

counsel for the smelters commenced his abuse on your correspondent for having made the report to Senator Stewart in which the smelters are charged directly with smuggling. I interrupted said McCammon by asking him if he had seen the qualities of ores imported by his clients. He declined to answer the question. I, therefore, told him that I had seen the imported ores on all the four railroads diverging from Mexico into the United States and that I pronounced them lead ores and not silver ores. I had hardly uttered these words when Mr. Bennett of counsel for the Ore Producers' Association came to me and requested me to say no more about it, until he would call me as his witness. Upon the strength of his representations I sat down and patiently awaited my turn, which never came. A few affidavits were submitted, samples of ores shown, and all at once Mr. Bennett made the startling announcement that they rested their side of the case and had no further evidence to offer.

I called the next day at Willard's Hotel and sent my card to Mr. James, the President of the Ore Producers' Association, asking for an interview, and the reason why I was not allowed to testify as to the smuggling of the lead ores as stated in my report to Senator Stewart. Mr. James returned word that he declined to see me.

Not so satisfied with such treatment and anxious to help the miners, I urged that special agents be sent by the Treasury Department to investigate the matter. Secretary Windom ordered special agents W. H. Williams and W. P. Hughes to proceed to the frontiers of Mexico, Texas and Arizona, and to report results.

These gentlemen returned about twelve days ago, and having submitted their reports, the Secretary of the Treasury issued on the 17th of July the following circular to the collectors:

"The Department has had under consideration the joint reports submitted by special agents W. H. Williams and W. P. Hughes upon the question of the importation of mineral ores from Mexico with special reference to the accuracy and propriety of existing methods of entry, sampling and examination of such ores, for the purpose of determining their legal classification by an accurate ascertainment of the characters and properties of the minerals contained in the various importations.

"It appears from the reports that a practice has grown of permitting in the same entry, as the product of one mine, the mingled products of several mines possessing different characteristics, and that sampling is conducted in a very irregular manner by what is familiarly known as the grab process.

"Pending further consideration the following instructions will be observed:

(1)—The sworn entry shall embrace, in addition to what is now required, a statement of the estimated quantities and values of silver and lead contained in the im-

portation, according to the best knowledge and belief of the importer or consignee."

(2)—"The entry shall further contain a declaration that the importation embraces no mixture of ores or concentrates from different mines."

(This order of paragraph 2 is in vindication of the charge made by me on page 3 of my report thus: "The fact that silver ores of a distinct character not mined with the lead ores were mixed with the lead ores for importation I regard as conclusive evidence of fraudulent design." The special government agents found it so, yet the attorneys of the Ore Producers' Association purposely avoided the issue.")

(3)—"The entry shall also disclose the name and locality of the mine from which the ore has been taken."

(This too is in vindication of my statement on page 5, thus: "It was so evident to me that the silver ores and the lead ores came from different mines and were mixed for the evident purpose of defrauding the government that I went to Mexico to determine this matter by seeing from what mines these ores came.")

(4)—"Upon the arrival at the frontier of cars or other vehicles laden with ores containing an appreciable quantity of lead they shall be locked or otherwise secured till entry be made and permit granted to unload."

(5)—"Upon unloading and at the time of unloading the officer of the Customs assigned to that duty shall supervise the work and shall obtain proper and adequate samples from those taken for commercial purposes by the importer or consignee; that is to say, they shall be taken in the manner approved and practiced by miners in the handling and reduction of ores, by thoroughly mixing and quartering every tenth shovel or more, repeating the operation until the usual commercial sample be obtained." (According to my request is my report submitted to Senator Stewart.)

#### CLASSIFYING THE ORES.

"It is suggested that in the execution of these instructions care should be taken, equally, not to unnecessarily detain ores wherein silver so clearly predominates as to fix their character, commercially, as silver ores; nor to admit without assessment of duty those ores wherein the value of their components of lead appears to exceed that of the silver contained in such ores.

"It is further advised that in determining the relative value of silver and lead contained in the same ore, the value of the silver component, in the absence of more accurate data in the invoice, or otherwise, be rated at ninety-five per cent of the latest known value of silver bullion in the New York market, and the value of the lead component at the latest known price of bar lead in the same market, less one cent per pound."

This is in consequence of statements made by me in my report that the collectors valued silver at \$1 per ounce, while it was only 92 cents per ounce in New York

and lead at from seven-eighths of a cent to two cents per pound. This was obviously done to make a higher value of silver and less of lead, for the instructions from 1886 to the present day are that if the ore exceeds in value in silver that of lead it shall be classified as silver ore and come in free of duty. If, per example, a ton of ore contained twenty ounces of silver it was up to this time valued at twenty dollars and the forty-five per cent of lead in a ton equal to 900 pounds of lead at two cents per pound, eighteen dollars, hence greater value of silver by two dollars it was declared silver ore, passed free, and 900 pounds of lead smuggled in. Now the twenty ounces at 95 per cent of the New York price of ninety-two cents per ounce brings the price down to 87½ cents per ounce and the value is thus reduced to \$17.48 and the lead at 4 cents per pound in New York less 1 cent, hence 3 cents per pound makes the 900 pounds of lead to be valued at \$27, and as the value predominates in lead and not in silver the whole is subjected to \$30 per ton duty. This puts the smuggling business effectually down, and the victory of this step in the right direction belongs to the untiring energy and persistent efforts of Senator Stewart, who presented my report to the Secretary of the Treasury. The instructions of the Secretary of the Treasury close thus:

"Pending further consideration, and the determination of the question of the proper classification of those Mexican ores that contain both silver and lead, the above mentioned instructions will be observed."

WM. WINDOM, Secretary.

Thus it will be seen that the Secretary of the Treasury has not given any particular weight to the testimony offered by the Ore Producers' Association, but only to the changes made by your correspondent as to the under-valuation of the ores and the smuggling of the lead ores under the guise of silver ores.

I cannot close this lengthy letter without expressions of my regret that Mr. Van Horne, the secretary of the Ore Producers' Association of Utah, so far forgot himself as to slander and libel the good name of the people of Utah. In his opening address before the Secretary of the Treasury, Mr. Van Horne stated:

"In coming before you, Mr. Secretary, from the Territory of Utah, I represent one that is rather in disrepute in some respects, but one whose main industry and the main support of whose law-abiding citizens is lead mining." (See page 24 of the brief submitted by the Ore Producers' Association to the Secretary of the Treasury.)

Mr. Van Horne claims to be an attorney-at-law in Salt Lake City; depends for his bread upon the people of Utah; yet, when absent from the Territory, he takes special pleasure in maligning them. Shame! Shame! Not satisfied with uttering these slanderous falsehoods, he has taken special pains to have them printed in the brief of the Ore Producers' Association, and to hand