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Transcribed, annotated and illustrated by Chris Willmore

Version 1.1

VICTORIA, B.C. January, 2021

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Victoria: Opium Smuggling Central

Opium was legal in Canada until 1908, and for many years, this industry was important to Victoria. Canada had a very low tax on imported opium. The United States had a very high tax. Chinese businesses would import raw opium from Hong Kong, boil (or 'cook') it into finished, smokable opium, then can the result. Some of the canned opium would be sold domestically, but most of it was smuggled into the States. Smuggling was risky, but avoided the high US tax. This gave Victoria's opium a cost advantage over the higher–quality Hong Kong opium, which was imported legally via San Francisco and had to pay the full tax.

An Early Smuggling Scheme¹ (1863)

Though published in 1882, this story describes an elaborate opium smuggling scheme that was in place in 1863.

The recent reorganization of the custom house inspectors' force has given some of the officers who have grown gray in the service an opportunity to rehearse their early experiences. They tell many tales of smart captures and bouts with smugglers, which, even at this late day, are quite interesting. As long ago as 1863 the main article of smuggling enterprise, as it is to—day, was opium, and many a dollar was lost by Uncle Sam on unpaid duty² on the drug. Then as now the vessels engaged in the China trade were subjected to the strictest and most thorough search, and it had already then become quite difficult to bring contraband opium on shore. In 1863 I. T. McLean, who has since exchanged the revenue service for the service of paregoric³ over the counter of an Alameda drug store, was surveyor of the port, and the few inspectors who served under him and still continue in the service have not yet forgotten his successful endeavors to circumvent the ruses of the smugglers. Smuggling under his administration became a dangerous pursuit, for he prided himself upon his sharpness in following out the slightest clue.

THE VICTORIA TRAFFIC.

But in the Fall of 1863 some suspicious circumstances in connection with the Victoria (B. C.) opium trade came to the surface which for a long time baffled all attempts at a satisfactory explanation. There were in those days but few Chinese in British Columbia, notwithstanding which facts the exports of opium from San Francisco to Victoria assumed such proportions that it became clear to the dullest understanding that the movement was not the result of a legitimate demand. Taken in connection with the fact that this opium did not pay duty, as it was only in transit from China to British Columbia, the suspicion that a well organized system of smuggling prevailed became a certainty. It should be understood that this opium was

¹ From PIONEER SMUGGLERS. (1882, September 14). *The Daily Colonist*, p. 2.

² Import tax.

³ Paregoric is a medicine made out of opium mixed with spices, for flavoring. It was used to treat coughs (and probably recreationally, as well).

withdrawn from San Francisco bonded warehouses⁴ only after a bond had been filed by the owners and shippers, under which they bound themselves to adduce proofs of the opium having been landed in a foreign country. These proofs always came regularly in the shape of a certificate from the United States consul at Victoria. But the mystery regarding the disposal of the opium after having been landed at Victoria proved insoluble, and the improbable conclusion was forced upon McLean that if the people of Victoria did not use it for frying potatoes, they smuggled it back overland or by means of the lumber vessels. Both avenues of entrance were therefore watched, but no discoveries resulted and the shipments continued.

A PUZZLING PROBLEM.

Late in 1863 an especially valuable shipment, valued at \$30,000, was withdrawn from the bonded warehouses for transhipment⁵ to Victoria. The necessary bonds were filed, and the opium was taken on board the California Navigation Company's steamer Brother Jonathan. Surveyor McLean saw it depart with tearful eyes, for he now had become convinced that it would be returned to the United States and that the payment of duty would be evaded. On the afternoon of the same day, J. W. Probasco, then an inspector but now a gauger⁶, on leaving the California Navigation Company wharf met an express wagon containing a number of trunks. It was driven by James Fitzgerald, who was accompanied by Michael Wallace, a confidential clerk in the employ of Koopmanchap & Co., the well-known Chinese importers and labor agents. The actions of Fitzgerald and Wallace aroused the suspicions of Probasco, but as the wagon was proceeding to the wharf and not from it, he contented himself with communicating his doubts to Surveyor McLean. The latter, in his determination to leave no stone unturned which might possibly hide the footprints of the supposed opium smugglers, sent another inspector to the dock, who was to make inquiries about the trunks. The latter returned after some hours and reported that, despite the most diligent research, he had been unable to find the slightest trace of the wagon and the trunks. Surveyor McLean would then have given up the clue if Naval Officer Willard Farwell, who happened to be present, had not made the suggestion that two men, who were unknown to the officers of the ship and the people of the dock, be detailed to watch the Brother Jonathan until she should have sailed. This plan was adopted.

THE SECRET OUT.

For the better comprehension of the events which followed it is necessary to state the California Navigation Company also owned the Sacramento river boats. The travel in those years, was exceedingly heavy. These boats used one side of the pier, while the Victoria boats docked at the other. The men detailed to watch the Victoria boat watched in vain until the Sacramento boat arrived. Then, while all was bustle

 $^{^4}$ A bonded warehouse is where imported goods are stored until the import taxes (duties) they owe are paid.

⁵ Transhipment is the shipment of goods from their origin to their destination in two of more steps. If cargo needs to go from point A to point B, transshipment might involve stopping at point C, making the total trip A to C, then C to B. San Francisco was often 'point C' for shipments between China and Victoria. This created opportunities for smugglers, as seen below.

⁶ This word has many meanings. In this case, it probably refers to a type of tax collector.

and activity, the docks being crowded with people, wagons and trunks, they discovered that a number of trunks were being passed from the Brother Jonathan to the wharf. Here an express wagon loaded them just as quickly and the latter was driven into the line of wagons carrying baggage from the Sacramento boat. This wagon was again driven by James Fitzgerald and Michael Wallace, both of whom were disguised in workingmen's clothes. Of course it was detained by the custom—house officers, and the two drivers were taken into custody. The wagon and its contents were taken to the Appraiser's building, where \$30,000 worth of opium was found stowed away in the trunks. The wooden boxes which contained the tins had been removed, and the trunks themselves filled with the small tins. The secret how the enormous quantities of opium which had been ostensibly withdrawn from bond for export to Victoria had been thrown into consumption on the San Francisco market was now out. The opium had never been taken to Victoria. In all some 200 boxes had been nominally shipped to Victoria, the duty on which amounted to about \$50,000.

FATE OF THE SMUGGLERS.

The master of the Brother Jonathan, as well as the engineer, G. W. Hutchinson, and the mate, John Phillips, were arrested. The United States grand jury found indictments against James Fitzgerald, Michael Wallace and the last two named. All were put under heavy bonds. Phillips and Hutchinson stood trial, and one of them was sentenced to a year's imprisonment. Wallace and Fitzgerald forfeited their bail and went to Mexico, where they resided for several years. The former then went to British Columbia, where he has since died(?). Fitzgerald has lately ventured back to the United States; but as his bail bonds have been paid the United States authorities have so far not taken any notice of his presence, although the criminal indictment against him for smuggling has never been dismissed. The Victoria opium trade, however, has not since assumed the proportions which it had in 1863.

Dr. Helmcken's License Fee⁸ (March, 1865)

Dr. John Sebastian Helmcken founded the B.C. Medical Association, and helped to make British Columbia part of Canada. He also proposed a license fee to be paid by opium sellers, except those who sold opium as a prescription medication.

Dr. Helmcken introduced his motion for a license of \$100 to be levied on all parties selling opium. This drug was used as a luxury by certain classes just as liquor by others, and as dealers in the latter were heavily taxed he did not see why opium sellers should not also pay. Besides, by this measure we would reach a class who did not now contribute anything to the revenue. We were now receiving large accessions to our Chinese brethren⁹ (a laugh), and they would thus be made to pay their share

⁷ In name only (from the Latin *nomine*, meaning 'name'). The paperwork might say that the opium reached Victoria, but the actual opium stayed in the US.

⁸ From HOUSE OF ASSEMBLY. (1865, March 4). The British Colonist, p. 3.

⁹ Brothers.

of taxes. He would not advocate too large a tax as it would only lead to evasion. In reply to a question the hon, gentleman said he had not the remotest idea what amount of revenue would be raised from the license. He did not understand Chinese, nor did the Chinese understand him, and if they were brought together he would not be able to gain any information. (Laughter).

Mr. DeCosmos asked if it was proposed to tax druggists; he thought an exemption should be made allowing the drug to be given in prescriptions.

Dr. Dickens said there were three or four druggists in Victoria who did very little business, and a tax of \$100 would come very heavily on them.

Dr. Helmcken would except opium used in prescriptions, etc., from the tax. The motion was carried.

"This Lucrative Trade" 10 (November, 1865)

The large, lightly defended border between B.C. and the northwestern U.S. was perfect for smuggling.

[A] large force of Chinamen now at work on the Columbia, near Colville, are supplied with opium smuggled overland from the adjacent British provinces. This lucrative trade is encouraged by the absence of any force in the section of the country where the trails from British Columbia cross the boundary. There are also circumstances which give rise to the belief that illicit traffic between British Columbia and other parts of the upper country is carried on; the articles being jewelry, laces and the like. The commercial relations of the people of the two nations along the boundary line affords a fine field of official inspection. Whenever it is undertaken, the developments will startle the Treasury Department.

Canned Opium¹¹ (April, 1878)

Cantonese-speaking Chinese farmers dominated Victoria's early vegetable industry. Among other activities, they canned the vegetables they grew and exported them to the United States. Processed opium from Victoria's factories was also shipped in cans. This presented a smuggling opportunity.

A Chinaman who keeps a small fruit store on Washington street, Seattle, received from Victoria on the North Pacific last Tuesday night a large number of cans containing what appeared to be a lot of potatoes and other vegetables, among which was secreted a large quantity of opium. Constable Lyta and Deputy Inspector Howe have made a raid on the establishment, and succeeded in capturing a dozen half-pound cans of opium, which they immediately confiscated.

¹⁰ From OPIUM SMUGGLING. (1865, November 8). The British Colonist, p. 3.

¹¹ From OPIUM SEIZURE. (1878, April 9). *The Daily British Colonist*, p. 2.

Smuggling as Tourism¹² (June, 1878)

"Everyone knew" that opium smuggling was a thing you did when you traveled to Victoria, just as today, Amsterdam has a reputation of being somewhere you go to in Europe to smoke marijuana. Modern tourists are surprised by Holland's strict drug laws, and 19th century tourists were surprised when they were arrested for smuggling.

James and Thomas McEvoy, passengers from Victoria on the last trip of the steamer California for Portland, were arrested at the last—named place on a charge of smuggling opium. Some 30 pounds of the narcotic bought by them at Victoria was found on their persons. They were committed for trial. The *Oregonian* says "they had an opportunity to purchase 30 pounds at Victoria at \$10 per pound, and brought it to this place hoping to thus realize a handsome profit. But before they get free from the clutches of the law they will assuredly realize to their sorrow that it was a very bad investment."

"The Use of the Deadly Drug in Victoria" 13 (February, 1881)

The use of opium is steadily increasing throughout the Empire ¹⁴. Since 1867 the importations of opium have doubled and the habit has extended to districts previously free from the drug. We have not the statistics at hand; but the statement has been frequently made, and never contradicted, that the consumption of opium is rapidly increasing in civilized countries – particularly in the United States. The readers of "Edwin Drood" will call to mind Dickens; description of an opium den in London. There is reason to believe that similar establishments exist in nearly all the large European cities, and that their frequenters are not confined to Chinese or East Indians. In California and Oregon, where the Chinese population is large, the dens are much visited by whites of both sexes. Young as well as old abandon themselves to the pleasures of opium–smoking, and the evil has become so great that legislation has been found necessary. The police frequently raid the dens and scoop up a

¹² From SMUGGLING OPIUM. (1878, June 28). *The Daily Colonist*, p. 3.

¹³ From OPIUM. (1881, February 15). *The Daily Colonist*, p. 3.

¹⁴ The British Empire, which included the Dominion of Canada.

¹⁵ The Mystery of Edwin Drood, the last novel written by Charles Dickens. It was unfinished at the time of his death in 1870, but was published anyway. Drood's uncle, the main character, is an opium addict. The novel opens with his waking up in an opium den. From the first chapter: "Shaking from head to foot, the man whose scattered consciousness has thus fantastically pieced itself together, at length rises, supports his trembling frame upon his arms, and looks around. He is in the meanest and closest of small rooms. Through the ragged window—curtain, the light of early day steals in from a miserable court. He lies, dressed, across a large unseemly bed, upon a bedstead that has indeed given way under the weight upon it. Lying, also dressed and also across the bed, not longwise, are a Chinaman, a Lascar, and a haggard woman. The two first are in a sleep or stupor; the last is blowing at a kind of pipe, to kindle it. And as she blows, and shading it with her lean hand, concentrates its red spark of light, it serves in the dim morning as a lamp to show him what he sees of her." Dickens, C. (1870). The Mystery of Edwin Drood. London: Chapman and Hall.

miscellaneous assortment of opium eaters of all colours, ages and conditions, whom they find lying on the floors in a blissful state of unconsciousness — reveling in the joys of an opium Elysium.

"Are there any opium dens in Victoria?" we asked an intelligent Chinaman on Saturday.

"Yes," he replied, "six or seven. A good deal of opium is smoked here; but people are so quiet when under its influence that no one hears a sound. Very different from the effects of liquor. Suppose a man drunk with opium, he sleeps, sleeps, sleeps, and dreams, dreams. But suppose a man drunk with liquor, he shouts, sings, makes a noise, kicks up the devil and beats his wife or gets put in goal."

"Are Chinese the only people who smoke opium in this city?"

"No; plenty white people come. Two years ago seven white men and two white women used to come and smoke. Now fourteen or fifteen come regular – three or four of them women and two or three young boys."

"What do they pay for a pipeful?"

"Two bits¹⁶ or four bits. Sometimes they have no money and then they beg a smoke just as if it was bread. Oh! yes! They get crazy for opium, sometimes, and give away clothes if they have no money."

"What does an opium smoker look like?"

Beckoning us to the front door the Celestial gazed up and down Cormorant street¹⁷ for a few minutes and then pointed to the shrinking, shivering figure of a Chinaman crossing the street.

"That man likes opium."

The advancing figure was clad in the dress peculiar to his countrymen. His head rested on his breast. His shoulders were drawn up on a level with his ears; his chest was sunken; his hands were pushed into the sleeves of his silk jacket; and as he scuffled along his appearance was that of a shivering wretch who had been fished out of the harbor on a cold day and was hurrying home to change his clothes. As he passed the group at the door he surveyed it with a pair of glassy, dead—fish like eyes. "There is no speculation in those eyes," we quoted as the man turned into a small, dark alleyway and was lost to sight.

"Whenever," concluded the Chinaman, "you see a Chinaman or white man walking like that man you may be sure he likes opium."

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¹⁶ A 'bit' is an eighth of a dollar, so two bits would be 25 cents, and four bits would be 50 cents. This comes from the days when Spanish gold dollars were used as a trade currency. Spanish dollars were called 'pieces of eight' because they could easily be divided into eight equal pieces. Each of these pieces was called a 'bit', and the name stuck.

¹⁷ Now Pandora Avenue.

Alcohol and Opium¹⁸ (February, 1884)

In the 1880s, opium was seen by many to be similar to alcohol: a potentially harmful, but legal, recreational drug. What set opium apart was its connection to Chinese trade and culture. These perspectives are displayed in the following snippet from a debate in the B.C. Legislative Assembly.

Mr. T. Davie in moving the second reading of a bill entitled 'An Act to Prevent the Use of Opium Except in Certain Cases,' said the habit of opium consumption was a vice that was rapidly growing upon many white youths of the town, and apart from its connection with Chinese, the drug was far more pernicious in its effects than intoxicating liquors. The revenue derived from the sale of opium amounted to \$2500 annually. The principle of the bill was to prevent the use of this subtle drug except for medicinal and surgical purposes.

Mr. Dunsmuir had no objection to support the bill if the use of whiskey, beer and tobacco was likewise prohibited. (Laughter.) People who used these articles, knew what they were about, and the consequences were on their own heads.

Hon. Mr. Drake was afraid that the question of constitutionality might arise. Opium was recognized in the Dominion tariff as a merchantable ¹⁹ drug, but this act proposed to punish all in whose possession opium should be found. He did not think the bill would be found to work unless it was materially altered.

Mr. T. Davie said that upon consideration it would not perhaps be wise to pass the bill this session, as several constitutional points had been lost sight of when framing it, which would require to be remedied. He would therefore, with the leave of the house, withdraw the bill.

Opium factories on Cormorant St.²⁰ (June, 1884)

On the north side [of Cormorant street] is a large brick block, 90 feet front and 51 deep. This belongs to Goon, Gang & Co. [...] In the rear is an addition to be used as an opium factory. In it are ten brick furnaces for burning or cooking the drug. This building cost the owners \$8,400.

Adjoining this block is another one owned by Look, Den & Co. This is a two-story brick block, 49x60ft., finished with iron door frames and shutters. There are two large stores on the floor, each having a freight elevator. There is also an opium factory and an opium safe. The latter is brick, lined with iron, and cost \$500. The ground on which this building stands is owned by one of our citizens, but the owners of the building have secured a long lease from him. The building, when completed, will cost \$9,000. The building, when completed, will cost \$9,000. The same firm were contractors.

¹⁸ From Fourth Provincial Legislative Assembly. (1884, February 7). The Daily Colonist, p. 3.

¹⁹ One that may be sold and traded.

²⁰ From The Chinese. (1884, June 10). *The Victoria Daily Times*, p. 1.

"To an alarming extent"²¹ (November, 1884)

There is a large amount of the raw poppy imported to the Province. This is all manufactured into opium in Chinatown. There are nine opium factories fitted up with all the necessary and modern improvements, opium safes, etc. It costs about \$10,000 to operate one of these factories. The money for stock is required to be sent to China in advance. The poppy is then shipped, and there is a constant shipping of the needful and receiving of the drug all the year round. The high tariff in the United States causes this industry in Victoria to be a most remunerative one. The duty on the manufactured article is \$5 per pound. A new factory has not long since been built up and fitted at a cost of \$6800; and although considerable manufactured opium was imported into the country last year, Victoria bids fair to be the center of the opium trade in Canada, which seems to be increasing, both in production and use, to an alarming extent.

"Chinese and Opium Smuggling to the States"²² (December, 1885)

The Chinese question was being discussed in a prominent restaurant the other evening when a tall, stout, broad-shouldered sea-faring man said that about two years ago he came to this port with a large sloop²³. He anchored in the inner harbor, and one day while repairing part of the rigging a Chinaman came to him and asked if he would contract to take 36 Celestials²⁴ to the American side for \$600. Willing to make an honest living he consented, and one evening started from the harbor with the three dozen Celestial passengers. They brought nothing to eat with them. The weather was very calm and it was three days before a favorable spot was found to land. "The Chinese by this time," the old sailor said, complained that they were hungry, "and after having a good supper before they started, too."

Finding the business profitable it was continued, and many a cargo was successfully landed on the much sought shore. Three Chinese women formed the cargo one trip, a Chinaman going along to look after them, the desired haven being Tacoma. Port Townsend was passed and Tacoma reached at three o'clock one morning. The women were landed all right, having to wade waist deep in water to the shore. An hour after an officer captured them, but the same potent influence that brought them to Tacoma also quietened the officer's ardor, and they were allowed to regain their liberty.

Opium was also smuggled over in large quantities, on one occasion a small revenue boat giving chase. A large craft was also engaged in the same profitable trade, so the sloop sailed alongside it, the customs boat also making for it. Seeing no chance of escape, and not wishing to sink the opium, the sloop's bow was turned

²¹ From VICTORIA'S SLUMS. (1884, November 1). The Victoria Daily Times, p. 3.

²² From RUNNING THE BLOCKADE. (1885, December 5). The Daily Colonist, p. 3.

²³ A sailing boat with one mast and one head-sail.

²⁴ Chinese people were often called Celestials, after a commonly used term for China: Tiāncháo dìguó, 天朝帝國, the Celestial (Heavenly) Empire.

directly for Port Townsend, sailing to the wharf and then around and mixing with the fishing boats, anchoring alongside the revenue cutter²⁵ Wolcott. Preparations had been made to drop the opium overboard if they were searched, but no notice was taken of the audacious move, and the smaller cutter outside thinking, of course, that the Wolcott had looked after the smugglers, did not sail in. The opium was landed, and an honest dollar again successfully made.

For a year this smuggling of Chinese and opium was successfully followed, when business got slack, and the sloop and good will in the business was sold out, a large profit having been made of the year's operations.

When asked if the business was not extensively followed now—a—days, the old sea dog said that, not being connected with it, he knew nothing about it. However, it is well known that operations are still successfully continued, in spite of the increased vigilance of the American customs.

"The Great Opium Seizure"26 (January, 1886)

The seizure of \$44,000 worth of opium made last Thursday by the revenue cutter Oliver Wolcott, in command of Capt. Moore, is without exception the heaviest ever made by any revenue vessel the past twenty years. Though the fact that the people on the Idaho had been carrying opium between Victoria and Portland had come to the knowledge of the collector, and by him and his force the clue had been obtained as to the whereabouts of this large amount of opium; it would have been impossible to have made the seizure had not the Wolcott steamed day and night through the intricate passages of the inland waters of Alaska.

Lieut. Rhodes was the first to discover the barrels containing the opium, though assured by the two men, Michael Martin and Charles Borch, that the same were filled with furs landed by the steamer Idaho on her trip north. That the opium was stored at Kasaan Bay was well assured by Henry Hansen, a seaman belonging to the Idaho, who saw the fourteen barrels placed in the warehouse and who, by a strange coincidence, happened to be a passenger on board the Wolcott. Your correspondent, wishing to get at the true inwardness of this great capture of opium, was fortunate enough to find the right man at the right time, who subjected himself to an interview, as follows:

"How did the customs officials drop on this man Hansen?"

"Well, you see, after the Idaho left here on New Year's day for Portland, it appears that Hansen got left; at any rate he remained around town awaiting her return, and having no money, one of the customs inspectors took pity on him and paid his board. But Hansen, though so kindly treated, would not 'give away' anything concerning the opium still missing, and he continued silent until the Idaho returned and upon going on board to join his vessel he found that the vacancy was filled and another man had taken his place. After the good ship that for years had been his

²⁵ A cutter is a sailboat, like a sloop, but with an additional head–sail.

²⁶ From THE GREAT OPIUM SEIZURE. (1886, January 21). The Daily Colonist, p. 3.

home had gone and left him on a strange beach, he felt lonesome, and again met his friend of Uncle Sam's custom house. Thinking that perhaps he, too, might get a job on the force, he became more communicative, and it was not long before he remembered a number of barrels that had been landed at the fishery in Kasaan Bay.

Collector Beecher immediately telegraphed to the treasury department for permission to leave his district and proceed on the cutter to Alaska and capture the opium. The cutter arrived on Sunday, the 10th inst. The collector and Hanson got on board, and she steamed away for Victoria. The Idaho was there, and when Capt. Carroll was told that she was off for Alaska he made the remark that she would run ashore before she ever got there; he had no idea that the services of Pilot Hicks had been secured, who remained on deck of the cutter until she entered Kasaan Bay, on Thursday."

The Wolcott hauled alongside of Union wharf yesterday morning and landed the fourteen barrels of opium. Collector Beecher and the officers of the cutter were congratulated by their many friends on their successful trip.

The whole amount of opium captured on the Idaho and at Kasaan Bay is $3628\frac{1}{2}$ pounds, valued at \$54,000.

Selling the Great Opium Seizure²⁷ (March, 1886)

The Port Townsend Argus says: On April 20th T. J. Hamilton, United States marshal for Washington territory, will sell 3600 pounds of prepared opium to the highest bidder for cash, at the custom house, at public auction. The opium will be sold in quantities to suit purchasers. This is the opium found by the revenue cutter Wolcott at Kasaan bay, together with what was found on the Idaho at this place. It is to be regretted that it could not have been sold immediately after its capture, as it was then worth about \$2 per pound more than it will bring at the present time, owing to the daily decrease of the number of its consumers.

Clara Murdoch, Smuggler²⁸ (September, 1886)

Clara Murdoch, who has made many trips backward and forward between Victoria and Puget Sound, has been arrested at Port Townsend for smuggling opium. When searched she had thirty pounds concealed in her clothing. She had an ingenious arrangement underneath her skirt in which the opium was hid.

At Seattle Miss Clara Murdock [sic.] pleaded guilty to the charge of having smuggled opium from Victoria into Washington Territory and was fined \$130. Before sentence was passed she rose "tall and graceful" and addressed the court:

"Judge, I have seen fit to plead guilty, and before you pass sentence upon me I would like to make a statement. I know it was wrong to smuggle, but I did it in

²⁷ From OPIUM SALE. (1886, March 21). The Daily Colonist, p. 3.

²⁸ The first paragraph is from FEMALE SMUGGLER. (1886, September 16). *The Daily Colonist*, p. 3. The rest is from Smuggler Sentenced. (1886, September 17). *The Daily Colonist*, p. 3.

preference to something worse. I was placed in very peculiar circumstances, and such a pressure was brought upon me that I was compelled to smuggle or do worse — so much worse that smuggling is honorable as compared with it. Of the two evils I chose the least. If the officers had not caught me this time, they never would, as this was my last trip. From the profits of this trip I expected to go where I could lead an upright, honest, respectable life, and get out from under the control and influence of the power which for two years has been dragging me down. The officers promised to let me go free if I would betray other parties engaged in this business. I refused to do so. I am not the kind of woman who would betray even a dog."

Tricking the Customs Officer²⁹ (October, 1887)

About three weeks ago three customs officers, Messrs. Terry, Gardner and Price were informed, each separately, that two trunks of opium would be shipped over from Victoria. Each, eager to secure the prize, was on the look out for the contraband drug. Terry was on the steamer which brought the drug over from Victoria, and had "spotted" the trunks. In the meantime Price and Gardner had been informed that the opium was en route up the Sound. Gardner meets Terry and converses about general topics, but nothing is said relating to the opium, and in order that suspicion might be averted Terry leaves the car (as the trunks had been transferred from the steamer at Tacoma to the Portland train), for a few minutes. The train officials thought that something of importance was in the air, as it is something unusual to see three inspectors on one train. Terry concluded that it had gone far enough and accordingly at Tenino the trunks were seized and brought back to this city. Neither Gardner or Price paid any attention to the seizure. Their interest suddenly became dampened, and they had no further business in that quarter. Terry came into the collector's office in this city, and after carefully noting that no eavesdroppers were in close proximity, told his chief of his big seizure. The head officials were summoned and the trunks taken into the private department. All the officials were on the qui vive³⁰, and envied Terry his good fortune. When the trunks were opened, however, the proud look Terry had of having accomplished something extraordinary gave place to astonishment at first, then to an utter look of disgust. The opium had been taken from the trunks and sawdust, saturated with oil, had been substituted. With one look of contempt from the collector and a smile of satisfaction from the other officials, all of them left the room in possession of Terry and his contraband sawdust. It is not yet clear how the opium was removed and the sawdust substituted.

²⁹ From AN EXCELLENT JOKE. (1887, October 26). The Daily Colonist, p. 1.

³⁰ A French phrase that at this point in time had come to mean 'alert', so the sentence is saying that these officers were on the lookout. The phrase originally comes from French castle guards, who would ask 'Qui vive?', that is, 'Who lives?' when they noticed someone in the area they were guarding.

"There are so many in the business" (October, 1887)

"I used to do considerable smuggling myself," said a young man who has been engaged in steamboating on the Sound for many years, "but since they cut the price down until there was nothing in it, I quit the business." This remark was overheard by a *Post–Intelligence*³² reporter, who at once seized the opportunity of getting a good item.

Reporter – What do you mean by cutting down the price?

O. P. S. – I mean this. A few years ago we got as much for landing opium in Seattle or Tacoma as in Portland, but now the dealers have cut the price down. They now only pay \$1.50 per pound freight on the stuff to Seattle and \$3.50 per pound delivered in your room in Portland. After the stuff is once in Portland it is all right and the Chinamen will call at your room and carry it away in their wash baskets.

Reporter – What caused this great reduction?

O. P. S. – The trouble is there are so many in the business and so much of the stuff smuggled in that the profits do not justify a higher tariff. Prepared opium in Victoria costs about \$8.50 or \$9 per pound, and the duty is \$10 per pound, hence opium on this side should be worth about \$20 per pound, but instead of that you can get all you can carry at \$15 per pound, and at the auction sales in Port Townsend it sells at from \$11 to \$12 per pound, duty paid. Hence, you can see, there is not a great deal of money in smuggling.

Reporter – Is there much of the illicit³³ trade carried on?

O. P. S. – Oh, yes, lots of it. I know of my own certain knowledge of eleven opium factories in Victoria any one of which is sufficient to supply the demand of British Columbia for the drug. The product of all the other factories, in one way and another finds its way over on this side. I have a friend in Victoria, a half–breed, who is almost constantly engaged in boating opium from Cadboro Bay, a beautiful little inlet near the race track, to San Juan Island. Cadboro Bay is where the steamer Lone Fisherman used to land and take on the contraband stuff when she was engaged in the smuggling business, but I understand her smuggling days, like mine, are over. I have had many close calls, but never was caught, although suspected, and the money I made out of the business was bad money, and never did me any good.

Reporter – Where does this opium go from San Juan Island?

O. P. S. – It is received there and stored until an opportune time, when it is placed on sloops and small steamers and taken to Townsend, Seattle and Tacoma. A good deal finds its way to San Francisco and other California ports, on vessels engaged in carrying lumber out of the Sound. It is not much of a trick to get away with it if a little common sense is used. The great trouble is, men who smuggle, as a rule, will steal and they get to quarreling among themselves. About two weeks ago a

³¹ From OPIUM SMUGGLING. (1887, October 26). The Daily Colonist, p. 3.

³² A Seattle newspaper.

³³ Illegal, or black market, trade.

large shipment in transit to Portland was divided up among the men employed to carry it. I was in Victoria when the matter was found out there, and such "cayeying"³⁴ in Chinatown I never heard before. But I must be careful, or I will give something away³⁵, so we will have to change the subject.

"A new route for the introduction of opium" 36 (February, 1888)

The opening of the Canadian Pacific Railway has opened a new route for the introduction of opium into the United States. Crude opium is imported into Victoria, B. C., where there are now eleven opium factories in full blast. The Canadian duty on the crude article is only twenty per cent. ad valorem, or about fifty cents per pound. After being properly cooked or prepared at these establishments it is shipped thence by steamer to Vancouver, the western terminus of the Canadian Pacific Railway, and from there it proceeds east by rail. At various points along the line of this railway it can be, and is, taken off, and from thence it finds its way by different routes into the United States.

"So great is the decrease" (July, 1888)

The advent of the first of the month found the Chinese population of the province of British Columbia reduced, not by hundreds but by thousands. This depopulation is noticeable, particularly in Victoria and generally throughout the province. The cause is chiefly the completion of the C. P. railway, which brought about the cessation of the principal portion of railway labor, and the depression in wages as compared with what they can command in the United States. Whatever the "bosses" get, the laborer on this side of the line has to be satisfied with 85 cents a day, whilst his cousins on the other side, for doing the same work, can easily command \$1.25. In consequence of these two predominant facts, as many as

FOUR THOUSAND

have crossed the line, some by fair means and some by foul, and at the present moment find themselves in the domain of Uncle Sam. This number is no exaggeration; as the principal merchants have been consulted with upon this particular phase of the Chinese question, and it was their unanimous opinion that the number [that] had left could not be short of four thousand. When asked concerning the method by which such a large number of people could succeed in gaining entrance into forbidden ground, they would reward the curious inquirer with merely a significant smile, and

³⁴ Slang meaning a big uproar.

³⁵ Snitches get stitches, even in 1887!

³⁶ From Brooks, Q. A. (1888, February 17). THE OPIUM TRAFFIC *The Victoria Daily Times*, p. 4. Written by Quincy Adams Brooks (1827 – 1908).

³⁷ From CHINESE POPULATION. (1888, July 28). The Victoria Daily Times, p. 4

A GENERAL "NO SABBE."

So great is this decrease in our Chinese population during the last year or two that the majority of the Chinese merchants are depending almost entirely upon the manufacture of opium and the introduction of the same into the United States in order to do a paying business. In fact it is well known that should the duty on that vice-producing drug be increased so as to be equal to that in the States, the merchants referred to would have to go out of business. Whilst on this subject, it might be interesting to our readers to know that, notwithstanding the fact that the Chinese population of British Columbia has decreased considerably, the number of

OPIUM MANUFACTORIES

has more than doubled during the last year or two. If the drug were animate and could talk, instead of being dead yet possessing at the same time the power to stupefy, it would say, "I am made to find my way into the United States, but before I arrive at my destination, I have to stop over at a little Chinese store near the boundary, where Japanese goods are sold, which store I was told at the beginning of my tedious and dangerous journey, was a branch house of an opium manufacturer in Victoria." The problem would then be immediately solved.

"One of our largest exports" (August, 1888)

That potent, subtle drug, opium, being largely identified with the city of Victoria, and besides being one of our largest exports, must be included in a description of our industries. The output of the Victoria opium factories head the list of other like factories in the United States. Beyond doubt, the high duty imposed on the manufactured article south of the 49th degree gave a great impulse to the production of the drug at a point both within easy access of the prohibited territory, and the nearest port to the land of its production.

In the good old days after the American civil war, when duties were high and John Chinaman made plenty of money in California, before the days of Kearney, great indeed were the inducements for manufacturing the article and for smuggling it into the dominions of Uncle Sam. Money has been made, nay, fortunes have been accumulated, by these means. Who enquires or who cares if you only have the dollars? The founders of ancient houses, some of whose heads are encircled with a wreath of strawberry leaves, were nothing better, many of them, than pirates. Opium smuggling is just as respectable, and why not?

In all likelihood the discontinuance of the manufacture of the drug from the crude article, here in Victoria, is only a mere question of time. The proposed reduction of the U. S. customs tariff will certainly have great effect on the output of the factories at present in operation, and perhaps, who knows but this cause may be the means adopted by an all-wise providence in order to rid our western Eden of the vile debasing presence of a race at variance with all that is good and beautiful in our divine, ordained, Christian civilization!

³⁸ From VICTORIA INDUSTRIES. (1888, August 9). The Victoria Daily Times, p. 1.

To this manufacture of opium must, in a measure, be attributed a superabundance of our Chinese population. Yet to opium we owe our present imperial position in relation to the Celestial empire, the island of Hongkong, and the present magnificent trade with the United Kingdom and her colonies, the Honorable East India Company forced down the throats of the Celestials at the bayonet's point. Certainly, a yard of Manchester cotton and the Bible in one hand, and a musket and bayonet and a pound of opium in the other was not a very Christian-like way to carry out a "trade," But John Company knew what they were about, and the old men in flannel night-caps of Ledenhall street were never far from wrong in a trade matter. "Out of evil cometh good," say the scriptures, and good has resulted from the unprovoked war of '45.

Opium is, as is well known, the inspissated juice of the poppy, sometimes flowing from wounded seed vessels, more generally expressed from them. The white poppy is the source of the opium of commerce. In England the seed is planted in April, [and] its capsules are ready for the bleeding operation about July. This operation is performed by a double-edged knife, a few days after the flower falls, and a brush collects the juice into a receptacle. The white poppy was, and may be yet, cultivated in the south of England, where it yielded some 50 lbs. to the acre. The Levant and India, especially the fertile plains of Bengal, produce the best as well as the most plentiful of crops.

The crude article is, when solidified, made into balls, in which form it is received in Victoria. Here it undergoes a refining process as seen yesterday in Chinatown. The crude ball is cut up into shreds, placed in a brass pan with sufficient water to cover it, boiled, or as John says, cooked; it is then strained, re-cooked, strained and cooked again, and again, till free from all impurities. The black doughlike substance that remains is then worked up by the operator with a short wooden spade, over a slow fire, and when kneaded sufficiently packed in boxes ready for the market, the smuggler, or the smoker. The refined or manufactured article is readily dissolved in water or alcohol. The latter preserves greatest strength, by decomposition, and its essence concentrated produces what in commerce is called morphia or morphine, having all the properties of alcohol. It is in this latter form it finds most favor with us, as many, alas! know to their sorrow. We may despise the Chinese for addiction to the opium habit, yet we patronize it more than we are aware of. Opium has facilitated the enterprises of quacks more than any other dug. We take it without being aware of it in pain-killers, in pills, in cough drops, elixirs and balsams.

There are some ten opium refineries within the city limits. The "bosses" were adverse to giving much information, and the sight of a note book sealed their mouth shut altogether. Charcoal is used in the fires, and what with the heat, the smell of the boiling drug, and the fumes of the charcoal fires, [the atmosphere] was unbearable. The workmen are stripped to the waist and seemed very much at home in the stifling atmosphere.

The manufacture article is principally exported either by fair means or foul, primarily the latter, to the United States. Nearly all shipments east find their way

via the underground railway into the dominions of Uncle Sam, the amount of the article for home consumption being only a small moiety of the output of the factories. Trade is rather dull just at present, and the vigilance or rather the improvement, in the probity of the U. S. customs officials of late, caused a very perceptible decline in the output. The opium market just now is therefore anything but firm and has a downward tendency, consequent on the causes stated. The crude article pays a duty of \$1.00 per pound towards the federal exchequer, and loses in its manufacture a little more than one-third its weight during the process.

"The Attorney-General and the opium traffic" (February, 1890)

The Attorney-General's little bill to amend the license act relating to the sale of opium affords another instance of his propensity to legislate in the interest of class. The existing license act calls for an impost of \$500 a year, and comprehends the entire province in its operation. The little bill to amend the existing act, however, does not as we understand it alter the status quo of municipalities, but outside of these, it reduces the impost to \$100 a year, or \$50 every six months.

It was argued by the Attorney-General, and by the Premier, and by several other gentlemen besides, who never vote other than the straight government ticket, that the existing license rate was so high as to make it worth while to evade the law. It was alleged, in fact, that the present law could not be enforced, hence it was better to amend it by reducing the impost so as not to justify the smuggling operations, or what was practically the same thing, which were being practiced.

The opposition, including Mr. DUCK, opposed the bill. They urged that if the traders in opium were evading the law now, they would still continue to do so, as they dearly loved a dollar and besides, the reduction of the impost to \$100 a year would have a tendency to drive the opium business away from the cities, thus depriving them of a source of revenue. Dealers in opium, in fact, would just step outside the city limits and there carry on their business.

The Hon. JOHN ROBSON and the Hon. Attorney-General, however, could not see it in this light. It was preposterous, they argued, that opium dealers would go to the trouble of carrying on their business outside the limits of municipalities for the little matter of saving \$400 a year. Ridiculous, and both gentlemen resumed their seats with snorts of disapproval at the cavilling opposition. Nevertheless, the Opposition was right, for once, at least.

The reduction of the license to the figures proposed by the Attorney-General could have no other effect than to deprive the cities of what is now a profitable source of revenue. In the case of Victoria alone it would make a difference of nearly \$6,000 a year. The contention that the law as it stands cannot be enforced throughout the province is puerile, and furthermore, if we compare the quantity of opium consumed in the cities with that in the country, it would be better that the present irregularities

³⁹ From THE ATTORNEY GENERAL AND THE OPIUM TRAFFIC. (1890, February 5). *The Victoria Daily Times*, p. 2.

be tolerated than that every Chinese cabin outside city limits should be made the scene of the opium traffic.

It is a plan simple business proposition, that the reduction of the tax as proposed would be the signal for the exodus of opium dealers just outside city limits. It would be a saving of \$400 a year to them, a not inconsiderable sum, and if the Chinese did not avail themselves of the saving offered, the chances are that white men would. It goes without saying that the cities are the greatest consumers of opium, but whether they are or no, it is a plain proposition that if the Chinese of Victoria can save \$5,000 a year by removing their businesses outside the city limits, they will do so.

If whiskey licenses were \$500 a year in the cities, and outside the city limits they were only \$100 a year, and this reduction enabled dealers to sell at five cents a drink, does any rational man suppose that saloons would not be plentiful in the suburbs, and that they would not be well patronized? Depend upon it, Saturday nights and Sundays every bacchanal in town would seek these cheap groggeries on the outskirts of the municipality, and depend upon it, every idle man addicted to drink would make these places his principal rendezvous.

But comment is superfluous. It need only be said that if MONG KOW was Attorney-General he would scarcely venture to legislate in the interests of the opium dealers more flagrantly than this. But let the Attorney-General proceed and let the Premier back him up. Such legislation as this only furnishes electioneering ammunition, simply shows that the Attorney-General is incapable of legislating except in the interests of class.

As has before been remarked by this journal: Give the Attorney-General all the rope he wants and he will hang himself. Let him go ahead in the interests of his Fisgard street constituents and when it shall be apparent that the city revenues have fallen off in the matter of opium traffic, he and his supporters will have some explanations to make which will sorely try their ingenuity.

"The manufacture of opium"⁴⁰ (July, 1894)

The manufacture of opium is one of the most profitable industries in British Columbia, [...] as it employs some 400 or 500 men in making charcoal, which is used exclusively for cooking purposes, in addition to the cooks and other employees. The Canadian license for the manufacture of opium is \$500 a year. The Government, in addition to providing employment for a large number of people, and besides bringing into the country a great amount of money from the United States, derives a neat little revenue each year, all at the expense of the United States.

The development and manufacture of opium is an interesting study. [...] The cultivation of the poppy, from which a juice is extracted and subsequently reduced by boiling until it becomes a liquid resembling molasses, when it is termed refined opium, is carried on in many parts of Asia, Persia, Turkey, and in some parts of

⁴⁰ From OUR OPIUM BUSINESS. (1894, July 11). The Vancouver Daily World, p. 3.

China. The chief district is along the Ganges river, India, and embraces an area 60 miles long by 200 miles in width, and is divided into two districts, Behar and Benares. The cities of Patna and Gazepore are the principal depots or shipping points, where the factories for making crude opium are situated. The producers are required to sell their product to the Indian Government, which in turn supplies the Chinese importing houses.

Before the fields of India were developed opium came from Turkey and Persia, and was used for medicinal purposes for the reason that it contained more than 10 per cent. of morphia, a quality that is too rich for smoking; opium used for the latter purpose contains about 6 per cent.

The method by which opium is manufactured is interesting to observe, although a sickening odor pervades the atmosphere and will cause a novice to become deathly ill. The balls of crude opium are slit open, moistened with water and boiled to a paste. The paste is dried, remoistened and again boiled, after which it is strained. It goes through this process several times, each time being carefully strained and all foreign substances removed until it has a rich brown color. The drug is boiled in large hemispherical brass pans about 20 inches in diameter. The other utensils consist of a bamboo filter, sprinklers, strainers and pots. When it is properly boiled down it is sealed up in brass tins containing six ozs. each.

The factories in China can manufacture a better quality of opium at \$2.50 less a pound than the factories on the Pacific coast. A good opium cook in China is paid \$10 a month and in Victoria \$40 a month. A day's work consists in refining two and a half balls of crude opium, each ball making five five-tael cans of prepared opium. For each additional ball refined it is customary to pay the cook 50 cents.

The evil habit of opium smoking has obtained such power over the Chinese and some classes of white people in the United States that it is a physical impossibility to wholly stop the importation and use of the drug, and the next best measure, it seems, is to adopt some legislation that will stop the growth of the habit and at the same time not defraud the Government of a revenue that it is justly entitled to receive, and which heretofore has gone mostly into the private purses of the smugglers of the Pacific Northwest.

The King of Smugglers⁴¹ (January, 1889)

Just now the papers across the line are proclaiming far and wide the exploits of a regularly organized ring or band of opium smugglers (real or imaginary), which is said to number among its members a quartet of Victorians. Whether such a band exists or not is a debatable question, but the fact is well known to all that the immense profit to be made by placing the "sleepy drug" on the market of the United States without first paying tribute at the Customs House, has induced a few at least to engage in the business of smuggling opium from Victoria to Uncle Sam's domain. The

⁴¹ From A MODERN SMUGGLER. (1889, January 1). The Daily Colonist, p. 8.

operations of these few adventurous spirits possess undoubtedly a certain charm, the spice of danger tinging all they do.

One of the most celebrated, as well as the most daring smuggler of the present period is a little Frenchman, known to his acquaintances in Victoria as Gus Labelle. His figure is a familiar one on our streets, and his happy, innocent, youthful face would be the last in the world to be taken for that of a cool, brave, yet desperate, determined and generally successful opium smuggler; the worst enemy known to the American customs officials, and the pride and leader of the adventurous men to whom he is known as "The King". His passages with the officers of American law have been too many to be recorded and in almost all of his transactions he has outwitted the agents of the government for whose tariff law he entertains little or no respect. His quick wit and cool nerve have helped him out of a multitude of ugly scrapes, the last of which was so close a call that he will not be likely to forget it for some time to come.

In June, 1888, "the King" and his associates determined on risking a larger consignment than usual, in anticipation of reaping a richer harvest, and \$50,000 worth of the drug was shipped from Victoria to Courtwright, a little village a few miles from Sarnia, on the banks of the river St. Clair. Here Labelle was shadowed by the great Chicago officer, McKale, as well as Hussey and Ling, who watched him from a hotel window while he took the opium from the railway station, and placing it in his wagon, drove rapidly off towards the Indian reservation. The detectives followed, and knowing that "the king" could not be in ignorance of the fact that he had been shadowed, saw him safe in his cabin, and, having arrived at the conclusion that he would not dare to risk running his good while he knew their eyes were upon him, returned to their hotel and peacefully slept.

The night was dark as pitch, and the wind tossed the water of the rushing river high in the air in feathery flakes of foam. As the hours rolled on the storm increased until 10 o'clock, when a veritable tempest raged, and the lights of Port Huron could not be seen upon the Canadian shore, across the dark and angry waters of the swift St. Clair. When the American officers confidently decided that no attempt would be made to cross the river during the storm, they failed to consider the reckless courage of the man whom they were watching. Shortly after 10 o'clock, a little row-boat shot out from the Canadian side, and the lightning flash showed that it contained a solitary oarsman. Bidding defiance to the elements as well as the law, Labelle had decided to risk his life and land his cargo in the States before morning light. Twice his little boat was almost flooded by the raging waves; once it narrowly escaped destruction by a passing steamer, and it was four full hours from the time it left the reserve before the keel grated, and "the King" stepped out and disappeared with his valuable cargo in the woods below Port Huron. The opium being again neatly boxed, it was addressed to Indianapolis and expressed from Smith's Creek, on the Chicago and Grand Trunk, marked as a package of books. The express agent at Smith's Creek, a young man named Tibereau, suspecting the contents of the package, was induced by McKale to disclose all he knew of the transaction under promise of \$20,000, and when "the King" visited the express office at Indianapolis to claim the parcel, he was arrested, and taken at once to the custom house, where the package was searched.

Having papers on his person criminating his associates and disclosing their operation, his first move was to destroy them, which he managed to do, unobserved by anyone, the letters, three in number, being hastily *eaten*.

After languishing for forty days in the Indianapolis jail, where he was treated more as a guest than a prisoner, the culprit decided on a bold move, and having been pressed to turn States' evidence, mentioned the names of two prominent Port Huron gentlemen as his partners. In reality they were in entire ignorance of the fact that their friend Labelle, whom they knew only as a hard-working and poorly paid grocer's clerk, was engaged in any more profitable, though less honorable occupation, than in weighing out sugar and tea. The plan of escape that "the King" had resolved on carrying out was developing slowly but surely, however, and his first move was to get out nearer Canadian soil. In order to worm a confession from him as the price of his liberty, he was taken from Indianapolis by special train in charge of the United States marshal. A private statement was then demanded and refused by the prisoner, who remarked that he would only talk in court; and on the morning of the 20th of July, 1888, the order was given to return him to Detroit. Fortunately for "the King," for whom the fates appeared to be working, a legal technicality, which had to be disposed of, delayed the train until dusk had settled down, when it drew out of Port Huron, with twelve special agents of the government and the prisoner on board. The city had been left but five or six miles behind when "the King," who was laughing and chatting with his jailors although handcuffed, asked for a drink of water. He was told to get it for himself, and excited no suspicion by walking toward the car door, opened it and sprang from the steps into the darkness, while the train whirled on at the rate of forty miles an hour. Crashing against and breaking a fence around the cattle guard in his fall, he found himself at the crossing, in the village of Hoptin Works. He arose stunned and bleeding, heard the sharp whistle of bullets; for the train had stopped and the officers were coming in pursuit. He fell again from weakness, but again staggered up and saw what he had not before, that a horse and carriage had stopped at the crossing to avoid the train, which was now backing towards him. The only occupant was a little boy, and to spring in, push him out, and start at a mad gallop for the river, holding the reins with hands bound together by the steel bracelet, was the work of a minute. A terrible drive of seven miles and Marysville, on the river bank, was reached. It was yet early and a ferry boy who had just come in from the river was hauling his boat up on the bank. Springing from the buggy and threatening the unfortunate urchin with a common pipe, which, fortunately for him, made a very satisfactory substitute for a revolver, Labelle compelled him to land him on the Canadian shore. At the reservation a friend relieved him of the handcuffs, and after writing from Sarnia to thank his former guardians for their kindness, and advise them of his safe arrival in the fair Dominion, he bade adieu to Sarnia and returned to Victoria, where he is now apparently quietly living the life of an unassuming citizen.

Pig Iron Kelly⁴² (1894)

Although published in 1916, this article describes a smuggler who disappeared around 1894.

"Pig Iron" Kelly, [...] the king of Puget Sound smugglers, disappeared from this district about 22 years ago, [in 1894,] when the smuggling of Chinese across the line had aroused considerable attention from the authorities. There was a time when the opium factories of Victoria had a large export trade, and the object of the smugglers was to get it into the United States custom free by dodging the revenue officers.

Kelly [...] had a distinctive mark on the cheek from a pistol shot which made him a man once seen not likely to be forgotten. It was supposed to have been derived from a wound in the American civil war, when Kelly fought for the Confederates, the story being that when the war was over Kelly vowed to devote his life to acts of retaliation against the union.

The chief remembers quite well an exciting episode when the police attempted to arrest Kelly under one of the wharves here, and eventually one of their number secured him concealed in the timbers underneath. All kinds of articles, everything, in fact, that was not fastened down, used to disappear from schooners and other shipping in the inner harbor when Kelly came to town, and a very sharp watch was kept upon him. His habit was to conceal the stolen goods and run in a fast boat across to towns on the American side where he disposed of the ill-gotten gains to "fences."

Larry was wonderfully expert with his sailing boat, and was a skillful seasman who tested again and again the capabilities of the patrol boats running to and for to the San Juan islands.

"The smugglers," said [Police Chief Langley,] "used to have a series of lights flashed by confederates at certain points on the adjacent islands, and as we watched they would send out their beams over the dark waters, and then suddenly disappear at intervals as pre-arranged.

"In addition to opium smuggling in all kinds of receptacles, running of Chinamen as a cargo was no uncommon thing. The Oriental taking the 'underground' route to the States had his nerve and the characteristic indifference to fate, for if overhauled by a revenue boat very frequently the hapless man would be tied up, a weight attached to the body and dropped overboard, so that by the time the government boat came alongside there was nothing on board except the peaceful implements of the fisherman's craft."

The chief remembers Kelly being arrested and when manacled refusing to walk, giving the patrol a lot of trouble with him en route to the penitentiary. [...] Kelly disappeared as suddenly as he had come, without leaving a trace behind him.

 $^{^{42}}$ From RECALLS CHARACTER OF SMUGGLING DAYS. (1916, July 13). The Victoria Daily Times, p. 5.

The Beginning of the End for the Opium Industry

Four things happened to end Victoria' opium trade. First, competitors from Hong Kong engaged in predatory pricing to try to drive Victoria out of business. Second, the Chinese population of Victoria fell after the completion of the Canadian Pacific Railway in 1885 – 1886. Third, in 1894 the United States cut its import tax on opium in half, meaning that smuggling was no longer profitable. Finally, legislation passed from 1908 to 1911 made opium illegal.

Sing Wo: from Hong Kong, to Macao, to Victoria⁴³ (May, 1888)

The Sing Wo opium syndicate tried and failed to drive Victoria's opium factories out of business. This article explains their background.

At the beginning of the manufacture of opium in Hong Kong, about twenty years ago, the government at first followed the system of licensing every firm that paid the fee. This continued in force for about five years, when the authorities came to the conclusion that it would pay better to sell the right of exclusive manufacture to the highest bidder. Most prominent among the firms manufacturing were Fook Loong, Lai Yuen, Hop Loong and Wah Hing. When the government proposed to let the exclusive right by tender, Fook Loong and Lai Yuen combined and succeeded in obtaining the first lease for four years, under the name of Yen Wo. After the expiration of the four years Hop Loong and Wah Hing outbid the Yen Wo combination and opened up under the firm name of Chop Sing. For the first and second four years the firms holding the lease paid to the government about \$150,000 pre annum for the privilege. The four firms mentioned at the end of the two leases decided that they would reduce the figure paid, and combined for that purpose under the name of the Sing Wo Co., and each put in a bid. By this strategy they succeeded in obtaining the four-year lease at the rate of \$130,000 per annum.

On the first of January, 1886, a new combination of Chinese was formed to oppose the Sing Wo Co., principally comprised of some rich firms from Singapore. They bid \$180,000 for the lease and secured it, working under the name Fook Tuck, having a rooster for their brand. The Sing Wo Co. then moved their apparatus to Macao, a Portuguese settlement, some twelve hours by steam from Hong Kong. They began, and still are, manufacturing opium at this point, shipping in bond to Australia and from thence to the United States. Since Fook Tuck started, the British and Chinese governments entered into an agreement to establish a bonded customs warehouse in Hong Kong. All crude opium destined for any part of China has to go into this warehouse, and when taken out for shipment to any Chinese point it is subjected to a duty of \$160 to the case. This amount is equally divided between the two governments. Crude opium shipped to foreign ports passes through the custom house in bond and is subject to no duty. The Fook Tuck Co. are privileged to take out

⁴³ From THE OPIUM TRAFFIC. (1888, May 8). The Victoria Daily Colonist, p. 4.

of bond ten cases daily, each containing 160 pounds of crude, without payment of the duty. In this way they are enabled to control the manufacture of prepared opium in Hong Kong, and its sale in China. The daily consumption of this firm is estimated at one thousand pounds refined or sixteen hundred pounds crude opium. In order that their rights might not be infringed upon by smuggling or by other means, the Fook Tuck Company employ a large detective force to watch every vessel or steamer entering Hong Kong. The profits obtained are enormous. The only opposition received is that from Sing Wo Co. at Macao, and this in the foreign trade only, the wholesale and retail trade of China being effectually guarded.

The Sing Wo Co. are an immensely wealthy firm, and manufacture at Macao the finest opium, known in the commercial world as the "Tai Yuen brand." It obtains a higher figure than any other brand of the seductive drug.

The Sing Wo Co. started a branch in Victoria three years ago under the name of the Sing Wo Chang Co., with the avowed object of driving the other firms from the trade. To accomplish this they reduced the price from \$10 to \$7 per pound. However, they did not succeed, the other factories having a general business to aid them in fighting the Sing Wo, who manufactured opium exclusively.

There are now thirteen factories in operation in this city, with an annual output of nearly 90,000 pounds, but owing to the competition from Sing Wo, there is little profit compared to that made in earlier years. Altogether there are 900 cases of crude opium imported to this port during the year, on which is paid for duty \$160 per case, a total of \$144,000. The annual license fee is placed at \$500, so altogether the Dominion receives over \$150,000 each year from the manufacture. The value of the opium prepared in Victoria is in the neighborhood of \$600,000. Of course this large amount is not consumed in Canada, but is exported to Honolulu and various points in the United States.

It is stated that the Sing Wo Chang Co. have lost \$40,000 during the three years they have been warring against the other firms, and are likely to lose more if they keep up the fight, for the local firms show no sign of giving up.

Low Prices from a Rival⁴⁴ (June, 1889)

The fact that several opium cooking firms have stated their intention of discontinuing the manufacture of the drug is significant. It proves that the manufacture and "export" of the seductive drug have become unprofitable. This is not the case because of a decreased consumption. There are many – whites and Chinese – who are still ready and willing to carry on the "export" of the article, for they have been successful in evading the customs officers and in making large profits.

The sole reason for the decrease is competition. The large amount of opium manufactured in Victoria and smuggled to the States in the past has had a serious effect upon the opium trade in Hong Kong where a high price has always been paid

⁴⁴ From OPIUM "EXPORT". (1889, June 21). The Daily Colonist, p. 1.

⁴⁵ Smuggling.

the government for exclusive control of the trade. The firm having this control about a year ago opened out a branch here – Sing Wo Chang⁴⁶. This company made and sold the opium at a rate in which there was no profit – in fact an actual loss. However, they opened out with the intention of killing off all competitors, having some \$100,000 to sink before giving up the attempt. What they lost in Victoria they hoped to make up by increased exportation from Hong Kong. The closing up of several factories here is an evidence that Sing Wo Chang Co. are succeeding.

At the present time opium is sold here at less than cost by all firms, and there are several companies who are determined to make the Hong Kong company lose as much money as possible in the competition before they acknowledge their defeat. The few seizures by customs officers of late shows that there is a great falling off in the 'export' trade, once so profitable all round. In former years fully 90,000 pounds of opium were put up in Victoria. Now there is not half that amount, and it looks as though the business was about to be killed off altogether. The government is a heavy loser in the shape of duties and licenses – that for an opium factory being \$500. Until lately there were fourteen factories.

"The dullness of business" 47 (March, 1890)

Kwong On Tai⁴⁸, one of the largest opium dealers in the city, has closed his store on account of the dullness of business which is attributed to the large decrease during the last few years of the Chinese population, and also to the fact that not so much of the drug is being smuggled into the States. The firms of Sing Wo Chang and Lung Chung⁴⁹ are also contemplating going out of the business on the same account. These three firms are about the largest, with the exception of Tai Yune⁵⁰, in Victoria, and have all invested large sums of money in their trade.

In conversation with the COLONIST reporter, Tai Yune, the largest dealer in the province, said that during the last four years the Chinese population of Victoria had dwindled down from 7,000 to less than 3,000. He also said that the large dealers would sooner pay the \$500 license than \$100, as, if the latter sum was instituted for the \$500 tax, a large number of small firms would spring up.

Several other dealers were called upon and they all complained of the slackness of business, which had been diminishing for the last few years on account of the lessened Chinese population. Some also thought that the action of the bricklayers' union in refusing to work on buildings with Chinamen would force many more Chinamen to leave town.

⁴⁶ Located at 5 Cormorant Street.

⁴⁷ From THE OPIUM TRADE. (1890, March 21). The Daily Colonist, p. 1

⁴⁸ Kwong On Tai & Co. also imported other Chinese goods. Their store was at 24 Cormorant Street.

⁴⁹ Lun Chung & Co. was also an importer/exporter of general Chinese merchandise. Their offices were at 26 Cormorant Street (next door to Kwong On Tai).

⁵⁰ Despite their dominance of the opium trade, Tai Yune & Co. still considered themselves general merchants. Their store was at 135 Government Street.

A Celebration of the End⁵¹ (February, 1894)

Chinese New Year opened at midnight on Sunday with somewhat more impressive ceremonies than usual from the Oriental point of view, though to the ears of the white population, who were roused from their beauty sleep by the din of exploding firecrackers, it had the same old accustomed sound. It seems that owing to the Wilson bill reducing the duty on opium to what practically amounts to a minimum, the big manufacturing concerns here have decided to go out of the business, and they are choosing the New Year as a fitting occasion to make a big final "blow out," each firm vieing with the other in the extent of their display of hospitality and fireworks. To Tai Yune & Co. belongs the honor of firing the longest continuous volley of firecrackers that ever saluted the ears of Victorians. They had it on a string that ran from the roof of the store to the sidewalk. A street parade of the actors of the Chinese theatrical company, in costume, took place through Chinatown, and the usual feasting and merrymaking started in with the crackers. The festive John⁵² hangs up the washboard and the tub, and for the next few days will devote himself to exercising on the sundry instruments that captivate the Celestial musical critic. The quantity of New Year's greetings that are passing through the mails is even greater than sent during our own holiday season this winter.

Lower Taxes are Bad for Smugglers⁵³ (March, 1894)

A Chinaman entered the American Consulate yesterday morning in a great state of excitement, under the impression that after all the Wilson bill⁵⁴ now before Congress was going to leave the opium duty⁵⁵ at \$12 a pound as at present. He was considerably disappointed when informed that such is not likely to be the case. It seems that he had misunderstood a Washington dispatch⁵⁶ in the COLONIST yesterday in regard to the tariff bill. This incident shows that the Chinese of Victoria are closely watching the tariff legislation, so far as it concerns their interests, and a talk with any of the more prominent Chinamen makes it plain that they are wonderfully well posted in regard to the situation. The approaching disaster to the opium manufacturing industry here, has in fact been the chief topic in Chinatown for some time.

⁵¹ From THE CITY. (1894, February 6). Victoria Daily Colonist, p. 5

⁵² 'John Chinaman' was a common, racist term for any Chinese male.

⁵³ From CHINATOWN AGITATED. (1894, March 22). Victoria Daily Colonist, p. 8

⁵⁴ The Wilson–Gorman Tariff Act, passed by the United States Congress in 1894, lowered tariffs on many goods, including opium, and implemented a temporary income tax. The income tax was supposed to pay for the money lost by the government because of the lower tariffs.

⁵⁵ Tax.

⁵⁶ "The tariff bill, as modified by the Senate committee on finance, was reported in the Senate to-day and was ordered to be printed and placed on the calendar. Mr. Voorhees, (Democrat, Ind) who made the report, gave notice that he would ask the Senate to begin the consideration of the bill on Monday, April 2, and said that he would then be prepared to make a statement in relation to it." U.S. Tariff Bill. (1894, March 21). *Victoria Daily Colonist*, p. 8

One leading Chinese merchant yesterday stated the case from an opium manufacturer's point of view. There is no question, he said, that if the duty on opium going into the States is lowered, the business of making it in Victoria will be ruined, as it would then be impossible to compete with the Hongkong article; and then, instead of there being some twelve firms extensively manufacturing opium in this city as at present, there will remain but the sorry remnants of the business called for in supplying local demands. At present about 160,000 pounds of crude opium are imported into this province for manufacturing into the finished article, and at \$1 a pound (the duty) the Dominion will lose the greater part of \$160,000 a year. The city, if it does not grieve for the Chinese who will have to leave when their means of livelihood is taken away, will be affected to the extent of about \$5,000 paid in licenses. There have been nearly 300 Chinamen, he said, employed in this connection, mainly in making charcoal for the fuel used in the manufacture of the opium.

Tai Yune, the head of the largest opium firm in town, was quite communicative on the subject. Crude opium is procured chiefly from India, he explained in discussing the subject. In Hongkong, Victoria's great competitor in the business, the crude material is admitted free, whereas \$1 a pound has to be paid here. Opium can be sold in Hongkong for \$3, while in Victoria \$6.80 is charged for the best. This is the finest or Li Yune brand. Only when smuggled into the States could Victoria opium be sold there in competition with the Hongkong "dope" while the duty stood at \$12. Let the United States cut this duty down to \$6, however, and it would be impossible for opium under any circumstances to be taken in from Canada on a paying basis. In Hongkong the opium trade is in the hands of what is practically a monopoly, who pay a good round sum for their privilege. The reason given by Tai Yune for the Hongkong finished opium being considered the best in the market is that the hot climate of that part of the world is more favorable for keeping opium in good condition after it is manufactured.

According to a Chinaman holding an eminent position among his countrymen here, the Hongkong opium monopoly must have tampered with the author of the Wilson bill, and thus induced him to so fix the opium duty as to secure the American market for their product. The Celestials cannot believe that Mr. Wilson has thus interrupted the course of their business from disinterested motives.

"In anticipation of the Wilson bill" 57 (May, 1894)

In anticipation of the Wilson bill becoming a law and thereby lowering the duty on opium from \$12 to \$6 a pound, ten opium factories or "cookeries" in British Columbia have ceased operation. The industry in that particular line is about paralysed, so to speak, and the four factories now running employ less than one-half the number of cooks formerly employed. On March 1 there were about fifteen tons of prepared opium stored in the warehouses in British Columbia ready for the market. The merchants, however, hope to dispose of their stock before the passage of the new

⁵⁷ From COOKING OF OPIUM. (1894, May 7). The Seattle Post-Intelligencer, p. 3.

tariff law. They fully realize that if the duty is lowered to \$6 a pound their products will be practically shut out of the American markets for the reason that they cannot successfully compete, either to quality or price, with the manufacturers of China. In Macao and Hongkong, the big opium manufacturing centers of China, the actual cost of refining one five-tael can of opium, which contains six ounces, is \$1.75. In British Columbia the same article costs not less than \$3, and the flavor and quality is much inferior to that of the Orient. The water and atmospheric conditions of China appear to be better adapted to cooking or refining opium than on the Pacific coast.

A fact about the consumption of opium in the United States is that when the tariff was \$6 a pound, nearly twice the amount of opium was imported and paid duty as when the duty was \$10 and \$12 a pound. From 1880 to 1883, a period of nearly four years, while the duty was \$6 a pound, the same as proposed in the Wilson bill, 500,000 pounds were imported to the Pacific coast, on which a duty of \$3,000,000 was paid, averaging \$750,000 a year. From 1883 to 1890 the duty was raised to \$10 a pound, and there were 414,000 pounds imported, from which the government collected a customs tax of \$4,175,000, or \$600,000 a year. Since the enactment of the McKinley law in 1890 the duty has been and is \$12 a pound on crude and refined opium containing less than 9 per cent. of morphia. During that period 190,000 pounds was shipped into the united states, the duties aggregating \$2,250,000, and the annual import was 63,000 pounds a year, which netted an annual revenue of \$750,000. Thus it is apparent that under the low tariff more than double the amount of opium was shipped into this country than during the periods of high tariff, but the government did not receive any more revenue. Under the present law the manufacturers of China are able in a measure to successfully compete with the British Columbia factories after paying a duty of \$12 a pound and allowing the latter the benefit of avoiding the duty tax by smuggling their product into the United States. The China exporters manufacture a superior quality of opium, and pay the duty and retail it in San Francisco markets at \$15.50 a pound. Only twice in the history of the Puget sound customs district, once in 1888 and again last January, was opium regularly imported through the custom house, and then in small quantities, although it is a well-known fact that hundreds of tons have been smuggled across the boundary line.

The British Columbia factories depend solely on smugglers to get their product into the American markets. The United States government prohibits foreigners from engaging in the manufacture of opium, and also imposes an internal revenue tax of \$10 a pound. This, together with the duty of \$12 a pound on crude opium, entirely wipes out the profits in domestic manufacture. The average quality of opium in Victoria and vicinity cannot be purchased for less than \$6.80 a pound; add to this the cost of transportation to San Francisco, the opium-consuming center of the United States, a reasonable rate for probable loss by seizure or theft, and a profit of say \$2 a pound for the smuggler, and it will be apparent that British Columbia opium placed on the market in California cannot be sold for less than \$12 a pound. Imported China opium retails for \$3.50 more a pound, and on account of its age and superior flavor is much preferred to the other qualities. Opium is similar to whisky – it improves with age. Chinese will gladly pay an extra fancy price for opium more than ten years old.

The manufacturers in China are immensely rich, and they gauge their output by the demand, always keeping a large stock on hand, that it may increase in value as it ages.

The tariff in British Columbia on crude opium is \$1 a pound, and on refined opium \$5. In February, when the house passed the Wilson bill, several Chinese merchants in Victoria became frightened and shipped back to China sixty-five cases of crude opium, each case containing 160 pounds. One firm in that city, up to last February, made a specialty of shipping prepared opium to Toronto, Canada, averaging from 1,000 pounds to a ton each month. This opium eventually finds its way into the United States. Customs officers have learned of several instances where opium was shipped to Eastern Canada, smuggled into the United States and then shipped back to San Francisco.

John A. Van Bokkelen, of this city [Seattle], formerly a customs inspector, who was for a long time stationed at Vancouver, B.C., investigated the subject of opium manufacture in British Columbia and submitted a synopsis of his researches to the treasury department. His report was very exhaustive, dealing with the question in all its phases and showing the enormous quantities of the drug manufactured in that province and the profits in the business of smuggling. Following is a tabular statement he prepared, showing the factories and number of cooks employed October 1, 1893, and March 1, 1894.

FIRM.	Annual Capacity, lbs.	NUMBER OF EMPLOYÉS.	
		Oct. 1, 1893	March 1, 1894
Tai Yuen & Co., Victoria	31,500	14	10
Kwong Man Fung, Victoria	15,600	7	2
Lai Hop, Victoria	13,500	6	-
Sing Kee, Victoria	9,000	4	-
Kwong Yuen Tai, Victoria	15,600	7	-
Kwong On Lung, Victoria	15,600	7	-
Kin Tai, Victoria	11,100	5	-
Fook Yuen, Victoria	13,500	6	-
Tai Soon, Victoria	11,100	5	-
Hip Lung, Victoria	9,000	4	-
Yick Yuen, Nanaimo	2,100	1	-
Kwong on Wo, Westminster	4,500	2	1
Hip Tuck Lung, Vancouver	4,300	2	1
Wing Sang & Co., Vancouver	2,100	1	-
Total	$158,500^{58}$	71	14

⁵⁸ Corrected from the original, which read 159,400.

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It is conservatively estimated by the American customs officials that fully two-thirds of the product is smuggled into the United States, whereby the government is defrauded out of a revenue aggregating \$1,270,000 a year. The manufacture of opium is one of the most profitable industries of the British province, Mr. Van Bokkelen contends, as it employs some 400 or 500 men in making charcoal, which is used exclusively for cooking purposes. In addition to the cooks and other employés, the Canadian license for the manufacture of opium is \$500 a year. The government, in addition to providing employment for a large number of people and bringing into the country a great amount of money from the United States, derives a neat little revenue each year, all at the expense of the United States. Mr. Van Bokkelen further says that the adoption of the proposed \$6 a pound duty would have the immediate effect of closing down the opium factories in British Columbia, breaking up the smuggling rings, but will not increase the government's revenue to any perceptible extent.

The development and manufacture of opium is an interesting study. The Chinese are the greatest consumers in the world. Next to that race come the Burmese and the inhabitants of the straits of Malacca, the latter consuming opium to the value of £1,000,000 annually. The cultivation of the poppy, from which a juice is extracted and subsequently reduced by boiling until it becomes a liquid resembling molasses, when it is termed refined opium, is carried on in many parts of Asia, Persia, Turkey and some parts of China. The chief district is along the Ganges river, India, and embraces an area 600 miles long by 200 miles in width, and is divided into two districts, Behar and Benares. The cities of Patna and Gazepore are the principal depots or shipping points, where the factories for making crude opium are situated. The producers are required to sell their product to the Indian government, which in turn supplies the great Chinese importing houses. Before the fields of India were developed, opium came from Turkey and Persia, and was used for medicinal purposes for the reason that it contained more than 10 per cent. of morphia, a quality that is too rich for smoking; opium used for the latter purpose contains about 6 per cent. In India the seed of the poppy is planted in November, it flowers in January, and a month later the capsular bulb attains the size of a hen's egg, when it is punctured by a sharp instrument, when a thick juice flows out and accumulates on the outside of the bulb. The next day the gum is carefully scraped off, and after undergoing a drying and kneading process of several weeks, is rolled up in balls weighing four pounds each, and prepared for exporting. The Indian government derives an income of £200 sterling for each chest, which contains 160 pounds. Good poppy soil will produce about sixty pounds of refined opium to the acre. Most of the crude opium is shipped to China, where three large opium factories are located. Two of the factories, managed by the Fook Lung and the Lai Yuen Companies, are located in the Portuguese colony of Macao, about seventy-five miles from Hongkong. At the latter place, an English colony, Fook Hing & Co., have a monopoly for that part of the British possessions, and pay the government an annual revenue of \$300,000 for the privilege. All other opium found in that district is seized and turned over to the Fook Hing Co. The two former firms manufacture over 2,500 pounds of opium daily.

The method by which opium is manufactured is interesting to observe, although a sickening odor pervades the atmosphere and will cause a novice to become deathly ill. The balls of crude opium are slit open, moistened with water and boiled to a paste. This paste is dried, remoistened and again boiled, after which it is strained. It goes through this process several times, each time being carefully strained and all foreign substance removed until it has a rich brown color. The drug is boiled in large hemispherical brass pans about twenty inches in diameter. The other utensils consist of a bamboo filter, sprinklers, strainers and pots. When it is properly boiled down it is sealed up in brass tins containing six ounces each. The factories in China can manufacture a better quality of opium for \$2.50 less a pound than the factories on the Pacific coast. A good opium cook in China is paid \$10 a month, and at Victoria \$40 a month. A day's work consists of refining two and a half balls of crude opium, each ball making five five-tael cans of prepared opium. For each additional ball refined it is customary to pay the cook 50 cents.

Mr. Van Bokkelen has given the opium question serious consideration, and is fully convinced that the proposed duty of \$6 a pound would have the immediate effect of stopping smuggling, and perhaps increasing the government's revenue. The firms of China will have a better opportunity of honestly competing with the illicit northern factories and at the same time pay the United States government a handsome revenue. The evil habit of opium smoking has obtained such power over the Chinese and some classes of white people in the United States that it is a physical impossibility to wholly stop the importation and use of the drug, and the next best measure, it seems, is to adopt some legislation that will check the growth of the habit and at the same time not defraud the government of a revenue that it is justly entitled to receive, and which heretofore has mostly gone into the private purses of the smugglers of the Pacific Northwest.

War and the Opium Trade⁵⁹ (August, 1894)

The Seattle Telegraph says: "The owners of the opium factories or cookeries in British Columbia, according to the local customs officers, are rejoicing over the fact that China and Japan are just now engaged in cruel war⁶⁰. They have a good reason for rejoicing. When war was declared between the two great nations China forbade any exports leaving the country. As a consequence opium from the China factories cannot be obtained and the British Columbia factories have a grand opportunity to dispose of about fifteen tons of opium, which is awaiting shipment in the warehouses and which, by the passage of the Wilson tariff bill⁶¹, would not find a ready market.

"A government officer who has been spending several days in British Columbia was in Seattle yesterday. He said that persons who were in a position to speak

⁵⁹ From THE WAR AND OPIUM. (1894, August 9). *The Daily Colonist*, p. 3.

⁶⁰ This is now called the First Sino–Japanese War, and lasted from July 1894 to April 1895. China and Japan were fighting for control over Korea. China lost the war and signed the Treaty of Shimonosekei, which recognized Korea's independence and gave Taiwan, along with several other islands, to Japan. ⁶¹ More on this bill below.

intelligently on the subject had informed him that the opium manufacturers in that country have already opened negotiations to dispose of the greater portion of the dope which they now have on hand. It will be disposed of at a very small price, the manufacturers being only too glad to get a small profit on it instead of losing everything. It is an open secret that the British Columbia manufacturers have to depend solely upon the smugglers in order to find a market for their product. The stuff is usually given to the smugglers on commission. When it became known some months ago that the Wilson bill provided for the reduction of the duty on opium from \$12 to \$6 per pound the British Columbian manufacturers became scared, for they well knew that with the duty so low they would find it impossible to compete with the China manufacturers. Hence they raised a big purse and at present have representatives in Washington city at work endeavoring to have congress continue the \$12 duty on dope. It is hardly likely that they will succeed in keeping the duty. The manufacturers realize this and until the Chinese government ordered that no goods be exported from that country they thought that they would not only lose future profits, but fail to sell the stock already on hand. Chinese will not buy British Columbia opium except when they can't get the stuff which comes from China factories. The British Columbia opium is much inferior to that made in the Orient. In China good opium can be bought for \$1.75 per five—tael⁶² can, while an inferior quality in British Columbia costs \$3. Then, too, the British Columbia factories have a much greater expense. They pay their cooks \$40 a month each, while in China a good cook can be secured for \$10 a month.

"When the duty on opium is reduced the stuff can be lawfully brought into the United States and sold much cheaper than can smuggled opium from the British Columbia factories. In Seattle's Chinatown considerable opium is used and the men who purchase it invariably insist on the China production. Just at present, however, they are in need of a supply, and as it can't be brought from China the customs officers say the local Chinese will willingly purchase the British Columbia stuff, as they can get it at a low figure."

The Wilson Bill passes⁶³ (August, 1894)

The passage yesterday of the new amended American tariff bill had its immediate effect in this city of closing down all the large opium factories which for years have done business here, employing between fifty and sixty men and contributing in the neighborhood of \$200,000 annually to the revenue. The firms

⁶² The tael (leung, 兩) is a Chinese unit of weight equal to about 37.8 grams. Five taels is about 189 grams, or about 40% of a pound.

⁶³ From OPIUM FACTORIES CLOSED. (1894, August 15). Victoria Daily Colonist, p. 5

referred to are those of Tai Yune, Quong On Lung, Chong Yuen Tai, Quong Man Fung, Hip Ling⁶⁴, Lai Hop⁶⁵, Tai Ling, Ying Ching Lung⁶⁶ and Sing Kee⁶⁷.

The proposition in the United States Congress to lower the duty on opium to \$6 per pound had put all the firms on their guard, and the closing of the factories was not altogether unanticipated. Opium smuggling from this city to the republic over the straits is now at an end, and Chinese exportation is also practically extinct as a branch of business since which a few months ago many a dollar was to be nimbly turned.

For some months past the C. P. R.⁶⁸ and N. P. R.⁶⁹ liners have brought fewer and fewer Chinese to the country, and these few for the most part returning merchants who have their homes and "stake" in British Columbia, and who therefore have no desire to go across the border. The prevalence of Black Plague in Hongkong in May, June and July⁷⁰ accounted for the light steerage lists; now the Chinese who might care to come over cannot, as the war with Japan⁷¹ has induced the government of their country to issue very strict orders in regard to leaving the fatherland where every man may possibly be required for military service.

The raw opium carried in stock here by the Victoria factories is said to have all been held in bond awaiting the turn of affairs at Washington; it will now be sent back to Hongkong, and the factories of this city will become things of the past, only to remain as memories of what were once features of a very profitable industry, as well as "sights" which no curious visitor to British Columbia's capital could afford to miss.

"Only one way to stop opium smuggling"⁷² (September, 1894)

To most people smuggling means thieving without being dishonest. Even when the cheat is a small one there is a fascination about the practice, but in the case of opium smuggling there is the added fascination of immense profits, and the other

⁶⁴ Probably Hip Lung & Co., dealers in Chinese merchandise (and opium), 22 Cormorant Street.

⁶⁵ Not all of the businesses on this list were officially opium dealers. According to Henderson's Victoria Directory for 1890, Lai Hop was a provisioner located at 37 Fisguard Street.

⁶⁶ Probably Ying Chong Lung, a grocer with a store at 37 Cormorant Street.

⁶⁷ Sing Kee was a vegetable dealer with a business at 67 Cormorant Street.

⁶⁸ Canadian Pacific Railway.

⁶⁹ The Northern Pacific Railway, a transcontinental U.S. railway. "The first of the transcontinental railroads to reach the Pacific Northwest was the Northern Pacific, which built to Portland in 1883, three years before the completion of the Canadian Pacific. [...] [The] Northern Pacific Steamship Company [...] began service in July, 1892, with chartered British steamers. This line from Tacoma to the Orient continued until 1901." Kemble, J. H. (1949). The Transpacific Railroads, 1869 – 1915. Pacific Historical Review, 18(3), 331–343.

⁷⁰ "The black plague at Canton, Hongkong and elsewhere has spread with great rapidity, and native and foreign colonies are in a state bordering on a panic. The ravages of the pestilence have been aggravated by drought extending over eight months. The epidemic has assumed a virulent form. In six hours thirty-three deaths were reported in Hongkong." Black Plague in China. (1894, June 8). *Victoria Daily Colonist*, p. 3.

⁷¹ The first Sino-Japanese War was fought from 1894 to 1895.

⁷² From OPIUM PAYS NO TOLL. (1894, September 23). The New York Sun, p. 25.

solid incentives of an increasing demand, convenience of handling, and a limitless line of operations. For these reasons the smuggling of opium into the United States stands on record as the most extensive, most persistent, and most elusive form of defrauding the revenue with which the Government has to contend. Assistant Secretary Hamlin is now making a personal investigation of the subject, and while his report will doubtless be valuable and full of admirable recommendations, it will no more put a stop to opium smuggling than have the reports of his predecessors in office done so.

There is only one way to stop opium smuggling, and that is – remove the duty from opium.

There are five reasons why this argument is a good one:

- 1. The record of the prohibitory tariff is a record of smuggling. Up to 1871 the duty on opium was 100 per cent. of its value and the Custom House receipts went down to nothing. From 1871 to 1883, inclusive, the duty was \$6 per pound, and that was the period of the great opium rings on the Pacific slope. From 1884 to 1890, inclusive, the duty was placed at \$10 per pound, and under the charm of this large figure opium smuggling spread from Washington to Maine. The McKinley bill raised the tariff to \$12 per pound, and the Treasury officials admit that practically all the drug brought into the United States was smuggled. At present the duty is back again to \$6 per pound, and why that rate should wipe out opium smuggling now any more than it did before, when the demand for the drug was not nearly as great, does not seem very clear.
- 2. The profits of the trade are so enormous, and are so easily made. Prepared opium is put up in five-tael boxes, made of yellow copper. They are of the size and shape of a sardine box, and weigh a trifle under half a pound. The drug costs from \$7.50 to \$10 per pound in Hong Kong or Victoria, B.C., and sells for from \$17.50 to \$20 per pound in our markets. It can be easily handled, it does not deteriorate by keeping, you can slip it anywhere, and carry it conveniently.
- 3. The vastness of the line of operations. Naturally, opium smuggling was limited at first to San Francisco. That city had the only great Chinese colony, and the terminals of intercommunication with the Orient were its wharves and those of Hong Kong. With the spread of the Chinese to Eastern cities, with increased steamship communication between Asian ports and those of our northern and southern neighbors on the Pacific, but above all, with the opening of that iron line of menace, the Canadian Pacific Railroad with all these changes came a vast expansion of the field of smuggling. When confined to one port, and with every local newspaper nagging at the heels of the Custom House officials, smuggling could not be prevented. At present the line stretches from Quebec westward across the country to Victoria, B.C., and from Victoria clear down the coast to Panama, with a cross line on the Mexican border. To organize and maintain a Custom House force that will stop up every hole along that frontier through which a five-tael box can be pushed is a task that will occupy some of Mr. Hamlin's best moments.
- 4. The extent and character of the other side. The story of opium smuggling, as will be seen, is not exactly that of individual adventure. It is a story of exceeding craft

- the craft of the cunning O---- against the simple horse sense of political appointees trying to do fine detective work; and of that plain fact which has grown into a trumpet-call in New York, that if you can find a man low enough to offer a bribe, you can always find another dishonest man to take it.

5. The wonderfully increased demand for the drug. The importation of opium into this country may be said practically to co-date with the importation of the Chinese. In 1870 the Custom House records show the importation of 12,603 pounds of prepared opium. Ten years after, the record had risen to 77,196 pounds, and in 1890 the figure stood at 79,831 pounds. Within these two decades there were years of extreme fluctuation – 1883, for example, when the imports rose to 298,153 pounds, and 1884, when they sank to 1,066 pounds. These extremes, however, are due to the fact already given, that in the latter year the duty was raised from \$6 to \$10 per pound, and that such an enormous amount was entered for consumption during the year of low tariff that the market was glutted for eighteen months. The round figures, therefore, of 12,000, 77,000, and 80,000 pounds may stand as the true index of legitimately imported opium for the three decennial periods of 1870, 1880, and 1890, with a present annual importation of 75,000 pounds. But these figures do not represent one tithe of the amount of opium actually brought into the country. According to the joint testimony of doctors, druggists, policemen, and United States officials who claim to have studied the question, each adult Chinaman represents an average consumption of four pounds of opium in a year. Then, too, the white opium fiend is getting to be almost as numerous as his (or her) y---- associate in the soothing but dangerous art of hitting the pipe. Every big city has its opium haunts and habitués, and statisticians in moral economics say that there are over 90,000 white habitual opium smokers in the United States, while those who occasionally affect the habit approach the million.

There is no doubt at all that the United States Government is defrauded annually of millions of dollars in unpaid duty on opium, but they will never be collected through the Custom House. Admit opium free, accept the inevitable, class it with tobacco, and license its sale, and the lost millions will be saved.

THE WESTERN RINGS

As has been said, the smuggling of opium into the United States began in San Francisco. The first methods were delightfully simple. The freight clerks of the steamships omitted to put the opium on their manifests, the complaisant official ignored the contraband drug, the importer drove off with it, a sharing of the profits was made, and that was all there was about it. These profits were simply enormous, and though the quantities brought in were small, there was enough margin of gain made to allow of a handsome percentage to quite a number of friends. The legitimate importations dwindled from 32,971 pounds in 1889 to 12,603 pounds in 1871. The Custom House was an open gateway, or rather a chain of rings, and the Government, taking counsel of the worldly wise, suddenly dropped the duty from 100 per cent. to \$6 a pound, and offered a reward of 50 per cent. of the net proceeds of the sale to the discoverer of the contraband article.

Such an inducement did not fail to prove too strong a temptation to weak links of the rings, and in this way – that is, the informer's way – some of the largest seizures of opium were made. Now and then something wonderful in the way of an abnormally vigilant official arose, but as a rule the seizures were rather forced on the inspectors, after which there was much blowing of trumpets and publication of display-headed articles. That would generally end the matter, unless some disgruntled man carried the story to Washington and pressed for an investigation. Then, after a time, the lethargic machinery would be put into motion, and a shaking up of more or less vigor would be made. The most remarkable of these investigations was that held in 1882, which resulted in the imprisonment of three members of the smuggling firm, the sudden dismissal of a number of officers, the disgrace of a United States Commissioner, and the discovery of a very remarkable condition of affairs.

The man at the head of this combination of smugglers was called "Jimmy" Harkins. So illiterate that he could not write his name, he possessed the moneymaking faculty in a high degree. As under steward of a Pacific mail steamer, he had saved a little money, invested it in opium — as nearly every one did — and began to smuggle small quantities of the drug ashore in his pockets — as nearly every one tried to do. From this beginning, he gradually branched out until the operations of himself and his partners amounted to the introduction of tons of opium at a single consignment. Harkins and his confederates, when in the height of their power, virtually did as they pleased. So bold did they become that they scarcely took the trouble to disguise or conceal their contraband importations. They had a regular, well-known headquarters, and were generally recognized as being in collusion with, if not in control of, the Custom House.

One of the incidents connected with this investigation had a rich opera bouffe flavor. A decided change was made, as has been intimated, in the administration of the Custom House and other Federal departments more or less connected with it. One of the pieces of evidence in the case was a ton of contraband opium valued at \$35,000, which the harbor police had captured from four smugglers who were rowing off with it in a small boat from the city of Tokio "one misty, moisty morning" in January, 1882. One of the first discoveries made after the change of officials was that this ton of confiscated opium had been carted away from the Appraisers' store while the investigation was in progress, and a lot of molasses and opium refuse put in its place.

There were some very hard Eastern things said at Washington concerning these Western methods, and Secretary of the Treasury Folger is reported as being of the opinion that the Harkins ring, during its existence, had cheated the Government out of more than \$4,000,000.

Here comes in the story of Halcyon, a queer story, truly. The Harkins gang was broken up, but the act of March, 1883, with its increased duty to \$10 per pound on prepared opium, had scarcely been passed before there was an uneasiness among the evasive brotherhood. The millions of pounds of the drug that had been imported into the country in 1882 and 1883 supplied nearly all demands for the first two years of the next period, and then the music began. This time it was pitched to a gentler key.

The back room of a beer saloon, with saw-dust floor, had sufficed for a meeting place of the Harkins gang, but the new combination – in which were two ex-city officials and a Deputy Collector of the Port – met amid the luxurious settings of an uptown hotel. The alluring charms of woman were also added, and for the first time a "long, low, rakish craft" was brought into play. This was the far-famed and ill-famed schooner Halcyon, the story of which reads like a romance.

In May, 1888, the yacht Halcyon, then the property of Robert Morrow, the superintendent of the Sutter street railroad, was sold by him to a man calling himself Alfred W. Wilson, and claiming to come from Victoria, B.C. The price paid was \$6,000, and it was paid all in handfuls of \$5 and \$10 gold pieces. As soon as the proprietorship of the yacht had passed into Wilson's hands he applied for a change of register, and, moving her over to a sheltered portion of San Francisco harbor, shovelled out another \$6,000 in small gold pieces in fitting her out as a snug trading schooner of sixty-three tons burden. It was remarked at the time that while the man Wilson ostensibly superintended things, he took his directions from an ex-Custom House inspector named "Wash" Waley, then under indictment by the Federal Grand Jury for cooperation in the Chinese certificate frauds. At las the Halcyon's papers arrived from Washington, and with a captain and a crew of ten chosen men she cleared "for a sealing expedition in northern waters." The "northern waters," it was afterward discovered, were those of Puget Sound, and it was about this time that attention was first drawn to Canada as the base of supplies for the opium smuggler. At that time, that is, in 1888, there were thirteen refineries in Victoria, B.C., eleven of them turning out about 6,500 pounds a month, and two others having a capacity of 1,000 pounds, making in all 7,500 pounds a month, all of which, except about 200 pounds, was brought to San Francisco.

There were several good reasons for dealing with the northern port. The steamers from China to San Francisco were under strict surveillance; the coasting traders were less carefully watched, if watched at all; they were small vessels, and could call at any of the dozen landings along the California coast; and while the existence of the refineries in British Columbia was known of by the authorities, the report was credulously spread that the product was only enough for home consumption, and was of a very poor quality at that.

On her first season, the Halcyon made six trips from Victoria to Drake's Bay, a bight to the north of San Francisco. Here she discharged her cargo into small traders, which slipped down the coast, ran through the Golden Gate under cover of night, and landed the smuggled goods (silk as well as opium) near the Presidio, the Government military reservation just inside the bay, whence they were transferred in express wagons to Chinatown. Meanwhile, the deputy was enmeshed with the handsome accomplice, which was a pleasanter capture than that of silently pulled boats on dark and blowy nights. And in order that everything might be cosey and uninterrupted, other deputies known to be of a distressingly inquiring mind and absurdly conscientious character were transferred to harmless wharves, where they could expend their energies on lumber and garden truck.

At the close of the sealing season the Halcyon sailed boldly into San Francisco Bay, and entered at the Custom House with two or three hundred dollars' worth of skins as the result of a three months' trip that represented the investment of something like \$15,000. Yet none of the adventurers seemed dissatisfied.

The devil's own luck seemed to be the Halcyon's. In October, the Collector of the Port of San Francisco received private information that the fleet little schooner had cleared from Victoria with a cargo of smuggled opium valued at over \$100,000. The revenue cutter Rush was then laid up, but the Bear had just arrived, and the Collector telegraphed to the Secretary of the Treasury asking permission to send her out and hunt down the smuggler. What became of the despatch no one seems to know, but it was not answered, and the opium was safely got rid of in a Drake's Bay transshipment. The same luck kept with her next season when she acted like a blockade runner and smuggler rolled into one. Instead of hiding in Drake's Bay, now she kept right on, sailed through the Golden Gate at night, halted in one of the bay's inlets just long enough to land five tons of opium and eighty Chinese, crossed over to another inlet, lay there all day, and the next night was out through the harbor entrance and flying up north again. A few weeks later she made another trip to San Francisco Bay, anchored just inside the heads, transferred her cargo to another schooner and was gone before daylight came.

In 1890, Smuggler-in-chief Whaley determined on a big coup. There was an opium famine in the Hawaiian islands, where the duty was \$50 per pound. The Asiatic representative of Santa Nicotina was selling at \$75 a pound. Seven tons of the precious drug were taken aboard at Victoria, with which the schooner was sent down to the islands, Whaley preceding her in a tramp steamer, her instructions being to hover about the Paradise of the Pacific until she saw certain signals. But Whaley, meanwhile, had learned enough to induce him to venture on a still bigger risk. So the Halcyon was sent over to China to take on a bigger cargo, which she got from Hong Kong. Then came the news that the Halcyon had gone ashore on the Japanese coast and that her cargo of opium had been seized by that Government. All this was true; in fact, she went ashore twice and her cargo was twice seized. But her luck stood with her. The Japanese authorities released the cargo each time, there being no evidence that it was intended for the subjects of that progressive empire, while the little incidents of running ashore made no difference to a craft so slippery as this. In due time, the Sandwich Island gossip was full of a shadowy schooner flitting here and there in the rolling channel seas, with lights out and the useful yawl boat making frequent trips through the surf. The rumors grew, the great and good Liliuokalani sent out her fastest and newest steamer, the Claudine, to capture the mysterious stranger, and in order that there might be no possibility of an escape, loaded up the steamer with Gatlings and field pieces, together with part of the celebrated brass band. Strange to say, the Halcyon was not captured; opium took a sudden drop, and the Hawaiians took a good pace toward extinction. Whaley is said to have received nearly \$800,000 from this venture, though, oddly enough, his Chinese partners in Victoria claim to have dropped \$370,000, which is one of the mysteries of the opium trade.

As part compensation, however, the infamous little vessel was handed over to these Chinese, Ty Yuen and Lai Yoen, and with this transfer came the Halcyon's change of luck. In August, 1892, with a Norwegian Captain and Japanese sailors, she slid out of Victoria with 180 male Chinese, one Chinese woman – which is about the usual sex proportion – and 580 100-pound cases of Ty Yuen opium. Nine days later Celestials and opium were landed in Monterey Bay, and a cargo of American contraband goods was taken on board for a British Columbia port. But her Majesty's officers did not take kindly to this nice little scheme of reciprocity, and, in the language of the euphemists, "future operations were abandoned." Temporarily, however, for rumor has it that the Halcyon still glides along the Western waters with contraband opium and contraband opium smokers.

The Halcyon is not the only smuggling craft of the Pacific, the Harley, the Canada, and the Melrose being three snug little schooners that have all cheated poor Uncle Sam out of his toll. None of them, however, attained such a piratical celebrity as the Halcyon.

This celebrity, by the by, wrought the destruction of the ring for which she first ran. The Washington authorities were thoroughly aroused, special agents were planted thickly along the coast, squealers were encouraged, and the air grew so tropical that the Deputy Collector fled, the Appraiser was dismissed, and a general clearing out was made. But the ring never dies. As the principal in the ring of 1888 once said to the writer, with the authority of an expert: "You can't stop this smuggling. You can't be certain of your men. Money will tell. You offer a man more than twice his month's salary if he'll turn his back for five minutes, and he'll turn it. He can't help it. You'd do the same yourself. You know you would. Any man would."

Certain it is that in March, 1891, the existence of another ring was discovered by the old process of squealing. An inspector was derated and had his story to tell. A special agent of the Treasury was detailed to watch things under his guidance, and on the very first steamer, the Belgic, which the successor of the derated Inspector passed, the special agent found \$12,000 worth of concealed opium. He found next, that though the cargo of the tramp bark Bischoff had been declared free of illegal articles, the same tramp vessel, with others of her class, had been a perfect gold mine to the initiated. An inspection of the books of a Custom House broker showed that, ranging as far back as July 9, 1890, very large consignments of "chow" - chopped vegetables - had been manifested from Sum Tung Mee of Hong Kong to Sang Yuen of 13 Brenham place, San Francisco, but no one seemed to know much about Sang Yuen. The next consignment was examined by the special agent with a little more care than had been the case with the others. A package of "chow" was opened, and under the bottles was found a false bottom, and underneath that were found 45 fivetael boxes of the best Hong Kong opium, valued at \$18 per pound. In the balance of the invoice opium to the value of \$40,000 was found. But Sang Yuen was never found nor any one who had ever heard of him, although it was pretty definitely settled that a stolid shopman in a little store on Fish alley had handled chow opium to the amount of hundreds of thousands of dollars during the Sang Yuen regime.

Again there was a spasmodic shake-up and wholesale dismissal, but, as had been said, the ring, that is, the system of collusion, never dies. The Collector of the Port of San Francisco said not long ago: "This opium business is worth at least \$250 a month to the lowest individual connected with it." Only last January there was another "gigantic smuggling ring" discovered and broken up in San Francisco. A candy maker of that city named Wichman and a cigar dealer of Victoria called Greenwald were the leading men, and they were doing such a thriving business that they employed three vessels in running from port to port. It is hardly necessary to say that the "discovery" was due to the whining confession of a man who believed he had been ill-treated.

It is due to the Custom House officials to explain, however, that the facilities for working the ring under the existing Treasury regulations were admirable. When a ship entered a port she was taken charge of by the customs Inspectors. The searchers went aboard, and when the ship was docked they took ten per cent. of each manifest of the cargo and sent it to the Appraiser's buildings. Bonds were then given for the remainder of the manifest, and it was subject to the Collector's orders for ten days. It can be easily seen that the way for fraud was invitingly easy, for, while it was the rule that the 10 per cent. of each shipment should be "indiscriminately" selected, it was an easy practice to arrange on some private mark which would indicate the innocent package to the inspector, who was a member of the concern. Or in default of this, as the examination of the selected packages did not begin until the entire cargo was discharged, there was generally found ample time for the consignee to dispose of his 90 per cent. – for a wharf at night is not an easy place to watch.

EASTERN SYNDICATES

The extension of the base line of smuggling operation began, it has been shown, through Victoria, B.C., and the same rings, the same collusion, and the same cunning and ingenuity in the exercise of the trade characterize the extension. The only differences are that the ring or gang is now called a syndicate, and that while the customs officers used to appreciate the deterrent power of publicity, they are now forbidden to give out any news. Notwithstanding this, the Treasury officials, it will be remembered, have recently admitted that practically all the opium brought into this country during the last three years has been smuggled. Here it will be well to emphasize the fact that the records of opium seizures offer the best indication of the extent to which opium smuggling is conducted, and that the majority of these seizures have grown out of quarreling and "information."

Ever since the establishment of the opium refineries in Victoria, B.C., the waters of Puget Sound, where every inlet could float a man-of-war, have been a favorite haunt of smugglers, and whenever there is any quarreling among them there has been "another opium seizure." In April, 1893, for example, a man called John Wilson, acting as agent at Victoria, B.C., for the Merchants' Transportation Company of Portland, Or., thought he had been treated badly by his fellow conspirators, and told all he knew to a United States Treasury agent at Tacoma, Wash. The results were sensational. A syndicate of fifteen men was unearthed with a working capital of \$100,000, having Custom House officials high and low on its pay roll, the "bits"

running from \$3,000 to \$6,000 a year, and controlling two steamers. That these sums were not joyfully paid over was shown by a correspondence punctuated with growls at the increasing demands of customs officials for squaring money. One of the steamers, the Haytien Republic, was confiscated; the leaders of the syndicate, Messrs. Dunbar and Blum, together with thirteen partners, were arrested; a few inspectors were dismissed, and \$5,000 worth of opium sent down to San Francisco in nut-oil cases was seized just as it was being dumped into a Chinatown cellar.

The dispersion of this syndicate no more put a stop to opium smuggling in the Sound district than the breaking up of rings put a stop to it in San Francisco, and on Jan. 17, the present year, four trunks were seized at Spokane, Wash., on the information of a suspicious baggageman and found to contain 1,000 pounds of contraband opium. It meant \$7,000 reward for the baggageman and the arrest of the "drummer," who was making his way down into Montana with "hardware" samples. By coincidence a seizure of opium valued at \$1,200 was made on the steamer Walla Walla that same day on her reaching San Francisco from Victoria.

It did not take long for the smuggling fever to break out along the Northern line in an eastward direction. As early as March, 1887, a man named West was arrested at Detroit, his opium having been shipped from Vancouver Island to St. Thomas, Ontario, where West took charge of it, carried it to Windsor and stored it in an old shed until the opportunity came for him to sneak it across the Detroit River in a boat. West's capture was a good thing for the officials, but as District Attorney Black of Detroit said at the time, West only represented a "huge syndicate" which had already "defrauded the Government out of millions of dollars of duty." West had only just been arrested, too, when a despatch came from a special agent of the Treasury at San Francisco to watch closely, as another large consignment of the drug was on its way from Victoria to St. Thomas. It did not reach there, however.

On Dec. 28, 1892, a bad attack of the fever was discovered in Boston. The victim was Onesime Mathieu, a French Canadian, the proprietor of a hotel on Friend street, the charge made by the Government being the receipt and concealment of 250 boxes of contraband, valued at \$2,500. As usual, it was intimated by the United States inspectors that they had discovered an opium syndicate – in this case it was called "an extensive rendezvous of smugglers."

Buffalo had its sensation on April 8, in this year of grace and smuggling. On that day, after an acknowledged chase of six months, three of the white members of the syndicate were discovered in the very act of dropping \$4,000 worth of opium down the cellar of a Chinese supply depot on North Division street. The opium was wrapped in newspapers printed at Victoria, B.C., and there was good ground for the belief that parcels of this particular kind of Chinese supplies had been smuggled into Buffalo under the same cover for over a year.

New York has had its seizures, but none discovering a more curious channel of supply than that which resulted in the raiding of Wing Wan Chung's establishment, 34 Pell street, on Jan. 12, 1891. Every one connected with the store and sixty one cases of opium were seized. The inspectors who made the raid had been working on the case, under orders from the Secretary of the Treasury, for two months, the rather

sharp intimation being given that the smuggling had been going on for years. Several suspected persons were shadowed, without securing evidence strong enough to warrant their arrest, when the officers lit upon a scrap of paper with memoranda and the name of A. D. Wilder upon it. Wilder's headquarters were soon located at a hotel in Quebec, where it was found that the opium was sent to him in trunks from Victoria. When Wilder made his next trip to the United States he came to Boston, by way of Portland. He did not bring his trunks with him though, only two cheap black satchels for Wing Wan Chung & Co., but in each satchel was a twenty-five-pound can of opium. That trip cost Mr. Wilder \$1,000 forfeited bail, but as papers on him showed that he had smuggled over \$30,000 worth of opium into the United States via the black-bag route in eighteen months, he could possibly afford that discount on the transaction. Who the other travelling gentlemen with cheap satchels were, never came out, but there must have been several, for the inspectors said at the time that the Government had been defrauded by this syndicate to the extent of hundreds of thousands of dollars.

So much attention has of late been given to the Northern frontier that the Southern line is nearly ignored, but it is a locality that will bear investigation. Two or three facts of an indicative nature will be sufficient. Nearly every steamer that reaches Pacific ports from China has on board large quantities of crude opium in transit for Panama. A few years ago a very rich Panama Chinaman secured from the Colombian Government the monopoly of the opium manufacture and trade in that republic. About the same time, a wealthy Frenchman arrived in Panama from China and purchased 400 acres of land, the greater portion of which he planted with white poppies. Seizures of prepared opium have been made on Panama steamers. Such are among the many facts which indicate that the Southern territory will bear a little more watching than is given it.

SMUGGLERS' TRICKS

Perhaps, after all, the most popularly interesting branch of the subject is that which covers the smuggler's tricks and devices for evading the law. His daring and persistence we have seen, and the way in which he trades upon current dishonesty has been shown. But all smuggling is not the smuggling by official collusion. A good deal of it is a family affair, is the result of hard work and hard thinking, and to the honor of the customs service, be it said, some few of the discoveries have been made as the result of official honesty and acumen – some few.

The hollow iron masts of the steamships were early utilized in a very ingenious way. A small oblong hole was cut in the mast just below the deck, and the opium boxes strung on strong twine were lowered clear down to the keel. In the folds of the extra sails; in the steerages storeroom; in grindstones; in the soles of the thick Chinese shoes; in barrels of pickled salmon; in mats of rice; in hollowed sticks of umber; in the coal of the bunkers; in every nook and corner of the vessel, opium has been found.

The smuggler's versatility of resource is truly wonderful. The hollow iron stringers of steamers were long used before discovery (by means of a small boy) destroyed the usefulness of that receptacle. False bottoms to the chain lockers were

quite in favor for a time. Opium has been covered with oilcloth and stowed away in that dreadful place, the ship's bilge. It has been found in the tubes of the boilers inside the vessel's skin, and it has been brought ashore in pockets on the person and in hats upon the head.

Like the forger, the smuggler never considers any labor too hard to attain unlawful ends, and in most cases he has seemed to command the best mechanical labor, and labor which leaves no doubt as to the very active connivance of the vessel's mechanics. This is well illustrated by a discovery made on the steamer Oceanic. In the bow a piece of iron had been chiselled out and a quantity of opium stowed away in a space ten inches wide between the bulkhead and a water tank. The piece of iron was then replaced and fastened by false bolts. A dab of fresh paint was the fatal defect, however, and a cache of opium, to the value of \$15,000, was brought to light. A device of a similar character was discovered a few weeks ago (July 29) on board the City of Pueblo, a steamer plying between San Francisco and Puget Sound ports. The support to the superheater in the boiler room was found to be purely artificial, as the tank had been so constructed as to remain in place without support. The false part of the arrangement was an iron plate apparently fastened to the partition by six big bolts, of which only one was bona fide, and when this was removed, seventy-five tins of opium were found snugly packed away. This City of Pueblo, by the way, has been a sore trial to the inspectors for a long season. She is an Havana liner, is as full of hidden nooks and corners as the Castle of Udolpho, and is said to have played a very interesting part in the smuggling of cigars to New York in former days.

Some very queer carpentering work has been done, too. Coming down on the steamer North Pacific from Victoria to Tacoma, a United States Inspector's attention was called to a big carpenter chest, and he kept so closely by it that it was not called for on its arrival at the latter place. Then it was examined. Inside was a complete kit of well-worn tools and a nicely-bound volume on the culture of cranberries. There was no false bottom, however, and no signs of opium, and the inspector was inclined to think that he had been made the victim of some practical joker. It was simply a solid tool chest. Around the edge of the top and bottom were heavy wooden strips that are used to give chests of this sort an additional solidity, but in probing around the top the inspector came across a hole recently filled with putty, and underneath this was a screw. Then other screws with similar facing were found, and when these were turned the wide bands of wood came off and proved to be long boxes filled with tightly wedged cans of opium – twenty-eight pounds around the bottom and fourteen around the top.

In the stateroom of the Starbuck, which in 1887 was plying between Canada and San Francisco, the Custom House men were searching for opium, which they suspected was there, because they had been told it was. But they could not find it until the smuggler betrayed himself by growing nervous every time they grew "hot," and then they discovered a faint line running down the side of one of the panels behind the berth. The panel had been cleanly cut out, and behind it had been stacked up seventy pounds of the drug. But it is not only in the passenger's stateroom that the carpenter's cleverness has been called into requisition. On one occasion an

inspector happened to lurch against a deck which was built solidly into the side of the Captain's cabin. The desk moved, it was loose, it slid completely out, and in the partition behind it, to the Captain's amazement, were ninety pounds of opium.

The "floating" of opium was long a favorite trick of the smuggler. Its variations were numerous. The wake of the China and Victoria steamers was dotted with discarded junk planks, scantlings, tins, and what not, all floats with packages of opium attached to them to be picked up by some waiting boatman. One steamer was followed by a man in a Paul Boynton suit as a tow for this valuable jetsam, and another lost a string of sausages overboard which were worth \$250 a sausage. That is, they looked like sausages, but were really made of scraps of cork done up in tarpaulin, linked together with a strong cord. The sausages came to the surface too soon, and the ingenious smuggler failed to reap the price of his ingenuity. Each float was loaded with enough salt to cause it to sink about a foot below the surface of the water, and when they were dumped overboard just before the steamer docked – it was the same old City of Pueblo – it was evidently supposed that they would float with the tide down to some confederate in a boat. But the salt melted too soon, and when a sharp-eyed inspector saw the "sausages" he hauled them up and hauled up also 295 boxes of opium enclosed in oil-silk and valued at \$2,700.

As to the border traffic, some of the tricks have already been told and of the rest there is no end. The "stuff" is shipped in every imaginable disguise – as household goods, stationery, vegetables, lumber, in fish, and even in coffins.

OFFICIAL SEIZURES

There is no possibility of knowing how much opium has been smuggled into this country, but the frequency of the seizures, the size of the seizures, and the stories of those "who know," afford some idea of the magnitude of the undiscovered operations. Something of this has already been told in the preceding paragraphs, but the literature of opium smuggling does not suffer from lack of material. In all probability one of the largest seizures to the credit of the San Francisco officials would not have been placed there had a cigar peddler named Carter been blessed with a stouter neck. It was in the last of May, 1891, and the peddler went up the gangplank of the mail steamer China with a tray of cigars suspended from his neck. When he came down the gangplank the tray looked the same, but Carter's neck was bowed as though he had the whole yoke of Thorah upon it. Even a Custom House officer could not fail to notice the burden, and no one was surprised when it was found that under a spray of cigars Mr. Carter had twenty five-tael boxes of opium. This aroused the inspector' "ardor of the chase" to such an extent that every lot of merchandise was prodded, broken into, and examined. Not even 40 boxes of cheap Chinese crockery were spared. They were only of a bill of lading value of \$82 all told, but they yielded up 12,000 taels of the finest Lai Yuen opium, of a value of something over \$25,000.

A San Francisco Custom House inspector named McGinnis added new lustre to that name in the holiday week of 1892. The Oceanic arrived on Dec. 29, and McGinnis knew there was opium on board of her. Not only that, but he knew where it was. Instinct, probably. Under the steerage storeroom at the extreme end of the forward hold were two water tanks resting on the ribs of the ship close to the keel,

and standing about ten inches apart. When McGinnis went to look at these tanks he found all covered in tight with 100-pound rice mats. But by working his probing iron this way and that he found the space between the tanks, and then he knew he was on the track. The rice mats were moved away and a lantern swung in between the tanks, only to find nothing. But McGinnis knew there was opium there, and so he bent his probe into a shepherd's crook and. Found that under the tanks there was another space of about the same width as that between them. And in that space McGinnis found the 1,080 tins of opium, valued at \$10,800, which he knew were there.

Deputy Surveyor Fogarty claimed that during three years he made seizures amounting to \$310,000, but as Fogarty was the official who held up the Custom House end of the Halcyon-Whaley ring, his figures may perhaps be accepted with a grain of salt. It is certain, however, that he did follow up direct information that a rich Chinese merchant, Yee Mo, was quietly but openly carting off something by the trunkful from a stable near the water front, and that as a result he secured \$16,000 worth of opium. But he never could explain how it got to the stable.

There are newspaper references to a seizure on the Alaska at San Francisco of opium of the value of \$70,000: of another on board the Oceanic in the same year of \$34,000 worth of opium, but the writer has not been able to find any details of verification, nor does he pretend that the list he has given is complete.

[THE MANUFACTURE OF OPIUM]

Reference has been made more than once to the manufacture of opium in Victoria, B.C. There are two sorts of opium imported into this country; the crude, which is admitted for medicinal purposes at a nominal duty of \$1 per pound and which must contain at least 9 per cent. of morphia, and the prepared opium for smoking. The English Government always has looked kindly on opium, and the manufacture of the drug into the smoking article is permitted in its domains. The crude opium comes from both Turkey and China, chiefly the former, but its commercial form is the same in both cases. As soon as the poppy heads show the presence of a gummy juice, it is gathered and dried on leaves in lumps. These lumps are made into balls which are covered with an ingeniously fabricated husk of poppy leaves and waste, and which much resemble cocoanuts. When brought to the refineries these nuts are split and the kernel of opium, which in color and consistency much resembles coal tar, is scooped out. It is tasteless and odorless, and is boiled to a thin paste with water, and filtered through bamboo paper. The resulting brown liquid is concentrated by other boilings until it resembles molasses in consistency tasteless still, but with a peculiar sweetish smell. This is the opium that is smoked. To prepare it for the pipe, a little of it is taken on the end of a long needle and twirled in the flame of an oil lamp. The roasted pellet is then placed on the pipe, set fire to, and a few inhalations taken, which either send the smoker floating in paradise or writhing in hell, according to his temperament.

It is a significant fact that from 1867 to 1890, inclusive, our imports of crude opium "for medicinal purposes only" amounted to 3,867,480 pounds, and that in the

first mentioned year the importations were 94,188 pounds, while in the last year they were 380,621 pounds. One of the reasons for the increase is at hand.

It was against Chinese human nature to suppose that their fellow countrymen in British Columbia should enjoy a monopoly in opium boiling. In 1890 and 1891, especially, Chinatown in San Francisco was dotted all over with opium factories, but the excise officers found it comparatively easy work to locate and raid them, and when sixteen illicit breweries were closed in one week, with a confiscation of opium to the value of \$14,000, it was believed the practice was put an end to. So it was, in San Francisco. The manufacturers only moved into the country and started cookeries at out-of-the-way spots on the Sacramento and San Joaquin rivers, whence the prepared opium was shipped to San Francisco as butter and eggs. Gradually these cookeries were broken up. But the Chinese are like wet clay in the fist. Grasp it and the clay spouts out at each side and wriggles from between every finger. In August 1892, two officers of the secret service pushed their way up to the foothills of Mount Shasta "on information received," and broke up a factory which had \$11,000 worth of opium, and with its nine furnaces stood well prepared to supply quite a good-sized contingent of the great army of opium smokers. It is very safe to assume that there are more than nine other furnaces elsewhere. Nor does this fact militate in the least against what was said in the opening paragraphs as to the wisdom of license. By the terms of the revenue law, no Chinese are allowed to manufacture opium in this country under any conditions. It is an example of the heroic treatment of prohibition as against the alleviative school of license.

Opium making and opium smuggling are still as active as ever. Rings may be smashed, fines levied, imprisonments imposed, and goods confiscated, but the trade goes right on. It will even survive the "personal investigation" of an assistant Secretary to the Treasury. The evasion of the excise laws is a subject that is always "up," but it has the importance of pertinence just now, and it will be of much interest to watch if the present officials of the Treasury can keep out contraband opium under a tariff of six dollars on the pound.

"It did not pay to smuggle"⁷³ (November, 1896)

When [Grover] Cleveland⁷⁴ went into office [almost] four years ago, and for a year or so after was in office, there was a great deal of smuggling in progress. In fact, smuggling on Puget Sound was at its zenith. [...] The Victoria opium factories were working full blast and very little opium from the Orient was finding its way into [the United States]. The Chinamen who smoke it and use it for other purposes, could get British Columbia opium at such a low price that they did not care to put up big money to bring the better drug from China and pay an enormous duty on it. Thousands of dollars were made by smuggling opium into the United States the year before the Democratic tariff⁷⁵ went into effect.

⁷³ From THE DUTY ON OPIUM. (1896, November 24). The Victoria Daily Times, p. 4.

⁷⁴ President of the United States from 1893 to 1897.

⁷⁵ The Wilson bill.

Since that time there has been but little opium smuggled into the United States. The Democratic tariff reduced the duty on the stuff to such an extent that it did not pay to smuggle. The Victoria factories are not what they used to be. Some opium is manufactured, but not in such large quantities as it used to be, and very little of it comes to the United States. [Seattle] Chinamen say that since the tariff went into effect they have bought their opium from China and paid duty on it. It costs a little more, but it is better stuff and then they are not liable to have it seized by a government officer.

During the past three years there have not been any arrests to amount to anything. The government officers have had a snap. There are almost as many of them on the coast as formerly. Puget Sound is still looked after by a good sized force, but they seldom catch any smugglers. The other day Chinese Inspector Loftus, who lives on one of the steamers running between [Seattle] and Victoria, picked up a smuggler who had a few pounds in his possession. But such arrests are a scarcity, and sometimes the officers have hard work finding something to do in order to enable them to draw their pay without blushing.

"Rather diminishing"⁷⁶ (April, 1899)

The opium trade of [Vancouver's] Chinatown is rather diminishing. There are now only two opium factories on Dupont street. Years ago there were more. It is like Victoria, where five or six years ago there were half a dozen factories where now there are only two. The Celestial in charge of one of these [...] said that was "all on account of the duty" which the Americans have placed on the article going from here into their country. The opium is brought from China in sections like cannon balls, the opium carts being about seven inches in diameter. These are opened and the poppy leaves contained in the centre are carefully abstracted, placed in pots, and boiled over a slow fire for many days, then the empty cannon balls are sent back to the old land for refilling.

"It doesn't smell like toffee"77 (April, 1903)

Victoria's remaining opium factories were still popular tourist destinations.

It is true that in Chinatown the posters on the walls are a vivid orange decorated with strange brush-mark characters. But the houses are not the high, narrow, many-balconied buildings that one associates with a Chinese quarter. You enter a handsome shop that might belong to a tobacconist in the Strand, exchange a few words with the pigtailed proprietor, and then pass on into the back kitchen. Here you find some sixteen or eighteen little furnaces, with large flat pans on them, and

⁷⁶ From UNSANITARY. (1899, April 7). *The Vancouver Daily World*, p. 3.

⁷⁷ From Hanbury-Williams, C. (1903, April 4). "NO LOVELIER CITY THAN VICTORIA". *The Victoria Daily Times*, p. 11. Written by Charles Hanbury-Williams (1858 – 1937).

half-a-dozen cooks making toffee. It doesn't smell like toffee, though it looks like it, but has a sickly penetrating odour of its own which clings to your nostrils all day. Now and then a man shuffles up and lifts off one of the pans, lets it cool a little, and splits off a top layer of hardened scum, while the smell becomes more oppressive than ever. In a big box nearby are dozens of large cocoanuts, or overgrown potatoes, which, when you examine closer, you discover to be lumps of dried poppy-leaves, adhering so close as to form one homogeneous mass. Outside in the back yard are big cauldrons of the mixture cooling off, after the final stewing. Two or three of the cooks are smoking long pipes with very small bowls, and the smokers have a glazy look about their eyes. In the front shop you can see a number of white earthenware jam pots on shelves, and the proprietor lifts down one of them and shows you that it is two-thirds full of rich black treacle, and tells you that it is worth seven or eight dollars. There is another big china jar near the door with a dozen pipe-stems sticking out the top, looking like so many walking-sticks. At the first shop I entered I asked if these were opium pipes, and the owner denied the charge. So I thought there was no harm in looking at them, and picked one out, and found not only that it was an opium pipe, but that it had been used quite recently. It was a relief to get back into the open air.

"Not a little of the smuggled stuff" (December, 1907)

The loss of San Francisco's opium factories in the 1906 earthquake provided a business opportunity for British Columbian entrepreneurs, not just to supply American smokers, but to export the drug to China (where it was illegal).

One of the largest opium factories on the coast is now in course of completion in the new Hip Tuck Lung building on Dupont street (Pender east) near Carrall. There will be 13 ovens in operation. These ovens the Chinese call roasting pots. The object of this factory is not so much to do the work that was done in the roasting ovens in San Francisco before the earth trembled, as to provide supplies for shipment from here to China. The land of the moon swallowing dragon has through its empress dowager put a ban on the manufacture or sale of opium. There are thousands, a million or so, perhaps, in China within reach of ports who will want opium. There will be a market if it can be reached, and the Chinese customs service will have the busiest time of its life for a year or so heading off smugglers, and not a little of the smuggled stuff, it is anticipated, will be shipped in various disguises from this port.

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⁷⁸ From LOCAL OPIUM TO GO TO CHINA. (1907, December 12). The Vancouver Daily World, p. 1.

Opium and Two City Councils

At a meeting of Victoria's city council⁷⁹ (June, 1907)

Ald. Gleason moved, seconded by Ald. Meston as follows:

"That seeing the universal acceptance of the prejudicial effects of the unrestricted use of opium, this council memorialize the Dominion government to interdict the importation, manufacture and sale of opium except for medicinal purposes by qualified druggists, and that the representatives of the city and province in the Dominion parliament be asked to support the memorial of this council."

Ald. Hall suggested that the words "by qualified druggists" be struck out. It was sufficient to say "for medicinal purposes." The use of the words he referred to would prevent various medical men from using opium in mixing medicine. The result of such an enactment would place the monopoly in the hands of the druggists. "Of course," said Ald. Hall, "it is only a memorial, but we might as well have it properly worded."

Ald. Gleason opposed the change suggested by Ald. Hall. He wanted to see the sale of the drug restricted as much as possible. He believed that only druggists should be able to sell opium.

An Alderman – "Well, only druggists are allowed to sell it now."

"Then how is it that you can buy opium at forty places in this city today?" asked Ald. Gleason.

The resolution was put in its original form, Ald. Gleason being directly opposed to any change. It was lost by a vote of four to five.

"I am surprised," was the mover's comment.

Alderman Hall's successful motion⁸⁰ (October, 1907)

The question of prohibiting the sale of opium in the city in a commercial way has again been brought before the council. It has come up this time on the initiative of Ald. Hall, acting on the suggestion of the Citizens' League. The motion was introduced last evening and reads as follows.

"That, seeing the universal acceptance of the prejudicial effects of the unrestrained use of opium, this council memorialize the Dominion government to interdict the importation, manufacture and sale of opium except for medicinal purposes."

There is trouble over the question which was manifested early after the introduction of the motion. Ald. Gleason, who introduced a resolution earlier in the year on the same initiative, failed to see where this resolution of Ald. Hall's differed from his.

⁷⁹ From MEETING OF CITY COUNCIL. (1907, June 4). The Victoria Daily Times, p. 9.

⁸⁰ From OPIUM RESOLUTION BEFORE COUNCIL. (1907, October 22). Victoria Daily Times, p. 8.

Ald. Hall, however, points out that the resolution of Ald. Gleason asked the Dominion government to pass legislation which could not be passed by it inasmuch as it would infringe upon the rights of the provinces. [...] Ald. Hall said that educational matters were left in the hands of the provincial governments. It was for this reason that the provinces passed legislation with respect to the pharmacy, medical and dental professions. The former resolution asked the Dominion government to pass legislation which would have interfered with the powers which were within the rights of the provinces inasmuch as it was specified that opium should be sold only in drug stores. [...]

Ald. Meston thought the words "except for medicinal purposes" might be struck out. Ald. Verrinder pointed out that this would render the resolution absolutely useless, as it would prevent druggists even from selling it.

Ald. Hanna thought the matter might be laid over. In the meantime the Mayor could visit his friends of the Citizens' League and get light.

It was finally agreed to lay it over⁸¹.

At a meeting of Vancouver's city council⁸² (January, 1908)

At the meeting of the [Vancouver] city council on Monday evening [...] it was decided that the city should no longer take a license for the manufacture of opium. It was pointed by Mayor Bethune that the council could not prevent the manufacture of opium, though they could license it, and that this step was only throwing \$1000 away and the city needed the money, but the majority refused to allow the city to receive money from such a vile source. It was also decided to take steps to secure the right to prohibit the manufacture.

"Surely"83 (January, 1908)

In the press reports of the special council meeting in the city hall on Monday evening last for considering the bylaw and license matters, the question of licensing the manufacture of opium came up for decision. Some of the members of the council were against allowing the vile traffic to be carried on at all. In the discussion the mayor pointed out that it would mean the loss of [the] \$1000 license fee, and that the city needed the money. Surely we are not to infer that for the sake of the paltry sum named such a vile, body and soul destroying traffic should be carried on under the cognizance and sanction of our civic representatives and by their vote encourage what the "Heathen Chinee," as we are sometimes pleased to call them, are nobly trying to shake off in their own country, but which for the sake of \$1000 yearly we are expected

⁸¹ "The motion introduced by Ald. Hall to memorialize the Dominion government to stop the sale of opium except for medicinal purposes was passed without discussion." LIQUOR ON THE FAIR GROUNDS. (1907, October 29). *The Victoria Daily Times*, p. 8.

⁸² From NEW SCHEDULE OF LICENSES. (1908, January 21). The Vancouver Daily World, p. 10.

 $^{^{83}}$ From AN OBSERVANT TAXPAYER. (1908, January 28). THE OPIUM LICENSES $\it The\ Vancouver\ Daily\ World, p. 8.$

to be willing and ready to keep going in this Christian country and also to have a surplus to export to China. Surely His Worship would have been well advised to allow his utterances to have been on the side of purity of living and the moral welfare of those not only in China but in our own land, white as well as yellow, who are victims of this horrible drug, deadening alike to the moral, social and religious life of men and women, and which like a deadly plague eats out the life of the people and blights all it touches.

We note with satisfaction, however, the determination of the council to not only not license the traffic but to take the steps necessary for its ultimate and speedy suppression, in which decision they have the hearty endorsement, we are sure, of a great majority of the people.

Opium Profits and Mackenzie King

An anti-Asian riot in 1907 caused significant damage to Japanese and Chinese businesses in Vancouver. William Lyon Mackenzie King was sent by Ottawa to determine appropriate compensation. During the subsequent hearings, Mr. King was shocked to discover how profitable the opium business was. This, plus some encouragement from Chinese members of the Anti-Opium League, led him to pressure the federal government to ban opium, which it did with a set of laws passed between 1908 and 1911.

"All Profit"84 (May, 1908)

Some of the mysteries of the local opium trade and the profits thereof were revealed by Lee Yuen, head of the Lee Yuen Company, which has been making the dreamy drug in Vancouver for ten years.

Mr. Ling, the Chinese official from the London Embassy, frowned at Lee when he announced his "trade" and repeated his obvious surprise when he later declared:

"Some years we have made \$20,000 profit."

"Clear profit?"

"Yep, clear – all profit."

"What would be your total business?"

"From 180,000 to \$190,000 a year."

His average net profits would be \$1400 a month or \$350 a week. As the riot [of 1907] had closed his business for a week he claimed this amount [as compensation]. Also an additional \$300 for expenses. These included payment of wages. His opium cooks received \$45 a month.

"I will do what I can"85 (June, 1908)

"These facts that you have given us are extremely interesting and the significance of them ought to be appreciated by the public," declared Mr. Mackenzie King this morning after examining a Chinese opium manufacturer, later entering on a strong indictment of his own government for permitting the odious trade to live a week in this country. "It seems a curious state of things that a city trying to do all it can to maintain a certain moral standing will permit for \$500 a year the manufacture of opium, which brings to one merchant gross receipts of \$170,000 a year."

The Commissioner was proceeding under a misapprehension of the city's powers and Mr. McEvoy interposed. He pointed out that as the sole legislative action was vested in the Dominion, the city could not impose a higher tax. It could not put a prohibitive tax on a trade which was apparently approved by Dominion legislation.

 $^{^{84}}$ From SAYS TWENTY THOUSAND HIS YEARLY PROFIT IN OPIUM. (1908, May 28). The Province, p. 15.

⁸⁵ From KING SCORES THE OPIUM HORROR. (1908, June 3). The Vancouver Daily World, p. 1.

"I was going to add that it is strange we should permit the importation from one part of the Empire (India) of the material that is to destroy others in another part, and that we should allow the manufacture of this stuff. I intend to look into this whole matter very carefully. Of course it is not this witness' fault that he is manufacturing opium here, but my idea is that it should be made impossible for opium to be manufactured here at all. We could get along without it. Apparently the law has been in this shape for a long time. Do you know anything about it, Mr. McEvoy?"

Mr. McEvoy: "Yes, it has been this way for a long time. I recollect that during my first term of office as city solicitor the city tried to put the tax at \$1,000, but I advised that the law prevented it."

Mr. King: "Couldn't the city refuse a license?"

Mr. McEvoy: 'No, they have no power. Prohibition is in the hands of the Dominion government."

Mr. King: "It seems to me a very singular thing this business should be carried on for 22 years and not stopped before this."

He invited the witness to give his honest views as to the sale of opium.

The representative of the Hip Tuck Lung company admitted that it was as harmful as the liquor trade of other peoples, and his government in China was trying to stop it.

"Well, our government must try and stop it here," said Mr. King, "and I will do what I can to help it along. They say there is a silver lining to every cloud, and we may get some good out of the riot after all if it produces evidence like this."

The witness had told the Commissioner that besides opium they sold general supplies, and altogether the gross receipts amounted to \$180,000. The net profit was \$15,500, and Mr. King said he estimated the wage bill according to the figures given him at \$18,000 annually. The claim was for \$600, described as a "hideous account."

"Do you sell to white as well as to Chinese?"86 (June, 1908)

The rest of the evidence given by the manager for the prosperous firm of Hip Tuck Lung did not greatly differ from that of the first opium maker who was a witness a few days ago, and who declared his profits were nearly \$100,000, about \$80,000 less than the Hip Tuck Lung Company.

The wages paid by the latter figured up to \$18,300 a year, having two managers, two bookkeepers, five clerks and ten makers of opium at a salary of \$90 a month. The company's net profit last year exceeded \$17,000.

"Do you sell to white as well as to Chinese?" asked the Commissioner.

"Yes, make big sales to white people."

"Any women?"

"No."

⁸⁶ From OTTAWA AND NOT CITY TO BLAME FOR THIS. (1908, June 3). *The Province*, p. 1.

"Do the white people send it to Eastern Canada?"
"I don't know, but we sell to Chinese in the East."

"Mr. King and the Anti-Opium League"⁸⁷ (June, 1908)

A deputation of three from the Chinese Anti-Opium League waited on Mackenzie King on Saturday night and requested him to obtain the government's help in their efforts to discourage and prevent the sale of opium. An impetus to the movement for the suppression of this trade has been given since the arrival of the attaché from London attending Mr. King's commission. He has advised the Chinese strongly against the continuation of gambling and opium dens and has warned the proprietors that what trouble they get into as a result of them must be shared by them alone. Mr. King, who was much impressed with the intelligence of the delegates, told them that although such an inquiry did not come within the scope of his commission he would in the capacity of citizen ascertain what facts he could which would be useful in any future consideration of the subject.

"A strong recommendation"88 (June, 1908)

Mackenzie King's report regarding the settlement of the Chinese claims was presented to parliament to-day and recites the facts brought out at Vancouver during the investigation. It says the damage claims, totaling \$25,900, are approved by an order in council, and \$1,000 allowed for the legal expenses of the claimants. The total amount allowed the Japs and Chinese in connection with the riots totals \$36,026.

Mr. King concludes the report with a strong recommendation that the operations of the opium industry in Canada should receive the immediate attention of the federal parliament and the provincial legislatures with a view to the enactment of measures to render impossible the continuance of such an industry save in so far as may be needed for medicinal purposes.

The report says: "The present would be an opportune time for the government of Canada and the governments of the provinces to co-operate with the Imperial government and China in an united effort to free the people from an evil so injurious to their progress and well being. Any legislation to this end will have the hearty endorsement of a large proportion of the Chinese resident in this country who are members of the Anti-Opium League, and are doing all in their power to enlighten their fellow citizens on the terrible consequences of the opium habit, and to suppress as effectually as possible a traffic which for so many years has been carried on with impunity."

The government is considering legislation along the lines suggested by Mr. King.

⁸⁷ From MR. KING AND THE ANTI-OPIUM LEAGUE. (1908, June 8). The Vancouver World, p. 6.

⁸⁸ From SUGGESTS CRUSADE AGAINST OPIUM. (1908, June 30). The Victoria Daily Times, p. 1.

The Chinese Anti-opium League of British Columbia⁸⁹ (July, 1908)

The Chinese Anti-opium League of British Columbia is actively seeking to have the manufacture and importation of the drug stopped, and has sent to Ottawa a petition in the following terms:

"Seeing that the use of opium is a social evil and the drug a destroyer of the lives of the individual and a detriment to the welfare of the community, the Chinese Anti-opium League of British Columbia humbly prays that the federal Government of Canada will decisively exercise its authority, and powers to prohibit the importation, manufacture and sale of opium into and in Canada, so that the social, physical and moral conditions of both the Chinese and the Europeans who indulge in the use of and abuse of the drug may in consequence be vastly improved."

One of the most active leaders in the campaign is Mr. Peter Hing, a Chinese student of McGill University, who headed the law class of 1908 in the recent examinations, and is now in British Columbia helping on the work of reform to the utmost of his ability. Mr. Hing came to Canada from China ten years ago with his father, who is an evangelist. He studied for some time in Vancouver. Going to McGill in 1906, he studied both law and economics, and won a prize besides in Roman law. He is deeply interested in all matters concerning the welfare of his compatriots, and intends after a course at Harvard to enter the diplomatic service of his own country. He is now an editorial contributor to a Chinese newspaper.

A special dispatch from Ottawa says that it is understood that a Government bill will be presented⁹⁰ to the House to prohibit the importation, manufacture and sale of opium except for medicinal purposes. This step is based upon a report by Mr. Mackenzie King, Deputy Minister of Labor, in regard to the opium traffic on the Pacific coast.

⁸⁹ From SEEK TO CHECK OPIUM MANUFACTURE. (1908, July 3). The Province, p. 3.

⁹⁰ "Ottawa, Ont., July 10. – In the House this morning Hon. R. Lemieux introduced a resolution declaring it expedient to prohibit the importation and manufacture of opium for other than medical purposes. The proposal was greeted with calls of 'carried' and the bill introduced." OPUIM [sic.] TRAFFIC TO BE SHUT OFF. (1908, July 10). *The Victoria Daily Times*, p. 1.