract, yet, owing to the nature of the rock and the high grade of ore stoping cannot be economically done by contract.

In Rossland and other localities, contract work could be applied with advantage.

The feeling of the miners was generally averse to contract work, being under the impression that its tendency was to reduce wages, and by degrees to create a sweating system, and fear was expressed that unskilled laborers would take advantage of the system and compete with the skilled miners. In

the foregoing part of my report the evidence bearing upon this question is pretty fully set out.

(See pages 34 to 67 of this Report; and see pages 341, 342, 636, 647, 648 and 689 of the Evidence.)

There was an evident reluctance on the part of the officers of the Miners' Union at Roseland to allow their members to take contracts. The President of the Union says:-

"Q. Speaking generally do men favor contract or day's labor ?

A. I could not say, but I rather think the majority oppose it.

Q. The majority would not be inclined to take contract ?

A. No. Well there is a principle I have always found in Montana and Utah, the principle among miners is usually to condemn a competitive system of that kind because it has a tendency to put men in competition with their fellow workmen.

Q. That would not take away the right, if you wanted to try your hand at that sort of thing, and you would not say the Union had any right to stop that, would you ?

A. We never have."

This necessarily must be taken with some modification. I do not find that any force or violence was used to prevent contracts being taken,

but the Union having voted against the principle, the mine managers failed to get miners ready to take contracts, or, when they did, to have them carried out.

In the case of the Jose Mine No. 1, a contract was let to Thomas Hughes and others in the latter part of July last to drive an upraise, and they were guaranteed that they should receive out of their contract not less than \$4 per day as wages. They worked one day in August on this contract, when Hughes saw the Secretary of the Union:-

"Q--Why did you go to see him ?

A. I went to see whether the contract would be allowed or not, and whether I should go on with it.

Q. Well you did not have to do that ?

A. No, there is no compulsion about it.

Q. What put it in your head to go ?

A. I do not know. Somebody spoke to me about it I think.

Q. What was it that suggested to you to go, was it what anybody said or did after you had taken the contract ?

A. I went of my own accord more than anything else.

Q. It was entirely on your own part that you thought you would go and see whether this was exposed to the views of the Union ?

A. Yes sir.

Q. Then you were really not stopped in that contract ?

A. You are stopped if you cannot get men to work.

Q. There was no one went up there and told you not to work ?

A. No sir.

Q. And no one said anything until you asked ?

A. No. I had two partners in the contract, and they both quit before I came down.

Q. When did they quit ?

A. Second August, the day after they passed the resolution.

Q. Were they members of the Union ?

A. I cannot say that.

Q. Then it was on account of their quitting that you came down ?

A. That may have had something to do with it. It may have been partly on that account.

Q. But was it on account of that that you came down and saw the Secretary ? This is a very important matter Mr. Hughes, more important than you think. I want you to put your mind back to that occasion and tell me what took place, as upon your oath you are able to do.

A. I asked him if the Union had stopped contracts. He said it had, and I told him I did not think it

"was quite right, as I had a chance to make \$5 or \$6 a day. He said the majority of the boys voted that way, and he thought they did right. He said it might benefit two or three for the time being, but he thought it would hurt us in the long run. That is about all I can remember. x x x x x

Q. Did you ask the foreman to wait a few days to see if you could get more men ?

A. Yes. I asked him to wait.

Q. Did he wait a few days ?

A. Yes sir.

Q. Could you get other men ?

A. No sir.

Q. Afterwards you went to work by the day ?

A. Yes sir.

x x x x x x x x

Q. Did all your men quit before you came down to see Devine, and was work stopped ?

A. Yes sir."

In another case the same result followed.

John L. Keefe says:

"Q. Was the matter of submitting to you a contract in the Jose Mine made in the last 10 days ?

A. Yes sir, by the foreman of the Jose No. 1 Mine. He asked me would I take a contract in the No 1 shaft. I told him I would let him know after I had seen the Union. x x x x x

"I and a friend of mine a day or two after came down to the Union; we met the walking delegate outside the Union Hall. We asked whether the union allowed contract; he said no. As I and my friend were members of this union here we went back and told our foreman we would not take any contract."

Mr. Abell, the walking delegate who is referred to by the last witness, was called:

"Q. Now what did he say? (Referring to the last witness.) Just give the conversation.

A. He asked if the Union allowed its members to take contracts. I informed him that not that I knew of; a vote had been taken last summer, and then it was decided that no members of the Union would take contracts, by an overwhelming majority.

x x x x x x

Q. Supposing a person took the contract, an apparently valid contract in the eye of the law, you do not assume to the Union the power to force him to break that contract?

A. You could not do it under the law.

Q. Well you do not assume it, do you?

A. No, it is left to the man himself; we do not interfere with him."

It is clear from the evidence that the action of the Union in opposing the contract system had the effect of preventing contracts from being let,

or where let, from being completed. It was as expressed by one of the witnesses an "unwritten law", that the contract system should be opposed by the men to avoid competition.

While in certain trades this may be true, and have the effect of introducing the sweating system. I am satisfied that it does not hold in relation to mining, especially where the men are well organized, as they are at Rossland. I deem it of sufficient importance to again quote the views upon this question, of Mr. Macdonald, General Manager of the Le Roi group, and Mr. Kirby of the War Eagle. Mr. Macdonald says:-

"Q. Give me your views as to the contract system, if you have had any experience in that regard, Mr. Macdonald ?

A. As a working miner I have worked myself and done considerable contract work, and since I have had charge of mining properties I have probably let hundreds of contracts for nearly all kinds of mining work. I would say that this present year, and since the 8 hour law came into force, I have let probably 2500 to 3000 feet of contract work in the Slocan country to miners there, in the Sardon camp. Working on contract as a working miner, I think it was always the case that I made more than the ordinary wages, and letting contracts to men in the mine; extending over the last 18 years, I have

"no recollection of one instance in which a contractor made less than the scale of wages at that camp, and referring to the contracts let in the Sandon camp this year the contractor always made from \$5.00 a day up and no man employed by him made less than \$3.50 per day. In letting contracts I would generally figure with the most skilful miners and it was never my policy nor that of any camp I worked for as superintendent or Manager to be so hard or exacting in letting the contracts as to involve the probability of the men taking them making less than the usual scale of wages. The principal reason for mining Companies letting contracts is to attract the most skilful labor to the work contracted on account of the economic advantages to the work of the mine and to the mining operations in general of having that work performed in a short time. To explain this I will say that it sometimes becomes necessary to ventilate the mine workings by running a raise; after that raise connects two workings of different depths a circulation of air takes place in the mine and all the connected mine workings have thorough ventilation. The miners employed in these workings by reason of this ventilation are enabled to do more work, the mine is more healthy and the smoke clears away rapidly from their blasts. For this reason every day that such ventilation is secured is a

very considerable economic advantage to the Company. Looking at contract work from the Mining Company's standpoint it has the same advantage of attracting skilled labor from other camps as high wages have. Miners that are thoroughly competent and skilful and have spent years in mining work go to that camp for the purpose of getting the benefit that is due to their skill, knowledge and practical experience. Referring to the method of having a uniform form of contract in the mine, I would think, from my experience, that that would be impracticable, that the conditions existing at each mine would demand specifications plainly reciting those conditions and plainly setting out what the miner was expected to do and the supply the Company was expected to furnish him in doing this work. Some Companies have their air compressor and drill machinery, they then want the work done by compressed air machinery; others not having such machinery would want their work done by hand labor. In the case of change of rock in a contract from hard to soft and vice versa the specifications of the contract would provide for this change as far as possible. I would say if the ground is soft the miner would make more rapid progress, that is generally considered sufficient compensation for the time you would lose in timbering when ground required timbering, the Company nearly always

"furnishes the timber necessary for timbering. Is there anything else ?

Q. I think that covers the ground.

By Mr. Houston:-

Q. Would you, Mr. MacDonald, in the event of your employees not deeming it to their advantage or interest to submit tenders for their contract, would you have them discharged ?

A. I would not do such a thing at all, if they do not want the contract they need not take it. I would not do such a thing.

By Mr. Devine:

Q. If the contract system became universal would not the Company be in a position to regulate the price of labor; would not the effect of the introduction of contracting have a tendency to reduce labor to the price of the lowest ?

A. I would think it would have a tendency to heighten it.

By the Commissioner ;

Q. Do you think, Mr. MacDonald, that the general tendency of contracting would be to lower the price of labor down to the least efficient ?

A. No, I think it would be the contrary."

Edward B. Kirby, Manager of the War Eagle and Centro Star Mines:-

"Q. I wanted to ask you for information upon

"this point. It has been suggested to me on more than one occasion in different parts of the Province since I have commenced taking the evidence, that the tendency of contract labor is to cut down prices. In this way, I mean, a certain piece of work is put up for tender, and if there is a surplus of men tendering might be low, even lower than the regular rate of wages and that goes on from time to time the effect is to steadily and greatly press down the price of labor. Give me your views upon that point, please.

A. I believe that is an error in logic and in fact. The whole essence of the contract system by which a man is paid according to the work he performs, is that there must be absolute freedom, both the man and the employer must be absolutely free to settle upon their price. If the average pay received for this contract work does not greatly exceed the general wage level, men will refuse to take contracts, and that simply ends the system. The only inducement to a man to take a contract in preference to wages is in order to make more by working harder. If by this steady work he can only make ordinary wages he would rather go on the pay roll list somewhere where he can rest frequently and take it easy when the shift boss is out of sight. I know it to be true from my own observation and experience that pay under the

"contract system always averages above the average wage level of that locality. I think the reason why many people are led into that error is because there are parts of the country, especially in the East, or the older settled community, where contract mining does not pay as much as our Western scale of wages. If the contract system goes into effect here and the men do not average more than \$3.50 per day under it we will find ourselves unable to let any contract. There must be freedom however, it is utterly impossible to carry out the contract system if any organization attempts to interfere or influence bids in any way.

Q. Assuming that the contract system was that desired in any camp, could the management hope to continue it if they adopted a method by which the earnings would be reduced to or lower than the recognized rate of wages ?

A. It would be impossible.

Q. Is there any danger of it forcing down the wage level ?

A. Not in the least.

Q. What are the economic advantages then in the contract system if the wages are not in fact reduced ?

A. Because you get an honest day's work for the pay.

Q. I suppose the meaning of that is that while

"Mining men, perhaps the most, are willing to give an honest day's work for an honest wage it is impossible to eliminate entirely those who are not, and is there a tendency that the average work descends to that of the least competent ?

A. That is always the way.

Q. Then the advantage of the contract system is to eliminate that ~~system~~ ^{tendency} ?

A. Yes, because each man works for himself and if he is especially skilled or industrious he knows he will get higher pay for it.

Q. There was one other point that was brought to my notice, and that was it was said that the rock varied, that a man may strike a soft spot and again strike a hard place where the wages immediately dropped, what then ?

A. Under the contract system he takes chances of once in a while being too low but he has the same chance of striking rock that is soft and easy and of getting high wages.

Q. From your experience do you recommend for contract a well settled recognised form of written contract ?

A. That depends somewhat upon the way in which the contract system is operated. In some mines a form is used, and in others where the contract is shorter there is no written agreement but simply

"a verbal agreement.

Q. What would you say as to whether any common form of contract could be used by a number of mines operating over a number of districts ?

A. I do not think it would.

Q. Suppose you take this district ?

A. That is something that I would not be able to answer, because it is one of the details that only experience with the system can decide; it is impossible to plan that beforehand.

Q. In taking as a contract would there not be many things that the management would require to furnish, tools, light, etc ?

A. Yes. Would it answer your question to say that I have seen very few cases in underground contract work where there was any misunderstanding or difference as to terms; if such things did occur very often a mine would have to get out a printed form. In many mines this occurs seldom; where you have good superintendents these misunderstandings seldom occur."

Mr. Robins, General Manager of the coal mines at Nanaimo says:-

"Q. In mining camps where unions exist and are recognised, what is your opinion as to whether or not contracts are upon the whole favorable to the men ?

"A. I think the objectionable features of contract work are less pronounced in a union mine than in a non-union mine. In a non-union mine there would be no safeguard to work being done at starvation wages. In a union mine there is always sufficient union feeling to prevent any reckless under-tendering."

Mr. Ralph Smith, the General Secretary of the Miners' Union at Nanaimo, and the President of the Trades and Labor Congress of Canada, says:

"Q. What is your view with regard to what may be called the contract system in mines, are you in favor of it or otherwise ?

A. I favor the contract system where the workmen are well organized.

Q. Do you know what views the men of your Union take ?

A. They take the same view. As a matter of fact they practice that every day.

Q. That applies to tunneling ?

A. Yes sir, the tunneling, prospecting for coal, or sinking shafts, and in getting coal."

x x x x x

Q. Are you somewhat familiar with the difficulties that exist in the Slocan ?

A. Yes sir, I have been through that district.

Q. With a view of acquainting yourself with the facts ?

"A. With a view of acquainting myself with the facts.

Q. It has been represented to me that the difficulty now existing in the Slocan district is owing largely to the introduction of the 8 hour law, what do you say as to that ?

A. Well I suppose that is true. Without in any degree advocating a reduction in wage, which as a Union leader I would very much wish myself to retain, I think that two things would be better than keeping the mines closed, first, to adopt the principle of contract between Unions and the management as far as that were possible. I am speaking now of my personal views, and just what I said when I was up in the country, and rather than bring disaster to the mining industry of that section of the Province make a slight reduction in the wages paid. The Government in granting an 8 hour day initiated an important principle, the wage question not being any part of the agitation for a principle at the time. If it were necessary in order to sustain the principle that a reduction of wage would take place or it should be adjusted by contract between the parties, I would rather recommend that than that the principle should be impugned. If I was an active miner in that country I would be willing to be reduced 25 cents a day rather than bring disaster to the mining

"industries of the district which a prolonged strike will undoubtedly bring about."

I am of opinion that the Roseland Union made a very serious mistake in opposing the contract system, and one that ought to be rectified by a free recognition of the undoubted right of the men to take contracts. I believe, having regard to all of the circumstances as they exist at Roseland and other camps in British Columbia, that the contract system where it can be applied would be found advantageous to the men as well as to the company.

The question as to whether or not as much work can and will be done by miners in a day of 8 hours as in one of 10 hours is one very difficult, if not impossible, of solution. The evidence is equally insistent upon both sides. There is no doubt that, at all events, until an adjustment in the larger mines of buildings and plant has been made to meet the new conditions there results a loss, and in some cases a very serious loss, and I am satisfied that the contract system, where applicable, would greatly help to adjust the differences and allay the friction between owners and men arising under the new conditions. It would I think promote the introduction of the best miners. The men would probably earn more per day. Everyone would

be directly interested in the result, and while the men were better paid the managers would feel they were getting good work for their money. I am satisfied this is the correct view under the conditions as they ~~were~~ there exist. Day's work and contract work could both be utilized to the best advantage, and thus a better feeling would prevail as between managers and men. The fear of starvation wages resulting from a contract system, ought, I think, to be quite eliminated. Owing to the fact that the men are organized, and are likely to continue so, it is not likely in such a case, that contracts which resulted in wages less than the recognized rate could be often repeated.

Realising its great importance I took occasion to discuss the matter with many of the delegates representing the different unions of Rossland, and was pleased to find that in the greater number there was a clear recognition of the right of contract, and by some an expression of opinion that it would not result ~~injuriously~~ to the men. I respectfully urge an early recognition of this question by the Rossland Union. Their present position is untenable for obvious reasons.

NOTE.

In a table summarised from one including every trade Union in the United Kingdom which has as many as 1,000 members, (omitting those of general laborers and transport workers), its total of 1,003,000 represents nine-tenths of the Trade Union world (with the same omission) the remaining tenth which is dispersed in hundreds of tiny unions, being similarly divided.

Of the 111 principal organizations, 49 having 57 per cent of the aggregate membership, actually insist on piece work, whilst 73 out of the 111, having 71 per cent of the aggregate membership, either insist on piece work, or willingly recognize it. The unions which fight against piece work number 36, having only 29 per cent of the aggregate membership.

Webb's Industrial Democracy, Vol. 1, page 236, the author says: "The first thing we notice in these tables is that, among the trades in which piece work is either insisted on by the men or readily accepted by them, we find the largest and most powerful unions. The miners and cotton operatives who would instantly strike against any attempt to introduce time wages, are only paralleled in the strength and extent of their trade unions, by the Boiler Makers and Iron Shipbuilders, who

"adopt piece work as the basis of the greater part of their wage contract." (Page 286.)

The Unions which object to piece work declare that "it is well known that piecework is not a bargain but a price dictated by the employer and lowered at will", that "the system has often been made the instrument of large reduction of wages, which have ended in the deterioration of the condition of the workmen." (Webb, page 292.)

I would suggest that the profits of the contract should be shared equally by the men. This method has been worked with success in the Slocan.

MINERS' UNIONS.

The miners have organised unions throughout Southern British Columbia with an aggregate membership of about 3000, with admirable provision for sick benefits, hospital accommodation, &c. &c.

The Miners Unions of British Columbia are affiliated with the Western Federation of Miners, with its Head Office at Butte City, Montana.

Exhibit "C" contains the Constitution and By-laws of the Sandon Miners' Union. Those of the other Unions are, I believe, substantially the same.

"Article 1, Sec. 3. The object of this Union shall be the practice of those virtues that elevate and adorn society, and remind man of his duty to his fellow man, the elevation of his position and maintenance of the rights of the miner."

Exhibit "D" contains the Constitution and By-laws of the Western Federation of Miners. Its object is defined in Article 1, sec. 2:-

"The objects of the body shall be to unite the various persons working in and around the mines, mills and smelters into one central body, to practice those virtues that adorn society, and remind man of his duty to his fellow-man, the elevation of his position and the maintenance of the rights of the worker."

The territory covered by the Western Federation of Miners is divided into the following districts:-

1. California, Nevada and Ariscna.
2. Washington, Oregon and Idaho.
3. Montana
4. Colorado
5. South Dakota
6. Territory north of the United States Boundary.

See Article 3, section 10, Exhibit "O".

District No. 6 contains at present eleven Unions.

It will be seen from the above that the Western Federation of Miners extends its influence from Arizona to British Columbia, and represents a very important factor affecting the question of the supply of labor for the mines in British Columbia and probably accounts for the difficulty in procuring miners to come into Canada where any labor troubles exist, because it affords a ready communication with miners throughout the entire region over which its jurisdiction extends, and from which the larger proportion of miners must for the present at least be drawn.

~~THE LABOR PROBLEMS.~~

~~The mines in the Sixteen district, except~~

Although the Miners' Unions in British Columbia are affiliated with the Western Federation of Miners, yet it must not be supposed that this organisation dictates to the Unions in regard to strikes, nor are its officers in receipt of salary or other income from that organisation.

In the larger Unions, as for instance in Santon Union, the Financial Secretary, Mr. William Hagler is a paid officer of that Union, receiving what was the regular wage for miners at the time he was appointed, namely \$3.50 per day, and where what is called a "walking delegate" is appointed he receives the same pay.

The Secretary of the Santon Union is an American Citizen. George Smith the President of the Union is an Englishman by birth, and has resided in Canada for five years, and is a British subject. Mr. Davidson, one of the Trustees and Member of the Executive Committee, is also a British subject, born in Aberdeenshire, Scotland. Mr. Robert J. McLean another member of the Executive Committee was born in Nova Scotia and is a British Subject. J.J. McDonald, President of the Whitewater Miners' Union is also a British subject, born in Prince Edward Island. Mr. E.P. Bryner of the New Denver Miners'

Union is a British subject born in New Brunswick. Mr. Alfred Parr, Financial Secretary of the Miners' Union at Ymir is an American citizen, so also is Mr. Albert L. Houston, President of the Rossland Miners' Union. Mr. H. E. Abell, Working Delegate of the Rossland Miners' Union is a British subject born in Toronto. Mr. James Wilkes, ^{General Organizer} President of District No. 6 (British Columbia) and / is a British subject born in British Columbia.

Probably about one-half of the officers of the different Unions are British subjects.

It is an entire misapprehension to suppose that the salary of the paid Financial Secretaries is paid otherwise than by the Unions, nor is the action of the Unions directed by "foreign dictators". Each Union is independent and settles its own affairs by vote of its own members.

THE LABOR TROUBLES.
~~CONFIDENTIAL~~

The mines in the Slocan District, except.

where development work was being done, were shut down on the 12th of June 1899.

Prior thereto the wages paid for hammermen was \$3.50 and for carmen, muckers, &c. \$3.

The shift was ten hours in the day and 9 hours at night, except short shift on Saturday of 9 hours in the day and 8 hours at night.

A further allowance was made for wet shafts and bad air. Board was \$1 per day. This scale of wages was satisfactory.

ITS CAUSE.

On the 27th February, 1899, an Act was passed by the British Columbia Legislation declaring that:

"No person shall be employed in any metalliferous mines for more than eight hours in every twenty-four hours. (See Exhibit "M 2".)

The Bill (No. 80) was introduced and read a first time on the 16th February; it received its second reading on the 20th February. At that time the amendment in question seems to have formed no part of the Bill. (See Exhibit "L 2".)

On the 24th February the bill was "reported complete with amendments, report adopted, third reading tomorrow"; and the Bill passed its third reading on the 25th of February with the amendment as above mentioned. (See Exhibits "M 2" and "K 2").

At the request of the mine owners the Act was not put into operation until the 12th June.

A meeting of the Silver Lead Mine Owners Association was held in Sandon on the 6th of May and by resolution declared:

"That it is the sense of the mine representatives of this association that the standard rate of wages paid to miners be in future \$3 per day of eight hours."

This resolution was signed by the representatives of 27 mines, (See page 87 of this report) and notice thereof posted at the mines.

The managers and men did not, however meet to discuss the new situation either before or after the notice was given, except in the case of the Slocan Star which did not belong to the Association.

The men refused to work at the reduced wages and the mines shut down.

The owners held the view that less work would be done in a shift of 8 hours than formerly, and that they were offering higher wages per hour than they paid before.

The men contended that 8 hours was long enough for any man to work underground, and that as much work could and would be done on the average in a day of 8 hours as under the old system.

Formerly the men did not work more than 9

hours, for the reason that the time taken to go to and from their work, and meals, counted as part of their time, from the mine's mouth.

Under the new system the men are expected actually to work the 8 hours, less perhaps twenty minutes for lunch, but the practice is not uniform.

It will be seen that here were new conditions, the effect of which was disputed, and clearly a case for conference with a view to settlement.

"There was an informal meeting between Mr. Hagler, Secretary of the Union, and Mr. Hand, Manager of Payne Mine. As to this, Mr. Hagler says, "we both expressed a desire to one another as men that we would like to see it favorably adjusted and settled, and Mr. Hand assumed it upon himself as an individual to have a talk with me. I had several chats with him about the matter and it was understood that I would lay the matter before the Union, and he would speak to the Mine Owners and see if we could not get a Committee together. The Union appointed their committee and we were ready at any time to meet.

Q. Was that ever communicated in writing to the Silver-Low Mines Association ?

A. No, we assumed that it was better for the Secretary to go direct to an officer of the Association and talk it over verbally."

No formal action, so far as I know, was taken at this time by the Mine Owners and nothing came of this interview.

The Slocan Star made an offer of \$3.25 for miners and \$2.75 for muckers, which was not accepted.

Nothing further was done towards a settlement until a Deputation from the Kaslo Board of Trade were appointed to interview the parties and to the dispute, which they did on the 27th of November, but without result. (See Report page 96.)

In the meantime the Silver-Lead Mines Association advertised for 2500 miners, offering for

Hand Drillers	\$3.00
Machine Men	3.50
Miners in Shafts	3.50 to \$4.00
Carmen, Shovelers, laborers &c.	2.50
Blacksmiths	3.50 to \$4.00
Tisbermen	3.50

(See page 103 of this Report.)

They also sent representatives to Seattle and other American points to endeavour to induce miners to come in. (See page 104 of this Report.)

The Sandon Union sent their representative to counteract this move on the part of the Association. (See page 107 of this Report.)

The result was that ten or twelve miners all

told came in from the United States and perhaps as many more from Eastern Canada, and of these only a few, three or four, remained at work.

It was while these men were coming in that the following telegram was sent:

"Sir Wilfrid Laurier,

Ottawa.

1000 Canadian miners of the Slocan, with their wives and families, are being driven out of Canada by the importation of labor from the United States. Mine owners of the Slocan are importing men to take our places. Our wives and families and all others dependent on our labours, as well as we ourselves, appeal to you. We ask you to assist us in securing the enforcement of the Alien Labor Law. As British subjects we naturally resent the circumstances which are driving us from our native land. Will you, as First Minister of the Crown, secure for us the protection which the Alien Labor Law provides? Please assure us by an immediate reply that we will have your co-operation.

(Signed) W.L. Magler,

Sec. Sandon Miners' Union."

(See Exhibit 71*)

The reason assigned for sending the telegram was the action of the Silver-Lead Mines Association in endeavouring to procure alien miners to come in, the fact that they had advertised for 2000 miners

and that men were at the time coming in, from the United States, and a belief in the substantial truth of the telegram.

(See pages 112 to 117 of Report.)

CONDITIONS IN THE SLOCAN.

1899
From the foregoing it will be seen that on my arrival at Sardon on December 5th, the conditions were as follows:- Owing to the introduction of the 8-Hour law the Silver-Lead Mines Association had given notice that they would pay \$3.00 instead of \$3.50 per day for miners. The miners refused to accept this offer, and on the day the law came into force, 12th June, the men ceased to work and the shipping mines were practically closed. An effort was made on the part of the Association to induce miners to come in, but I do not find that there was any breach of the Alien Labour Law. Ten men did come in, of whom only two remained in the mine, and the attempt up to this time on the part of the owners to obtain miners in place of those who refused to work at the wage offered failed. The effort of the deputation sent by the Board of Trade of Kasko to promote a settlement also failed, and the result was that production in the Slocan District ceased.

THE EFFECT OF THE TROUBLE.

The injury caused to all parties by this condition of thing was very great. The wages in that district dropped from \$60,000 per month to \$10,000 per month.

The output of the mines in the Slocan Division as recorded at Kaslo for 1899 fell short of that for 1898 by \$772,178; whereas it ought to have doubled.

The Kootenai Railway and Navigation Company for the months from June to November inclusive showed a decrease in tonnage of 5,303 tons and a decrease in earnings of \$3,126. Mr. Robert Irving, Manager, states that "had we not experienced present conditions the year 1899 would have been the banner year of the camp. The representatives of Smelters interested in the matter estimated an output in excess of 50,000 tons, during this year". The falling off in freight and earnings on that portion of the Canadian Pacific Railway running into the Slocan District was even more marked. For a period of six months ending November 1898, and the same period for 1899, the inward traffic decreased for 1899 by 9538 tons and \$10,032, and the outward tonnage decreased for the same year by 7,476 tons and \$110,363, or a total decrease of 6,429 tons and \$120,396.

Kaslo is the out-port for a large part of Silver Lead ore from the Slocan. The exports at that port from June to December for the year 1898 were 41,317,622 pounds, valued at \$1,675,232. For the same months of 1899 they were 9,162,752 pounds valued at \$337,735.

From 1st June to 16th December 1898, Imports
\$134,885, Duty Collected \$36,323.03

For the same period for 1899, Imports
\$80,446. Duty Collected \$18,720.73.

))CAPITAL DETURRED.((

The labour troubles have undoubtedly had a serious effect in deterring capital from coming into British Columbia and in delaying development. The evidence upon this point is unanimous and overwhelming.

(See pages 120 to 134 of this Report.)

Capital and labor, as always, have both suffered severe loss from this state of things; business for the time being has been paralyzed, but most serious of all, the country has received a set back in mining development, which will take time and care to overcome.

The effect of the labor troubles undoubtedly has been to paralyze to a very large extent, all business in the Slocan District, except in these

cases where development work had to be done.

THE TRUE SOLUTION.

It was manifest at an early stage of the enquiry that the true solution of the Labor troubles could be found only in a recognition by both employers and employed of the changed conditions consequent upon the introduction of the 8-Hour law. It was and is hopeless, at least for a time, to expect that the owners and miners would agree as to the effect of the new law on production, - Self interest and a natural bias is too strong for that. I allowed evidence to be given at length upon this point rather with the object of taking advantage of the occasion that each might learn the views of the other than in the hope of deciding the question by weight of evidence. A lasting settlement could only be reached by a frank discussion of the difficulty and a readiness to yield something on both sides.

I therefore took the earliest opportunity to impress this view upon miners and men, and met with a ready response.

Mr. Hand, the manager of the "Payne" says:

"Q. Do you hold any office in the Association ?

A. I am one of the Vice-Presidents; Mr.H.P. Alexander who is now absent, is the other.

Q. Is there any reason why a conference should

"not be had between the Mine Owners Association and the Miners' Union ?

A. There is no obstacle.

Q. Is the Association willing ?

A. Well as a business man pure and simple, I should say that there would be no reason why as reasonable men the members of the Association should not meet the members of the Miners Union.

Q. As far as you are concerned you are ready to promote that ?

A. Yes sir".

(See Evidence page 63.)

The Miners' Union informed me that they were ready to meet the managers and discuss the question.

At the request of both parties the sittings of the Commission adjourned and the Committee met. I was asked to be present. The interview was cordial, and the opposing views were submitted and discussed at length.

The owners offered \$3.25 for miners and \$3 for carmen and muckers. This was an important step toward settlement.

The Committee from the Union claimed \$3.50 for miners and \$3 for carmen and muckers.

There was no dispute as to the wages of Blacksmiths, Timbersmen, &c. By miners is here meant hammermen, not machine men, as few of the latter work in the Slocan, and where they do \$3.50 was

paid.

The Union Committee while not authorized to accept the offer promised to lay it before the Union.

I took occasion to meet as many members of the Union as possible during the week, and was most cordially received by officers and men, whom I found anxious to reach what they deemed a fair settlement. I was invited to their hall, and in company with Mr. Keene, Mining Recorder of Kaslo, addressed a large meeting of miners on Saturday evening the 9th of December at the Union Hall.

The meeting continued its sitting until 2 a.m., without reaching a decision, and further time was requested.

There were difficulties in the way. Many miners were then receiving \$3.50 per day, and the proposed settlement meant a reduction of their wages. These had to be seen, the situation explained, and this required time and money.

The officers of Sandon Union took prompt means to communicate at considerable expense with outlying camps, and the Unions at New Denver, Silverton, Slocan City and Whitewater.

A further meeting of the Sandon Union was fixed for Saturday the 16th of December, to decide the question, and on telegram of the Secretary of the Union I returned. A large number of miners

had come in from those mines where development work was being done.

The meeting lasted from 7 p.m. until 1 a.m. when I was advised that the Union had voted in favor of accepting \$3.25 for miners (Hammermen) in stopes, and \$3 for carmen and muckers, and recognition of the Union.

I left Sandon under the full belief that a settlement was in sight and would be reached in a few days.

The action so far taken by the Union had been upon the offer of the owners at the meeting which I attended, of \$3.25 for miners and \$3 for Carmen. There was delay in getting the Committee to meet.

The special Committee acting on behalf of the Silver-Lead Mines Association on the 23rd of December addressed the formal proposal to the Sandon Miners' Union as follows:

*Sandon, B.C. 23, 1899.

Sandon Miners' Union,

Sandon, B.C.

Gentlemen:-

The Silver-Lead Mines Association of British Columbia being desirous to effect a permanent settlement of the existing wage differences which prevail between said Association and the Miners' Union of the Slocan for an eight hour

"day, is prepared and do now make the offer of a compromise on the following basis for underground work:-

Miners in shafts	\$3.50 to \$4.00
Machine Men,	\$3.80
Hand Drillers	\$3.25
Carmen	\$3.00
Laborers	\$3.00
Timbermen	\$3.50 to \$4.00
Blacksmiths	\$3.50 to \$4.00
Engineers	\$3.50 to \$4.00
Laborers on surface (10 hrs.)	\$3.00

H.B. (As formerly men working in unusually wet places and in bad air were compensated with shorter hours, we now offer under similar conditions \$3.50 per shift of eight hours.) In making the above offer of a compromise as to the wage scale for an eight hour day, the Association reserves the privilege of employing or discharging all men, whether Union or non-Union, upon the basis of capability alone, and agrees that no discrimination shall be made against any man by reason of his affiliation with labor organizations.

The said Association is prepared to sign an agreement to the above effect for a period of one year from date.

We respectfully ask for a definite reply in

writing as to your final decision in this matter on or before December 27th, the date set for the next regular meeting of said Association.

(Signed) C.H.Hand }
F.A.Wood } Special
A.W.Wright } Committee."

To this communication, Mr. Hagler, the Secretary of the Union, replied as follows, enclosing the scale of wages proposed by the men:-

* SANDON MINERS' UNION No. 81.

W. F. of M.

INCORPORATED UNDER THE LAWS
OF BRITISH COLUMBIA, DEC. 5th, 1898.

Sandon, B.C., Dec. 27, '98

TO THE SILVER-LEAD MINES ASSOCIATION,

Sandon, B.C.

Gentlemen:-

Your communication of the 23rd inst. duly received and placed before our Union, and after giving it due deliberation we concluded that although we favor many of its points we cannot accept it entirely. The difference between your scale and ours is only in hammermen. We agree to your scale as to hammermen in stopes but we want \$3.50 for men in drifts, raises and winzes, and by us making this concession we believe we have done as much as we can afford from a wage that cannot be termed extremely high for this section

of the country and the conditions as they prevail here of which I believe you are all aware.

In regard to a certain section of your communication referring to the right of the employer to hire or discharge when he may please, is a privilege the employer has always and it would be foolish for any organization to interfere between the employer and employee in regards to the capabilities of the latter.

We submit to you our scale of wages which is the best that we can do under the circumstances.

(Sgd.) W.L.Hagler,

Pin. Sec. Sandon Minors' Union,

By order of Union."

"UNION <u>SCALE OF</u> WAGES.	
Shaft men	\$3.50 to \$4.00
Machine men	\$3.50
Hammermen in Drifts and Raises	\$3.50
Hammermen in Stopes	\$3.25
Carmen	\$3.00
Laborers inside and outside	\$3.00
Timbermen	\$3.50 to \$4.00
Blacksmiths	\$3.50 to \$4.00
Engineers	\$3.50 to \$4.00

Recognition of the Union by the Mine Owners.

No discrimination to be made between Union and non-union men.

Delegate from the Union to have the privilege of visiting the various mines once a month.

The scale of wages not to be changed by either party without thirty days' notice.*

I believe that in an earlier communication from the Union to the Association, the Union had requested that "all non-Union men that are now working that are termed "scabs" should be discharged and all men should become Union men within thirty days after starting work"; but in the last scale of wages it will be seen that this demand was not insisted upon.

It will be seen that the offer of the Association and the scale of wages submitted by the Union are identical except in the one item, namely "hammermen in drifts and raises \$3.50". That is not mentioned in the offer of the Association. In other respects the wages are the same. To this last proposal made by the Union the Association through their Committee replied as follows:-

*Sandon, B.C., Dec. 29th, 1899.

Sandon Miners Union,

Sandon, B.C.

Gentlemen:-

Our communication of December 23rd was made by the Silver-Lead Association for the purpose of effecting a permanent settlement of the difficulties between us and was final on our part, as we consider we met you more than half way. In your counter proposition of the 27th inst. you do not agree to the compromise wage scale presented by us and decline to sign even your own scale for a longer period than thirty days without notice, instead of one year as we proposed. A thirty day scale will not inspire confidence in the permanency of the settlement as we or the public desire, but on the other hand will lead to the belief that an early recurrence of the existing differences is contemplated. The matter thus stands as it did before any attempt was made for a compromise.

(Signed) P. A. Wood, } Special
C. R. Hand } Committee."

This ended all negotiations just at a time when an amicable and satisfactory settlement seemed assured.

It was clearly at this stage not a question of wages. The one minor item of difference could

surely have been adjusted.

It must therefore be that the main objection to the last offer of the Union was to some or one of the following clauses.

(1) "Recognition of the Union by the Mine Owners".

But it will be seen that the whole negotiations were conducted by a special Committee from the Union, -- a clear recognition of the Union to act for its members.

(2) "No discrimination to be made between Union and non-Union men."

A concession made I believe after the Union in an earlier communication had claimed that: "All non-Union men that are now working that are termed "scabs" should be discharged, and all men should become Union men within 30 days after starting work", but in the last scale of Union wages it will be seen that this demand was not insisted on, although many of the owners believed the contrary when I left.

(3) "Delegates from the Union to have the privilege of visiting the various mines once a month."

If this were objectionable it called for further discussion, not a break in the negotiations.

(4) "The scale of wages not to be changed by either party without thirty days' notice."

The owners had asked for an agreement for one year from date. I was informed by several managers before the authentic proposals were made public that the men would only sign for 30 days. No. "4" does not mean that. I suggested that some clause should be inserted that would prevent a strike or shut down until the parties could meet, and I doubt not this clause was in part at least, intended to meet that suggestion.

The parties were so nearly at one, another meeting ought surely to have settled the remaining differences. Holding this view, I strongly pressed upon the Secretary of the Silver-Lead Mines Association, and the Secretary of the Miners' Union, the necessity of the special committees again meeting and offered to proceed to Sandon from Victoria and use my influence towards a settlement. I also urged this view upon several leading managers. The Sandon Union replied that they were ready to confer. I was advised however by the Secretary of the Association that the Committee representing the Mine Owners could not be convened at Sandon owing to the absence of the committee, one member of which I was informed was at Montreal. I was therefore reluctantly compelled to return without a further meeting of the committee or another opportunity to ^{promote} ~~complete~~ a settlement, then all but complete.

Negotiations having thus, for the time being, failed, without further effort to renew the same, the Silver-Lead Mines Association renewed its efforts to procure miners to come in from the United States.

Under your instructions, on my return, I sent the following telegram :-

"Ottawa, Jan. 18th, 1900.

I have fully explained the position of affairs to the Minister of Justice, the Premier and other members of the Government being present. All exceedingly anxious for an amicable adjustment. Have deputed me to suggest and request a meeting of Committee of others representing both sides to endeavor to reach an amicable arrangement. I trust that you will assist in this endeavor. Please advise me by telegram here, if you will endeavor to get a meeting of both parties for further consideration of the points still in difference. Having reached so near a settlement it ought not to fail now. The Government have asked me to return. Will only do so if you think it helpful. I remain here awaiting your reply. Please answer as soon as possible.

"Commissioner".

I received the following telegram in reply from Mr. W. L. Hagler, the Secretary of the Union:-

"Sandon, B.C., 18-19th Jan. 1900.

R.C.Clute,

Ottawa.

Will try and arrange meeting between both parties. We are ready at all times to meet mine owners and will co-operate with you. Think your presence at this time will do much good.

W.L.Hagler."

and the following from the Committee representing the Mine owners:-

"Sandon, B.C., Jan. 19-1900.

R.C.Clute,

Comr.

Ottawa.

In reply to yours of eighteenth will say the Silver-lead Mines Association offered to sign a scale of wages of three dollars and twenty five cents for hand drillers with the Union for a term of one year; they refused to accept; but submitted a counter proposition with conditions that meant the sacrifice of every faithful employee now working in our mines and refused to sign their own scale except to be terminated upon thirty days' notice. Twenty eight men arrived Sunday last to work at Payne Mine at compromise scale of wages offered the Union three dollars and twenty five cents. These men with the manager and friends were met at midnight by a mob of about twenty men headed

"by Mr. Hagler, Secy. of Sandon Union, who heaped the vilest abuse upon them, using epithets too profane and obscene to be repeated. Mr. Hagler saying among other things: "If you want dirty warfare we will give you all you want". Yesterday a gang of thirty-two Union men went to Payne Mine seeking to interfere with the peaceful pursuit of labor of men just arrived, as a result of previous negotiations and those recent demonstrations we have lost all good faith in good intentions of the union with us to effect a permanent settlement.

(Signed) H.J. Alexander, C.H. Hand,

G.W. Hughes, F.A. Wood, H.J. Hickey,
Executive Committee."

To which I replied:-

"Feb. 3rd, 1900.

W.L. Hagler, Esq.,
Secretary Sandon Union,
Sandon, B.C.

Dear Sir:-

I received with much satisfaction your telegram of the 19th of January last, advising me that you would try and arrange a meeting between both parties and that the Union was at all times ready to meet the mine owners and would co-operate with me, and further that you thought my presence would do much good. I do not doubt but that if the Committee authorised finally to act for

"both parties would meet and exercise that moderation and good feeling which was manifest on both sides during my visit to Sandon that an adjustment of the difficulties could still be had. I rely strongly upon the assistance of yourself and other members of the Union to further this end, and have complete confidence in you that nothing will be done on the part of the Union to retard a settlement so much in the interest of all concerned.

Yours very truly,

(Sgd.) R.C. Glute."

Feb. 3rd, 1900.

C.H. Hand, Esq.,

Payno Mines,

Sandon, B.C.

Dear Sir:-

I received your telegram of the 19th of January last in answer to mine, suggesting a further meeting to re-adjust the differences between the owners and the men. I am satisfied, after obtaining the fullest information possible from both sides, that, having regard to the near approach to a settlement and with the intimate knowledge I have of the views of both sides, if a Committee duly clothed with authority were appointed and would meet, an adjustment satisfactory on both sides might yet be obtained. I am aware that you will regard this as too optimistic, but I venture

"to think that I am in a better position to judge, from my intimate knowledge of the views of both parties. I left the Province with a deep regret that a further interview could not be obtained, and sent the telegram in the hope that an effort would be made on both sides to follow out the suggestion of The Honorable the Minister of Justice.

I regret that anything should have occurred since my visit that would have a tendency to lessen your confidence in the good intentions of the men. Delays in a matter of this kind always widen the breach, but I still hope that the suggestion contained in my letter may be acted upon. I write you that my views may be brought before the Committee and trust to their influence to promote a settlement.

Yours very truly,

(Sgd.) R.C.Clute."

There is no sufficient reason in my judgment why the work of the Committee which so nearly resulted in a settlement, should not be resumed, with every prospect of ultimate success. I believe in the good faith of the Union, and their desire to reach a permanent settlement, and regret that the Committee of the Silver-Lead Mines Association seems to impugn it.

I am unable to say whether the "B men" referred to in Mr. Hand's telegram, and others who have

were gone to work in the Payne Mine since, were brought in in contravention of the Alien Labor Law or not, as this occurred since my return, and I am not fully advised of the facts.

UNIFORM WAGES.

On the suggestion made to me by prominent mine managers and by leading members of the Unions that it was desirable if possible to agree upon a uniform rate of wages for British Columbia, on the lines of the settlement which was then thought to be assured in the Stocan, I brought the question before a Convention of delegates from all the Miners' Unions, held at Rossland. The action taken is shown in the following memorandum:-

Rossland, B.C. 20th Dec. 1899.

Memorandum:

On the evening of the 19th I saw Mr. Davidson and Mr. McDonald of Sardon Union on the advisability of the convention of all the Miners' Unions belonging to the Western Federation of Canada who were in congress assembled at Rossland discussing the question of a uniform rate of wages for Southern British Columbia. I suggested what had been already mentioned to me by many leading miners and by some mine owners, viz. the advisability of considering the uniformity of wages and they acquiesced in the view that it was a suitable time for the matter to come up.

"To-day at 4 p.m. I was called upon by the Secretary and President of the Miners' Union at Rossland and asked to attend a meeting of the Convention and was asked to say a few words to them. I then brought the matter before them and retired and at six o'clock was waited upon by Mr. Kirby of Rossland and Mr. Douglas of Camp McKinney and advised of the fact that the Convention had appointed a Committee of five, consisting of Mr. Kirby of Rossland, Mr. Douglas of Camp McKinney, Mr. Davidson of Sandon, Mr. Tyree of Silvertown and Mr. Albert Parr of Ymir to meet any committee that might be appointed by the owners' associations to confer and discuss the question with a view of promoting a uniform rate of wages for Southern British Columbia on the lines which were submitted at Sandon with a view of meeting the desire of both parties throughout the Province and the Committee are now ready at any time to meet such Committee from the owners' association, and I am further authorized to give this information to any members of the Miners' Association, or to their Secretary."

Copies of the above memorandum were placed in the hands of J. Roderick Robertson of Nelson, General Manager of the London & British Columbia Gold Fields with the request that the matter would be brought before the Owners' Association. I am pleased to state that Mr. Robertson took a very active interest in this

matter, having devoted at the time I left the Province over two weeks to the work. He brought the matter to the attention of nearly every prominent mine manager in the Province and expressed the belief that if the Slocan difficulty could have been settled ~~and~~ ^{on} the basis proposed a settlement for the whole of Southern British Columbia was attainable on the same lines with the assurance of his earnest co-operation and of others equally interested I believe it may yet be accomplished.

It would prevent the unrest and dissatisfaction which cannot but obtain where a different scale of wages obtains in different localities ~~off~~ the same district. A permanent settlement based upon a uniform scale of wages satisfactory to both parties would speedily do away with the unsatisfactory conditions now existing and be a strong inducement for miners to come into the country and for capital to be invested there.

DANGER TO LIFE AND PROPERTY.

A feeling of insecurity exists in many, if not all of the chief mining centres of British Columbia, arising chiefly from (1) the existence of the La

troubles in the Slocan, (2) what has taken place in the Coeur d'Alene District, Idaho, where many outrages were committed and Marshal Law is, and has for some time been in force. (See Appendix B. & C.) (3) The fact that the Miners Unions in this portion of British Columbia are affiliated with the Western Federation of Miners. (4) The friction caused by the 8-Hour law.

Upon careful inquiry I found this feeling of insecurity was not generally shared outside the management. The mining section of the Province has been remarkably free from any disturbance, or violence of any kind, arising out of the Labor troubles.

This was everywhere a subject of remark and although witnesses were everywhere questioned upon this point, the answer was always the same--- no violence, no arrests. And this evidence was everywhere confirmed from other sources of information.

I do not share the fear that outrages such as were committed in the Coeur d'Alenes District will be repeated in British Columbia. It is true that many of the miners came from Coeur d'Alene and are now working in British Columbia, but I am satisfied after a most careful inquiry upon this point, much of which cannot be disclosed

in the evidence, that the number of those in the Unions opposed to such a thing is so great as to render it exceedingly improbable that injury to person or property will be resorted to by the miners.

The administration of Justice in Canada is such as to introduce an element entirely wanting in the conditions as they existed in Coeur d'Alene. For these reasons the element of danger to person and property is I believe largely eliminated.

I found the miners to be a highly intelligent class, officered by men of ability who while tenacious of what they deemed to be their rights, always expressed a strong desire to settle all differences amicably. Life and property so far as I could judge seemed as safe as in the old settled parts of Ontario.

Although the troubles had existed for nearly 8 months in the Slocan District the police was merely nominal (one at Sandon, and he, I was assured, had nothing to do) and no convictions were had arising out of the Labor troubles. For 1899 the number of convictions at Sandon for assault were five, and the Police Magistrate certifies that they were all due to drunkenness. At Kaslo for the same year there were only two convictions for assault. The number of convictions were much less than in towns of the same size in Ontario.

THE MINE MANAGERS AND MINERS UNIONS.

I trust it will not seem impertinent to express my views upon what I cannot but deem a matter of the very greatest importance, not only in the solution of the present difficulties, but also in relation to the future development and welfare of the country. In what I have to say I do not refer to any particular mine or mine management, but am dealing with the general question.

I found reluctance on the part of some mine managers to recognize the unions as such. The position might be stated thus: Upon the one side, if it is said, - Is the management, who are the trustees of large interests, representing in some cases an immense number of shareholders, to share this trust with irresponsible body of men who are not even employees in the mine, the methods of which they presume to criticise and seek to control? Shall vast capital be imperilled, and perhaps lost, and the business of the country paralysed for the time being by the ill-considered action of irresponsible unions? We approve of unions within proper limits, but we refuse to hand over our mines to the control of the Union or to permit any interference with our policy or management. We will listen to complaints from the men, but will not submit to dictation by the Union---least of all a Union affiliated with the Western Federation of

*de
Alene* Miners, who have within the year condoned, if not sanctioned, the most atrocious outrages on person and property. / On the other hand it may be urged that Mines are valuable to a country for the undeveloped wealth they contain; in the development of that wealth the whole country may be benefitted. In a new mining district, the owners of capital there invested, usually reside elsewhere, and the chief benefit to the locality, and often to the country, at all events in the early stages of a mining camp, is derived from the cost of production, wages, plant, etc., and not from the expenditure of the dividends which are usually received and spent elsewhere.

If it be said that the development of the mines cannot be had without capital, it may be added, neither can it be had without labor. The two must join, and a better result will undoubtedly be obtained from satisfied, than from dissatisfied labor. / It is not enough to ensure the best results that the men receive good pay, good board and comfortable accommodation. It has been demonstrated many times that the best results are only obtained where the management and the men are in accord. Where a feeling of trust and confidence exists, and where the management take a real and active interest in the welfare of the men, it is always rewarded to by more satisfactory work.

Wage earners throughout the civilised world, believe in the necessity of organisation and union to protect themselves from competition and starvation wages, and the hardships which in most cases ensue where there is no Union to support just demands or right grievances.

In the great manufacturing centres of England Unions are recognised to a very large extent, and it is a fact well worthy to be observed, that strikes have decreased *per i passu* with the recognition of unions. How can it be otherwise? If an establishment employing a large number of men antagonizes them at the start by refusing to recognize in any way their organization, most or must not this tend to irritate, annoy and finally create a breach? Where the union is not recognized, in cases of a threatened trouble, there is no one who can authoritatively represent the men. Trivial matters which a well regulated union would not permit to be made the subject of a serious dispute, is often the cause which leads to a strike. Large aggregations of capital organize and speak through one man, why should not labor do the same? Matters likely to cause friction can thus in advance be discussed by the representatives of both sides, and, so in many cases avoided. I venture to believe that not until there is a free recognition on the part of capital of the right

of labor to organize, and when organized to speak through its chosen representative will good feeling be restored, and the basis of a permanent peace be established.

I desire to bring to your notice an instance where the utmost accord, and results perfectly satisfactory to the management have been attained by full recognition of the Union.

The Vancouver Coal Company of Nanaimo with a capital of 255,000 pounds Sterling has been in existence since 1862, and employs 1200 men and has an annual output of 614,000 tons of coal.

The Union is fully recognized and all disputes settled through its committee. The method and result is given by the General Manager. Mr. Samuel W. Robins says:-

Q. How long have you been superintendent ?

A. 16 years.

Q. And during what proportion of that time has there been a union ?

A. Our union was started in July 1891.

Q. Does your company recognize the union ?

A. Yes sir.

Q. To what extent, or would you state in your own way the method by which you meet the union, and how any differences that arise are managed ?

A. The company recognizes the union as a body

"through whom any questions in dispute between operators and the company are sought to be adjusted. If a difference arises as to the rate of wages or discipline in the mines the matter is first discussed between the mines manager and the individuals concerned. The mines manager has really the control of all the underground workings. (The man responsible for the safety of the mine must be a certified mine manager. I am not one.) If no arrangement can be brought about the matter is brought to the notice of the union executive committee, and if they fail to adjust matters with the works manager then the business is brought before me by the committee. The union secretary, who is an important officer in the union, at each stage of the discussion, is present, and uses his influence to bring about a friendly arrangement. A great deal depends upon the judgment and good sense and fair mindedness of the union secretary. If he is a man of sound judgment and good sense he can remove an immense amount of friction. The union, ever since the formation of the association have in the selection of their officers exercised the wisest judgment.

Q. Then if the question were asked you by a miner, who was not a member of the union, whether he should join or not, what would be your advice ?

A. Join, by all means.

Q. As a matter of choice do you prefer dealing with the officers of the union rather than with the men ?

A. Most assuredly.

Q. Why ?

A. Because ~~matters~~ ^{matters} that are brought to me through the union have gone through a process of sifting and revision, and all artificial grievances have in most instances, been eliminated before coming to me. That is one reason. Another reason is that in a well organized and reasonably well conducted union no countenance should be given to the airing of personal grievances between the men and the bosses. I think these are the principal reasons.

Q. I suppose the men would take no action nor without deliberation and you always know whence the action comes from ?

A. Yes sir.

Q. Could you give me an illustration of how that was done before the union started ?

A. Previous to the existence of the union instances have occurred where meetings have been summoned by unsigned notices for the purpose of demanding an increase of wages or to discuss a modification of other existing arrangements by parties utterly unknown to their associates and thereby brought about general dissatisfaction merely in revenge for individual slights they imagined themselves to have been subjected to, but such a

"a thing could not occur now.

Q. I suppose you still have your difficulties sometimes ?

A. Well, yes. But so far we have adjusted every-one of them without any disturbance of the friendly relations existing between the owners and the men.

Q. Then, if I have apprehended you aright, far from dreading the unions, when properly officered, you regard them as a benefit to capital ?

A. Precisely so.

Q. And to the men ?

A. Most assuredly.

Q. You are good enough to let me have a copy of the memorandum of agreement between your company and the union. It is now produced and marked "Exhibit C 3" ?

A. Yes sir.

"MEMORANDUM OF AGREEMENT entered into between the New Vancouver Coal Mining and Land Company, Limited, and the Miners and Mine Laborers' Protective Association of Vancouver Island, this 24th day of July 1891.

1st. The company agrees to employ miners and mine laborers only who are already members of the Miners and Mine Laborers' Protective Association, or who, within a reasonable period after employment become members of the association.

2nd. The Company agrees to dismiss no employee

"who is a member of the Association without reasonable cause.

3rd. The association agrees that under no consideration will they stop work or strike without exhausting all other means of conciliation available.

4th. The association agrees that they will not interfere with the company in employing or discharging employees.

5th. The association shall comprise all men employed underground, excepting officials and engine drivers, and above ground all day labourers, not officials, engine drivers or mechanics.

6th. This agreement can be terminated by 30 days notice on either side.

For the New Vancouver Coal Mining and Land Company, Limited.

.....
Superintendent.

For the Miners and Mine Laborers Protective Association of Vancouver Island,

.....
.....
.....
.....
.....
Committee."

Q. I notice by the first clause that the Company agrees to employ miners and mine laborers only who

"are already members of the Miners and Mine Laborers Protective Association, or who, within a reasonable period after employment, became members of the association. Is not that rather a stringent clause? Please give me your opinion.

A. It was objectionable at first to a good many of the old timers, I call them, who have never worked in a union colliery and were inclined to kick at modern methods. At first many of these men declined to join the union or to contribute to its funds, but without exception, after being shown the unfairness, to the large majority who were working in the general interest of all, resistance quickly disappeared.

Q. Then how did you deal with the clause providing for the discontinuing of any men who were not union men (within a reasonable period)?

A. There would probably have been some friction in carrying the last part of clause one into effect had not the management brought a little gentle pressure to bear in individual interests.

Q. In these cases you mean that you would advise them to join the union?

A. Yes; and in advising them to join the union they must see that I had no alternative but to enforce provisions.

Q. I suppose that in the introduction of a clause of that kind a reasonable amount of play

"was allowed on either side ?

A. Yes sir.

Q. Then in Clause 2, the Company agrees to dismiss no employee who is a member of the association without reasonable cause . Is not that in conflict with clause 4 ?

A. Yes. The one is corrective of the other.

Q. Is there any difficulty in reconciling the two ?

A. We have never had any.

Q. You adhered strictly to your rights under Clause 4 ?

A. Yes, with reasonable cause.

Q. Then what is reasonable cause ?

A. To disobey orders of manager or other officers, or irregularity in their attendance at work or if they were incompetent. These would be the only causes.

Q. I notice that Clause 3 seems to be a very important one, viz. "The Association agrees that under no consideration will they stop work by strike, without exhausting all other means of conciliation available." Have they adhered to that ?

A. I can say that that rule has been generally adhered to; in a few cases temporarily disregarded, but always acted upon when the Clause was brought to the attention of the men themselves. The men are very punctilious in carrying out the agreement.

Q. What is the usual day's work; how many hours ?

A. In the mine the miners work 8 hours.

Q. That is not by law, but by custom. ✓

A. By custom.

Q. The 8-Hour law has no application to coal mines ?

A. No sir.

Q. And other working men ?

A. All workers underground 8 hours.

Q. And above ground ?

A. Nine hours.

Q. Have you personal knowledge as to the usual hours of work per day in England ?

A. Yes sir.

Q. What are they ?

A. In mines, 8 hours; not universal, but largely so throughout the mining districts.

Q. For underground work ?

A. For underground work; that is for miners proper. The helpers in some English collieries work longer hours. By helpers I mean fillers. In some English collieries the miner does not fill his own

Q. Do you consider it in the interests of the Company and of good citizenship that married men should be employed, and encouraged to get little homes, etc. ?

A. Yes, I think it is wholly to be desired that a married man should have an opportunity of owning his home. There is another side to that, where

"the permanency of the mine is not certain.

Q. In mining camps, where unions exist and are recognized, what is your opinion as to whether or not contracts are upon the whole favorable to the men ?

A. I think the objectionable features of contract work are less pronounced in a union mine than in a non-union mine. In a non-union mine there would be no safeguard against work being done at starvation wages. In a union mine there is always sufficient union public feeling to prevent any reckless under-tendering.

Q. Do you think that the existence of a union in connection with any mining camp has a tendency to improve the average standard of miners or otherwise ?

A. In a well conducted union the tendency is to bring in a superior class of miners; it also has an undoubted beneficial effect upon the individual miner.

Q. What is the effect of unions upon the drinking habits of the men ?

A. Though it is difficult to measure the actual influence of the union on the steadiness and general moral character of its members, my experience here in Mansfield is that it has a good influence. The influence is certainly good, if for no other reason than that it gives a man a feeling

"of self respect that he does not possess where he considers himself to be at the mercy of any irresponsible or short tempered boss. For instance, where there is no union any arbitrary treatment on the part of a boss has to be submitted to, there being practically no court of appeal; but with a union a miner never ceases to realize that under no circumstances can he suffer arbitrary treatment. In the one case a man can be kicked out of the mine and must submit, even with starvation staring him in the face; it may be at the mere whim of the boss but in case of union mines if the boss loses his temper he thinks twice before allowing it to master him to the point of committing an injustice. The general influence of the union is to improve the wages of the members as well as to raise their general status. With regard to the question of hours of labor, of whether work shall be done by the day or by contract, these are the questions that at all times have to be discussed fairly and frankly between the opposing interests, and so far as my experience goes they can always be settled on a basis fair and just to both sides".

I desire especially to commend the following to the consideration of employers and employees:-

Q. For what period of years does your experience extend over ?

A. I have been a close observer of labor matters for nearly thirty years, and although not until the last 16 years brought into direct relation with miners and other laborers, long previous to that as secretary of large collieries in England I had special opportunities of studying labor questions, and I may safely say that where differences between employee and employed have arisen and no satisfactory arrangement has been come to and strikes have resulted I have never failed to be able to trace the cause of the failure to temper or an absence of reasonableness either on the one side or the other. I have in mind to-day a very bad strike in the north of England that caused a stoppage of large collieries for over six months which would never have taken place had a little patience and forbearance been exercised on the part of the manager, and perhaps I may add a little less vaunting of the principle of union at all times and seasons that caused a considerable amount of irritation. Questions in dispute that are comparatively insignificant at the beginning are sometimes entirely lost sight of during a heat of discussion and attempted coercion on one side and resistance to unreasonable demands on the other.

Q. You mention the tendency of unions to

"increase wages. But supposing an occasion should arise when it was found absolutely necessary to reduce wages, what then ?

A. In answer to your question I am glad to have the opportunity to testify to the good feeling that amounted to generosity on the part of the union in a body about four years after the union was established. The condition of the coal market called for a revision of the scale of wages paid to the men and on the matter being explained, first to the union officers and afterwards to the whole of the company's employees assembled to hear my explanation, the union in a body, without a single dissenting voice accepted a reduction in wages to take immediate effect, of 20 per cent, which at that time was equivalent to making the company a present of \$20,000 a month. This reduction was adhered to only for a ^{short} ~~short~~ period, but a 10 per cent reduction continued for nearly four years. We restored the 10 per cent not quite two years ago."

This statement by the General Manager is fully corroborated by the Secretary of the Union, Mr. Ralph Smith, who is also President of the Trades and Labor Congress of Canada, who says:

"I am the General Secretary of the Miners' Union at Nanaimo, and the President of the Trades and Labor Congress of Canada.

Q. How long have you filled that position ?

A. Four and a half years.

Q. What knowledge have you of mining ?

A. I have been a miner since I was eleven years of age; coal miner.

Q. Where ?

A. North of England.

Q. For how long there ?

A. I was there until I was 35 years of age.

Q. Then you came to this country ?

A. Came to Vancouver Island.

Q. What year ?

A. 1892.

Q. At that time the Union was already established?

A. It was organized.

Q. And the arrangement between the Union and the Company was existing ?

A. Yes.

Q. (Commissioner reads evidence of Mr. Robins).

You have heard now all the evidence of Mr. Robins. So far as the same has regard to the relations existing between the Union and the Company, what have you to say ?

A. I think it is absolutely correct; that Mr. Robins practices every word that he has in that evidence.

Q. You confirm what he says in regard to the cordial relations existing between the Union and the Company ?

"A. Yes sir. I confirm the whole evidence.

Q. You are the present local member for
Nanaimo ?

A. Yes sir."

CONCILIATION.

The importance of allaying the distrust of investors was emphasized by all the leading managers, and by many other prominent men. This in my opinion can best be done by a satisfactory and permanent settlement; not one that evidences the triumph of the unions, or the success of the owners, but a settlement to be arrived at by a consideration of the question in dispute, on business principles, fair and reasonable to all parties, with provisions to prevent future strikes or shut downs on account of differences without first endeavoring to remove the causes. If a settlement upon a permanent basis, as here indicated can be obtained, a rapid and permanent development of the Province is assured. Can this solution of the labor troubles, present and prospective be effected ? I believe it can with the co-operation of leading mine managers and labor leaders. But, to attain this end mutual suspicion must be put away, and a mutual recognition of mutual rights obtained. This is granted ; from an intimate acquaintance with

managers and men, a permanent settlement is in sight. Is it too much to expect that all parties will at least make an earnest endeavor to obtain such a result ?

On the other hand, if either the owners or the unions obtained a temporary victory the result cannot be lasting, and further labor troubles with all their disastrous consequences may be expected.

It is more than doubtful whether compulsory arbitration can greatly aid in the settlement of labor disputes. "Conciliation" is probably the only effective method. The parties themselves must do the greater part. For this purpose, each must have their representative. The present Silver-Lead Mines Association and the Miners' Unions afford the ready machinery for appointing these.

The first step is for the parties to meet face to face and discuss the questions in dispute in an amicable way. To bring together and keep the parties in friendly intercourse for a sufficient time that each may fully understand the views and claims of the other, is to eliminate many of the differences that at first stand in the way, and to reduce the matters in dispute to a minimum.

While I doubt the efficacy of enforced arbitration, I am of opinion that such can

be done to promote agreement by a "conciliator", who with patience and tact might greatly promote the conditions favorable to a settlement, by bringing the parties together, allaying distrust, presenting the views of each in the least offensive form, eliminating minor causes of friction, promoting good feeling, moderating demands, restoring confidence; all of which are essential to a permanent and lasting settlement. All this he may help to do, not alone at public sittings, but by coming into personal contact in private conversation with the representative of both parties, learning their views, and thus having thoroughly mastered the situation, being able to present them to the other side in the least offensive form. In the language of an eminent writer :

"He discovers by kindly examination what precisely it is that each party regards as essential, and persuasively puts to one side any irritating reminiscences of past disputes or theoretic arguments going beyond the narrow limits of the case. In friendly conversation with each side in turn he draws out the really strong arguments of both, restates them in their most effective form, and in due course impresses them in the most conciliatory terms on the notice of the opponent. Those who have read the proceedings before such an experienced arbitrator

M. J. H. S.
and
P. 239 - -

as Dr. Spence Watson, will, we are sure, agree with us in feeling that his wonderful success as an umpire is far more due to these arts of conciliation than to any infallibility in his awards. In case after case we have been struck by the fact that long before the end of the discussion many of the issues had already been disposed of, the points remaining in dispute being so narrowed down by a mutual recognition of each other's case, that when the award is at last given each party is predisposed to accept it as inevitable?

In this patient work of conciliation lies the real value of arbitration proceedings. There is no magic in the fiat of an arbitrator as a remedy for strikes or lock-outs. If either party really prefers fighting to conceding the smallest point to its adversary---that is in those cases where either the employers or the workmen have an overwhelming superiority in strength---there will be no submission to arbitration. If both parties are willing to bargain and are sufficiently well organized, and well educated to be capable of it, no outside intervention will be needed. In those industries however where organization has begun, but has not yet reached the highest form; where the employers are forced to recognize the power of the men's union, but have not yet brought themselves to meet its officials; where

the workmen are strong enough to strike, but do not yet command the services of experienced negotiators, the intervention of an eminent outsider may be of the utmost value. It is of small importance whether his intervention takes the form of "arbitration" or "conciliation"---that is to say whether he is empowered to close the discussion by himself delivering an "award" as umpire, or whether he must wait until he can bring the parties to sign an "agreement" drawn up by himself as Chairman. In either case his real business is not to supersede the process of Collective Bargaining but to forward it.] And in view of the usual impossibilities of agreeing upon any common assumption as to the proper basis of wages; in face of the workmen's suspicion and the brain workers' training and the employers' fear of the electioneering considerations; and having regard to the importance of securing universal concurrence in the result, we are inclined to believe that the intervention of the "eminent outsider" will as a rule be at once more acceptable and more likely to be acceptable if he avowedly acts only as a "conciliator". This inference is supported by the evidence of the last few years. On three notable occasions outside intervention has been evoked to settle industrial conflict. In 1893 Lord Roseberry, at the express desire of the Cabinet

settled a dispute which had for 16 weeks stopped the coal trade of the Midlands of England. In 1895 Sir Courtenay Boyle, Permanent Secretary of the Board of Trade, drew up an agreement which terminated the great strike in the boot trade, and Lord James, a distinguished Member of the Conservative Ministry of the Day, in January 1896, brought about, after protracted negotiations, a settlement of the disputes between the Clyde & Belfast Shipbuilders and their engineers. But, notwithstanding the position of these magnates, it is significant that in no case were they asked, and in no case did they attempt to cut the Gordian Knot by the judicial decree of an umpire or arbitrator. It was not their business to inquire into the merits of the case. They were not called upon to make up their minds whether the employers or the workmen were in the right. They had not even to choose between the rival economic assumptions on which the parties rested their respective claims. Their function was to persuade the representatives of both sides to go on negotiating until a basis was discovered on which it was possible for them to agree. This work of "conciliation" is we believe destined to play a great, and for many years an increasing part in the labor struggles of this country. In the present state of public opinion the intervention of an outside "conciliator" is

as regards the imperfectly organized trades a precursor of regular Collective Bargaining. In many trades the employers themselves are not united in any Association. In many others they still haughtily refuse to discuss matters with their workmen. In prolonged disputes public opinion almost now forces the parties to resume negotiations, and the intervention of an eminent outsider is found the best lever for Collective Bargaining. His social position or official status secures for the proceedings, even among angry men, dignity, order and consideration for each other's feelings; whilst it prevents any hasty rupture or withdrawal. x x x x x x x

We have already discovered the important part played by a tactful and experienced arbitrator in drawing out the best points in each party's case, restating them in the most persuasive form, and eliminating from the controversy all unnecessary sources of ~~agitation~~^{irritation} or non-essential differences. The real conciliator adds to this a happy suggestiveness and fertility in devising possible alternatives. Throughout the discussion he watches for the particular points to which each party really attaches importance. He has a quick eye for acceptable lines of compromise. At the right psychological moment when discussion is beginning to be tedious to both sides, he is

ready with a form of words. This is the crisis of the proceedings. x x x x x

If the conciliator is careful in his drafting and finds a formula, which, while making mutual concessions on minor points, includes, or seems to each party to include, a great deal of what each has been contending for, the resolution will be agreed to, if not by acclamation, at any rate after a few minor amendments to save the dignity of one side or another. x x x x x

We see therefore that outside intervention in wages disputes may be of the highest value, and we anticipate that it will for many years to come in all but the best organized trades, play a great and even an increasing part. But its function will not be that of "arbitration" properly so called, but rather that of "conciliation", though this will continue to be sometimes carried on under the guise of arbitration. Instead of aiming at superseding Collective Bargaining, the arbitrator will more and more consciously seek to promote it.

(Webb's Industrial Democracy, Vol. 1, pages 239-243.)

See also "Strikes and Social Problems" by J.S. Nicholson, page 7.)

See also "Imperial Conciliation Act", 1896
The Factory and Shops Act, 1896, of the Collier

of Victoria, Sec. 15.

New Zealand Act of 1894.

The Conciliation and Arbitration Acts of
New South Wales, 1892, and South Australia, 1894.

It has been said that the two latter have been
practically unsuccessful.

See "The Labor Question in Britain
by Paul De Rousiers translated by
F. S. D. Herbertson Part II, c. 4 pp. 220 -
222

Appendix to Journals of House of
Representatives - New Zealand,
H. 6, 1898 - V August - pp. IX to XI and
XIV

*Conciliation
Act, 1900
followed*

RECOMMENDATION.

I beg to recommend that in any Conciliation Act which may be introduced, in addition to Conciliation Boards provision may be made for the appointment of a "Conciliator" with power to take evidence under oath as provided by the Revised Statutes of Canada, Chap. 114., whose first duty it shall be to endeavor to bring the parties together and ascertain the facts, and the extent of the differences between them, but in other respects left free to act as occasion may demand.

That the Conciliator have power to act where he deems it advisable, on becoming aware of the dispute and without formal request by either party, in order to avoid that delay which widens the breach and renders all attempts at "conciliation" difficult, if not abortive. The Conciliator should be untrammelled by instructions or restrictions, with power however to invite assistance from the representatives of the opposing parties, and with authority to act as arbitrator or umpire where requested.

R. White

Commissioner