The Board Of Trade

Years' Work Reviewed in Report Presented At Annual Meeting.

Important Addresses Delivered By Hon. Messrs Tatlow and McPhillips.

Boundless Enthusiasm At Outlook For Victoria And Vancouver Island.

(From Saturday's Daily.)

The annual general meeting of the Victoria, B. C., Board of Trade, held yesterday afternoon in the Board of Trade rooms, was rendered a notable event by the presence of Hon. Messrs. McPhillips and Tatlow, of the provincial government, who delivered very interesting speeches, by the large attendance and enthusiasm displayed in regard to the position of the board and the outlook for Victoria and Vancouver Island. The entire proceedings may be termed one of the most sucessful in the history of the organization.

L. G. McQuade, the retiring president, occupied the chair, and the attendance included representatives of the business and commercial strength of Victoria to the number of upwards of one hundred.

On the meeting being called to order the secretary conveyed to the meeting the information that His Honor the Lieut.-Governor, who had expected to be present, was debarred from doing so owing to circumstances of which they were no doubt all familiar—a sudden bereavement having occurred in His Honor's family.

Mr. S. J. Pitts thought all present had heard of His Honor's bereavement with profound regret, and that the warmest sympathy would be extended to the family in their hour of sudden sorrow. Sir Henri and Lady Joly, and their estimable family in their hour of deep affliction. No words which I might offer can fittingly convey to the stricken household intense sorrow the loss they have sustained and the universal feeling of sympathy with which all parties have received the intelligence of the sudden death of their loved one, who but a few months ago was amongst us in the full bloom of health and with every prospect of a long and happy life. At such a time as this we can only lay a tribute of esteem and sorrow on the bier of the departed one and express the hope and belief that He who doeth all things well will pour the balm of hope and resignation into the hearts that now mourn the sudden departure of one who is not lost, but gone before. I have much pleasure in seconding this resolution."

The election of officers was then proceeded with, whereby the following result:

President—C. F. Todd.

Vice-President—S. J. Pitts.

Secretary—F. Elworthy.

Council—G. H. Burns, Capt. John Cox, A. B. Fraser, Sr., A. J. Galletly, George Gillespie, R. Hall, M.P.P., D. W. Higgins, D. R. Ker, Joshua Kingham, S. Leiser, C. H. Lugrin, L. G. McQuade, W. T. Oliver, T. W. Paterson, Capt. J. W. Troup.

Board of Arbitration—Ald. G. H. Barnard, E. V. Bodwell, K.C., G. H. Burns, Captain Cox, A. B. Fraser, Sr., Ald. H. M. Grahame, D. W. Higgins, C. A. Holland, Stephen Jones, D. R. Ker, Mayor A. G. McCandless, H. A. Munn, W. T. Oliver.

Auditors—Wm. Christie, Norman Hardie and J. L. Forrester.

Brief speeches of acknowledgment of the honor conferred upon them were made by the newly-elected president and vice-president and Secretary Elworthy. In announcing that Mr. Elworthy's selection was made by acclamation, complimentary references were made to the official's interest in the board by the retiring president and C. H. Lugrin.

ANNUAL REPORT.

The secretary then read the annual report, as follows:

Gentlemen.—Following the precedent established in the year 1880 and continued by our predecessors in office, we beg to submit for your consideration the twenty-fourth annual report, as follows:

VANCOUVER ISLAND.

It is desired on this occasion to direct particular attention to the resources of Vancouver Island. They are not new to you, for during past years some of your principal discussions at board meetings have been how to bring them to the not ce of capitalists seeking the investments wherein they will be profitable, therefore, to examine the results of those efforts, and it is believed sufficient encouragement will be found to stimulate further endeavors in the same direction.

Minerals.—Prospecting for placer gold on Vancouver Island commenced many years ago, when Cariboo was famous as a placer gold field, and gold in small quantities was and can be found in almost every mountain stream leading into the interior. The gold saved, however, has not been sufficient to attract great attention, although a considerable quantity has been taken from China creek, Leech and Bear rivers. The black sands at Wreck Bay also yield gold and are still being worked. Similar deposits are to be found all along the shores northward. To the early success of the placer gold mines may be attributed the search for gold in quartz. Gold in quartz has been located from end to end of the island, no particular portion appearing of greater importance than another in consequence of development generally being slight. So far very little silver has been found, but deposits of galena are known on Koksilah River. From present indications it appears that the copper and iron deposits will yield the earliest returns. Commencing at Quatsino and following the indentations of the coast southward and eastward as far as Sooke, near Victoria, copper and iron occur at almost every few miles. On the east coast of the Island, in the vicinity of Maple Bay, copper is found; and a few miles inland, at Mount Sicker, the most extensive copper developments on the Island have been made.

In following the coast northward as far as Comox, important coal deposits exist, and beyond, to the north end of the Island, more copper and iron are found, as far as known similar in general appearance and value to the deposits on the west coast, but perhaps not as well prospected.

The coal belt on the east coast of Vancouver Island having been referred to, the coal lands at Quatsino may also be here mentioned. So far careful prospecting has been confined almost exclusively to the area covered in the foregoing remarks, but the fact should be emphasized that outside the coal areas minerals have been found at practically every few miles. The interior of the Island is not so well known, but it is generally believed, and it has been publicly stated by authorities who ve'ne their reputation, that the largest bodies of minerals will be found in the centre of the Island. The statement is based upon acquaintance with the territory and general geological knowledge. There is only one reason for this lack of knowledge regarding the interior of Vancouver Island, viz., the great difficulties in gaining access to it. Mining anywhere along the coast can be carried on under the most favorable conditions, and it may be well to remind you of the remarks made by Dr. T. R. Marshall, D. Sc., Edin., at our previous annual meeting. In referring to mining operations of the west coast, the Doctor said:

"A glance at the chart will show that the Island is deeply indented by navigable channels, which permit of the cheap carriage of the ore to the smelters.

"The outcrops of ore occur on the steep mountain slopes, which means cheap exploitation; and the mountains are clothed to the very tops with a dense forest growth, affording valuable mining timber and fuel at every point. The red cedars at varying altitudes provide, by simple splitting, boards and shakes for the construction of houses.

"There are no water problems, as the rainfall is abundant.

"Everywhere cheap water-power is available, and all that is wanted is a pipe-line and Pelton wheel.

"The above general remarks are happily supported by recent development work at various points along the west coast. No matter how extreme the points at which the development work is being conducted, there is the pleasing tale of success."

Reference individually to the numerous prospects will not be expected here, but mention may be made of shipments aggregating 3,500 tons of ore from the Yreka Copper Company's claims at Quatsino. These shipments were made in March and April last, but development of the property is not sufficiently advanced to continue them without interruption. The principal improvements consist of 600 feet of tunnel work, a compressor plant and three rope trams (combined capacity, 600 tons every 24 hours), connecting with bunkers on deep sea water. The company appear satisfied with their prospects, for in April they entered into an agreement with the Crofton smelter people for the delivery of 100,000 tons of ore. The ore shipped averaged about 7 per cent. of copper, with gold and silver sufficiently to pay for the ton.

At Mount Sicker, reached from the city of Victoria within a few hours, lode mining is more advanced than elsewhere on the Island. The first mine to commence shipping was the Lenora, and in the Board's previous report tribute was paid to the management for the manner in which the mine's possibilities had been shown. It was also stated that capital was limited, and it was to this unfortunate circumstance that in July last the mine was practically closed down. These financial troubles led to litigation, which happily it now appears will soon be overcome, and it is announced that arrangements have just been completed for more extensive operations. The provincial mineralogist, in his report for the year ending 31st December, 1902, states that 26,195 tons of shipping ore had been mined, averaging .1707 oz. gold, 3.57 oz. silver, and 7.95 per cent. copper. Further, that for every ton of sl ipping ore about two tons of second-class ore has been mined. The second-class ore, say 52,000 tons, is estimated to contain .05 oz. gold, 1.03 oz. silver, and 2.3 per cent. copper, wet. The early shipments were made to the Tacoma smelter, as the transportation charges were a serious handicap. Subsequently the Northwest Smelting Company were so favorably impressed with the prospects of the mine that they erected a smelter, capacity 600 tons daily, including the plant necessary to turn out "blister copper." This smelter is situated at Crofton, about 2 miles from the mine, and connected by a narrow-gauge railway. It is possible now to ship and treat a lower-grade ore than formerly. Adjoining the Lenora property and within a radius of some miles there are many mineral claims being developed. The improvements in many cases are worthy of comment, and the same statement applies to numerous other properties on Vancouver Island. It is difficult to judge where reference to claims under development should stop, so it is proposed to confine remarks to the properties which are shipping ore. The Tyee mine adjoins the Lenora, but higher up the mountain, remarkable for the manner in which the development of this property was due solely to the success met with on the claim last named, both being on the same band of schists. An English company acquired the Tyee and several other mineral claims, and in the year 1900 the real work of development may be said to have commenced. The policy of the company has been to develop the Tyee, but to mine as little as possible in doing so. While this was being done an aerial tramway was constructed from the mine to connect with the Esquimalt & Nanaimo Railway near Somenos, a distant 3¼ miles, the intention being to treat the ore at a smelter at Ladysmith. That smelter was "blown in" last December, and regular shipments of ore from the mine have since continued. A very conservative estimate of "ore in sight" in the Tyee may be taken at 60,000 tons, and an average of that shipped is approximately 5 per cent. copper, $3 to $4 in gold, and 3 or 4 ounces of silver per ton of ore. The capital of the Tyee Copper Company, Limited, is $750,000, in shares of $5, and the latest quotations are over 150 per cent. premium. The success which has attended the operations of this company is one of encouragement, and should prove an encouragement, indicating as it does what may be expected from the mineral resources of Vancouver Island if developed with sufficient capital and proper intelligence.

Before proceeding it will be well to consider for a moment the situation of the shipping mines referred to. Between the Yreka mine, at Quatsino, and Mount Sicker the distance is at least 250 miles in a direct line. The area of Vancouver Island may be taken at 16,000 square miles, and by keeping this fact in view a better idea of the possibilities arising from the development of the mineral resources can be formed.

It is not to be expected that every "prospect" will be a mine; but, on the other hand, it cannot be unreasonable to believe that the excellent showings in the numerous claims where work is proceeding will disappear upon further investigation. In the four mining divisions embracing Vancouver Island there were issued in the year 1902 nearly 1,000 certificates of work on mineral claims. The drop in the market price of copper was discouraging, and that such progress was made in proving claims notwithstanding may be cited as a further reason for gratification. Late improvement in the price of that metal will no doubt result in more vigorous exploitations.

Iron.—The extensive iron ore deposits known to exist on Vancouver Island are not generally in such an advanced state of development as the copper ores. The reason is obvious. There is practically no demand at present; but it is difficult to believe that such conditions will continue much longer. Iron ore has been located in large bodies in many places, and analyses show it to be of high grade. Samples of bog iron from Quatsino Sound were reported by the provincial government assayer to contain 52 per cent. of iron. The principle samples examined in the assay laboratory have been magnetic, and many of these have been proven to contain a much higher percentage of iron. The deposits best known are located on the west coast at Burkley Sound, and at Sooke, still nearer Victoria. The fact that there are no similar deposits yet found on the North Pacific coast south of the 49th degree of latitude, quality and quantity considered, is important. The necessary fluxes and fuel, like the iron ore, are all situated conveniently near navigable deep sea water. Notwithstanding these natural advantages, the manufacture of iron on Vancouver Island does not appear to have received the serious consideration it deserves. It must be admitted that the local (Canadian) demand for manufactures of iron is limited. The market of the United States is protected by a tariff of $4 per ton on pig iron manufactured in Canada. It will therefore be well to consider what inducements are offered to offset these conditions, more particularly in regard to our nearest foreign market, the United States. On this side of the boundary line we have, as far as yet discovered, the best grade iron ores in the largest quantities. The conditions so far as fluxes, labor and geographical position are concerned, are certainly equally good on Vancouver Island. In the matter of fuel, the timber is similar on both sides of the line; but our coal is much superior to any mined in the neighboring states, much of it being especially good for coking. The Dominion government will assist the manufacture of iron and steel as follows:

"The Governor-General-in-Council may authorize the payment of the following bounties on steel ingots, puddled iron bars and pig iron made in Canada, that is to say:—

"On steel ingots manufactured from ingredients of which not less than 50 per cent. of the weight thereof consists of pig iron made in Canada, a bounty of $3 per ton.

"On puddled iron bars manufactured from pig iron made in Canada, a bounty of $3 per ton.

"On pig iron manufactured from ore, a bounty of $3 per ton on the proportion produced from Canadian ore, and $2 per ton on the proportion produced from foreign ore.

"The said bounties shall be applicable only to steel ingots, puddled iron bars and pig iron made in Canada prior to the 23rd day of April, 1902.

"The Governor-General-in-Council may make regulations in relation to the said bounties in order to carry out the intention of this Act.

"The bounty on steel ingots, puddled iron bars and pig iron made in Canada, authorized by Chapter 26, 1897, shall, on the termination of the period therein mentioned, notwithstanding anything in the said chapter, continue to be applicable until the 30th day of June, 1907, and shall be payable gradually reduced, as follows:

"(a) From 23rd April, 1902, to 30th June, 1903, both inclusive, the bounties shall be 90 per cent. of the amounts fixed by said chapter.

"(b) From the 1st July, 1903, to 30th June, 1904, inclusive, the bounties shall be 75 per cent. of the amounts fixed by said chapter.

"(c) From 1st July, 1904, to 30th June, 1905, inclusive, the bounties shall be 63 per cent. of the amounts fixed by said chapter.

"(d) From 1st July, 1905, to 30th June, 1906, inclusive, the bounties shall be 53 per cent. of the amounts fixed by said chapter.

"(e) From 1st July, 1906, to 30th June, 1907, inclusive, the bounties shall be 20 per cent. of the amounts fixed by said chapter.

"Notwithstanding anything in Chapter 6, 1897, or in this Act, no bounty shall be paid under this Act on steel ingots made from puddled iron bars manufactured in Canada.

"The Governor-General-in-Council may make regulations in relation to said bounties in order to carry out the intentions of this Act."

By an amendment act passed at this session of parliament the above bounties have been increased 15 per cent.

As we are now considering the markets of the United States on the Pacific Coast, another important factor must be mentioned, viz., that upon every ton of our iron ore shipped there for treatment there is a duty of 40 cents per ton. If we summarize these conditions we have: Dominion government bounty on pig iron, current year, $2.70 per ton; duty on, say, 2 tons ore entering the United States for the manufacture of one ton of pig iron, 80 cents, to which must be added the difference of freight between the ore and manufactured iron, extra cost of handling, also advantages in the quality of coke and the proximity to the iron ore deposits on Vancouver Island. If all these advantages be considered, there appears every reason to believe that pig iron could be manufactured on Vancouver Island to compete successfully with iron manufactured on the Pacific Coast of the United States, notwithstanding the duty of $4 per ton. With regard to the competition with pig iron manufactured in the Eastern States, there would be the difference in the freights in favor of the local manufactured article. It is not proposed to go into further particulars here, the desire being simply to outline some of the most important points, in the hope of interesting experts with the necessary capital to personally investigate the matter. It will have been noticed that the Dominion government bounty is fixed on a schedule which is reduced each year. The Act under which that bounty applies was framed to cover the whole Dominion, and it is possible, even probable, that if proper representations are made and it is shown that the necessary capital is in hand, additional assistance can be secured to establish iron works on Vancouver Island on a permanent and profitable basis. Mention should be here made of the number of Island iron properties owned by parties interested in iron works in the state of Washington. This is important evidence of the recognized superiority of the Vancouver Island ores.

Coal.—Vancouver Island coal is well known in home and foreign markets. The output of the collieries during the year 1902 was 1,247,065 tons, the exports to California for the same period being 591,732 tons. Fuel oil is taking the place of coal in many large establishments in California where steam power is used, hence a falling off in coal consumption there.

The excellent quality of the Vancouver Island coal is shown in the fact of the falling off in the shipments to the California markets being slight as compared with the decrease in shipments from the state of Washington to the same market, notwithstanding the duty of 60 cents per ton, while coal from the Island coal, while that from Washington was entered free of duty.

Coal was first mined on Vancouver Island about the year 1836, and the output to date is nearly 18,000,000 tons. The area of the present coal measures could be increased if necessary, besides which there are many other coal fields located. Anthracite coal has been found at Comox, but it is not yet of commercial value. The collieries provide employment for 3,027 hands.

Coke.—A very superior quality of coke is made at Comox. The local consumption during 1902 was 3,998 tons, and 12,016 tons were exported. The coke ovens are situated alongside wharves, with plenty of water for the accommodation of ocean vessels.

Building Material.—Vancouver Island is bountifully supplied with a variety of building material. Granite and sandstone quarries are splendidly located as regards transportation by water, and this venue is shown by the fact that capitalists from San Francisco have recently commenced work at Newcastle, relying largely on a foreign market for the sale of the product. Fire clays, brick, drain pipe and tile are manufactured at Victoria, and find a ready market locally and elsewhere in the province. The lime produced at Marble Bay is of excellent quality. All these, together with cement, form a very valuable addition to the natural resources previously mentioned.

Fisheries.—In view of the bountiful supply of good food fish in the waters surrounding Vancouver Island it is most unfortunate that so little has been done in catching and placing the markets the fish which are available. Professor Prince, of the Dominion government department of fisheries, who is well acquainted with the situation, may be quoted as having stated that Victoria is the "greatest fishing grounds in the world right off our shores." The salmon first attracted the attention of capitalists and canneries were established by Victorians on the Fraser river in 1876, in which year the pack was less than 10,000 cases. In consequence of the excitement caused by the fish being taken in a careless manner in which it was preserved a good demand resulted and the pack has increased annually. Profiting by this knowledge and knowing that the "bloody" salmon on their spawning grounds in the Fraser river and its tributaries passed through Puget Sound canneries have been established and canneries erected there. The fish being intercepted before reaching the Fraser. The growth of the industry on Puget Sound, which has now reached very large proportions, is almost wholly attributable to the cheaper methods by which the fish had been caught, mostly in traps. It is now that the salmon are met in or from the ocean travel along the west and south shores of Vancouver Island, and it is, therefore, evident that by establishing traps at points along these shores the salmon could be intercepted before reaching the waters of a foreign competitor. This is a matter which is engaging considerable attention at the present time in British Columbia waters, however, permission of the Dominion government must be first obtained. It would seem possible to open up a market for fish traps off Vancouver Island up to the present; but under an act of parliament, notice of which has been given by the hon. minister of fisheries, such permission ban be granted by an order of the Governor-General-in-council and the use of purse seines will be legalized. As there appears hopes for the situation being relieved, perhaps at an early date, it is not necessary to enter into particulars of the many advantages which will doubtless accrue with the establishment of fish traps and other methods of fishing for salmon on the south and west coasts of Vancouver Island. Members of this board should continue their efforts to this end. The halibut, herring and other resources unlimited for years to come. The halibut is of exceptionally good quality and will stand long distance carriage with ordinary care in packing. The great halibut banks of the Atlantic do not now produce anything approaching the quantity of previous years; there is no falling off in the demand for that fish. The herring grounds are as prolific as any other known to exist in any part of the world and the fish are of good commercial size. Smoking and salting them has been carried on at Nanaimo. The local demand has been supplied from that source and shipments have been made to the Northwest Territories and to Australia. So far, however, the industry has progressed on a scale altogether out of proportion to the unlimited supply of the herring and the markets for them which are known to exist. Some varieties of cod as a food fish call for special attention. It is unfortunate that the fisheries are in such a backward state of development. Their importance can hardly be overestimated and the city of Victoria, for location and transportation facilities, either by rail or water, stands pre-eminent as the centre of the great fishing industry which is hoped will soon be established. Of the smaller fish the sardine should be mentioned, but it must not be thought that all the possible openings for fishing developments have been referred to in these few remarks. The provincial government has recently issued a bulletin, No. 13, devoted exclusively to the markets for fish and fish products in the countries on the Pacific ocean.

Lumber.—In speaking of minerals an unknown quantity and value must necessarily be confronted, for "ore in sight" always forms but an infinitesimal proportion to that located but not developed. Such, however, is not the case with timber, and happily we have on Vancouver Island this natural resource in valuable merchantable varieties, which in quality and quantity, is not excelled in any part of the world. These varieties comprise, chiefly, douglas fir, cedar, spruce, balsam and hemlock. The forests lands are heavily timbered and the indentations in the coast lines furnish a natural advantage in cheap water transportation of the logs. Risk in such transportation can be minimized in most cases by selecting practically land-locked channels. The lumber finds a ready market in Australia, the United Kingdom, South America, and Africa, but the exports so far have been almost exclusively from the Victoria Lumber and Manufacturing company's mill at Chemainus. The capacity of that mill is over 300,000 feet per day. There are four saw mills at Victoria, and others are located at different points on the east coast of the island. In addition to the local and export trade mentioned a profitable market is found in the Northwest Territories; the only hindrance was lack of transportation for a time, due to shortage of the railway cars required. The timber cut is of small importance compared with the resources as yet untouched.

The port of Esquimalt affords a very valuable site for a large export saw mill. The logs could be delivered at Esquimalt as cheaply as at other points and there would be a saving in shipping charges, pilotage and towage, in addition to the advantage of the exceptionally good anchorage for vessels in the Royal Roads. The manufacture of wood pulp has engaged the active attention of this Board for some years past, and the provincial government offers inducements for the selection of the timber and water power necessary for carrying on such an enterprise. A very valuable concession has been secured by a company contemplating operations at Quatsino, and preliminary works are now in progress. This is another industry which requires a large capital, and there is every indication that such an investment on Vancouver Island would give good returns. The provincial government has just issued a bulletin, No. 14, which contains much valuable information in regard to the probable extent of the markets in the countries on the Pacific Ocean for the pulp and paper which could be manufactured on Vancouver Island. As this pamphlet can be had upon application at the office of this Board, or direct from the Bureau of Provincial Information, Parliament Buildings, in this city, the subject will not here be enlarged upon. It is impossible to estimate the immense value of the timber resources of Vancouver Island. A profitable business is now being done in lumber. All the mills are working full capacity, and good prices are being realized, for the output, with the rapid depletion of the forests in Eastern Canada and foreign countries, the timber resources of Vancouver Island is rapidly becoming more valuable.

Agriculture.—It may possibly have been inferred from the description of the mineral and timber resources of Vancouver Island, that there is a deficiency of lands on the island suitable for agriculture. Such, however, is happily not the case. The land available is sufficient to meet the requirements of a very large population, and that under cultivation has proved very fertile. Farming is now carried on principally in the vicinity of Victoria, in the Cowichan valley, and vicinities of Nanaimo, Comox and Alberni. The crop of hay, grain, roots and vegetables is unsurpassed anywhere in British Columbia, evidence of this being found in the large number of prizes awarded to Vancouver Island agricultural products in competition with those of other parts of our province. The prizes awarded to Victoria are of exceptionally good quality and always command prices equal to the best hops from Kent, England. The fruits, too, are excellent. Apples, prunes, pears and berries, for quantity per acre and quality, no better can be found anywhere. The apples and prunes are shipped to the Northwest Territories, where they find a ready market at good prices. Agricultural products and fruits command prices in the local markets which assure good profits to the growers. The principal creameries are at Victoria and Comox, where a good quality of butter is made. This butter retails never under 25 cents per pound (and this for a few weeks only in summer), to as high as 40 cents in winter. Poultry-raising is carried on profitably. The cattle and sheep raised do not nearly meet local demands, and the supply of bacon, ham, lard and eggs may be gathered that small mixed farming is a profitable undertaking. The natural conditions of the country are especially favorable for the growth of rich alluvial lands in the valleys having the advantage of shelter and good climate. There are no extremes in the climatic conditions, in fact, in the southern part of the Island housing of cattle, other than working horses and cows, may be dispensed with. The cost of clearing the land has to be cleared before farming can be engaged in. This is really not a very serious matter, could the C. P. R. consider it a principal consideration, returns not being so quick as from a similar investment on prairie land.

A strict enquiry, however, it is believed, will answer that the opportunities for the successful investment of capital in agricultural pursuits on Vancouver Island are in excess of those existing in the famous Northwest, as here there is, owing to the variety of crops possible, immunity from entire loss any one season through failure of crops.

COMMUNICATIONS.

Vancouver Island is in close touch with three transcontinental railways, one of each line being ferried across the Gulf of Georgia and entering the city of Victoria via the Esquimalt & Nanaimo Railway and the Victoria Terminal Railway. In this connection it is to be noted that the freight rates corresponding with those paid at the commercial centres east of the Mainland. The importance of these arrangements can hardly be over-estimated. Lumber and coke are loaded on the cars at the mills and ovens and delivered where required without any additional expense in handling. It is also possible to forward fresh fish in refrigerator cars to any point in Canada and the United States. These facilities have only recently been available. Already the growth of business resulting therefrom is considerable, but insignificant when compared with the developments which must soon follow. Capital alone is required to prepare the natural resources of the Island for markets, and the competition of three transcontinental railways may be relied upon to transport them at the lowest rates possible. While considering competitive transportation matters, reference may be made to the unique position of the city of Victoria in regard to the number of deep sea vessels of all the companies doing business between the Mainland—Puget Sound points as well as Alaska, Orient and the Orient, Australasia, Great Britain and Europe, call at Victoria. This advantage will assuredly have a marked influence upon future developments on Vancouver Island.

The railways on the Island extend about 100 miles. The Victoria & Sidney Railway (now known as the Victoria Terminal Railway), length 18 miles, runs through a good agricultural country and furnishes connection for the freight cars of the Great Northern and Northern Pacific Railways. The Esquimalt & Nanaimo Railway, length 85 miles, connects Victoria with Nanaimo. The freight cars of the Canadian Pacific Railway enter Victoria over this line, the ferry connection being made at Esquimalt harbor.

There has been considerable agitation in favor of the construction of a railway from Nanaimo to the north end of Vancouver Island, the idea being that its location should be for the purpose of opening up the interior. The advocates of this scheme point out that such a line would be used in developing trade in the northern parts of British Columbia and Yukon. While there is practically no opposition to the proposal, there is a strong feeling that before it is carried out the interior of Vancouver Island should be better known, and it must be admitted that a large area has only been exploited in a very superficial manner. The advocates of a "waiting policy" urge improved steamer communication with other points, say, north of Comox, and the construction of trails into the interior, so located that later they may be improved for wagon traffic as required. In the meantime no definite action is to be taken, however, permission of the Dominion government must be first obtained.

It is now proposed to open up for the use of fish traps off Vancouver Island up to the present; but under an act of parliament, notice of which has been given by the hon. minister of fisheries, such permission ban be granted by an order of the Governor-General-in-council and the use of purse seines will be legalized. As there appears hopes for the situation being relieved, perhaps at an early date, it is not necessary to enter into particulars of the many advantages which will doubtless accrue with the establishment of fish traps and other methods of fishing for salmon on the south and west coasts of Vancouver Island. Members of this board should continue their efforts to this end. The halibut, herring and other resources unlimited for years to come. The halibut is of exceptionally good quality and will stand long distance carriage with ordinary care in packing. The great halibut banks of the Atlantic do not now produce anything approaching the quantity of previous years; there is no falling off in the demand for that fish. The herring grounds are as prolific as any other known to exist in any part of the world and the fish are of good commercial size. Smoking and salting them has been carried on at Nanaimo. The local demand has been supplied from that source and shipments have been made to the Northwest Territories and to Australia. So far, however, the industry has progressed on a scale altogether out of proportion to the unlimited supply of the herring and the markets for them which are known to exist. Some varieties of cod as a food fish call for special attention. It is unfortunate that the fisheries are in such a backward state of development. Their importance can hardly be overestimated and the city of Victoria, for location and transportation facilities, either by rail or water, stands pre-eminent as the centre of the great fishing industry which is hoped will soon be established. Of the smaller fish the sardine should be mentioned, but it must not be thought that all the possible openings for fishing developments have been referred to in these few remarks. The provincial government has recently issued a bulletin, No. 13, devoted exclusively to the markets for fish and fish products in the countries on the Pacific ocean.

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The port of Esquimalt affords a very valuable site for a large export saw mill. The logs could be delivered at Esquimalt as cheaply as at other points and there would be a saving in shipping charges, pilotage and towage, in addition to the advantage of the exceptionally good anchorage for vessels in the Royal Roads. The manufacture of wood pulp has engaged the active attention of this Board for some years past, and the provincial government offers inducements for the selection of the timber and water power necessary for carrying on such an enterprise. A very valuable concession has been secured by a company contemplating operations at Quatsino, and preliminary works are now in progress. This is another industry which requires a large capital, and there is every indication that such an investment on Vancouver Island would give good returns. The provincial government has just issued a bulletin, No. 14, which contains much valuable information in regard to the probable extent of the markets in the countries on the Pacific Ocean for the pulp and paper which could be manufactured on Vancouver Island. As this pamphlet can be had upon application at the office of this Board, or direct from the Bureau of Provincial Information, Parliament Buildings, in this city, the subject will not here be enlarged upon. It is impossible to estimate the immense value of the timber resources of Vancouver Island. A profitable business is now being done in lumber. All the mills are working full capacity, and good prices are being realized, for the output, with the rapid depletion of the forests in Eastern Canada and foreign countries, the timber resources of Vancouver Island is rapidly becoming more valuable.

Agriculture.—It may possibly have been inferred from the description of the mineral and timber resources of Vancouver Island, that there is a deficiency of lands on the island suitable for agriculture. Such, however, is happily not the case. The land available is sufficient to meet the requirements of a very large population, and that under cultivation has proved very fertile. Farming is now carried on principally in the vicinity of Victoria, in the Cowichan valley, and vicinities of Nanaimo, Comox and Alberni. The crop of hay, grain, roots and vegetables is unsurpassed anywhere in British Columbia, evidence of this being found in the large number of prizes awarded to Vancouver Island agricultural products in competition with those of other parts of our province. The prizes awarded to Victoria are of exceptionally good quality and always command prices equal to the best hops from Kent, England. The fruits, too, are excellent. Apples, prunes, pears and berries, for quantity per acre and quality, no better can be found anywhere. The apples and prunes are shipped to the Northwest Territories, where they find a ready market at good prices. Agricultural products and fruits command prices in the local markets which assure good profits to the growers. The principal creameries are at Victoria and Comox, where a good quality of butter is made. This butter retails never under 25 cents per pound (and this for a few weeks only in summer), to as high as 40 cents in winter. Poultry-raising is carried on profitably. The cattle and sheep raised do not nearly meet local demands, and the supply of bacon, ham, lard and eggs may be gathered that small mixed farming is a profitable undertaking. The natural conditions of the country are especially favorable for the growth of rich alluvial lands in the valleys having the advantage of shelter and good climate. There are no extremes in the climatic conditions, in fact, in the southern part of the Island housing of cattle, other than working horses and cows, may be dispensed with. The cost of clearing the land has to be cleared before farming can be engaged in. This is really not a very serious matter, could the C. P. R. consider it a principal consideration, returns not being so quick as from a similar investment on prairie land.

A strict enquiry, however, it is believed, will answer that the opportunities for the successful investment of capital in agricultural pursuits on Vancouver Island are in excess of those existing in the famous Northwest, as here there is, owing to the variety of crops possible, immunity from entire loss any one season through failure of crops.

COMMUNICATIONS.

Vancouver Island is in close touch with three transcontinental railways, one of each line being ferried across the Gulf of Georgia and entering the city of Victoria via the Esquimalt & Nanaimo Railway and the Victoria Terminal Railway. In this connection it is to be noted that the freight rates corresponding with those paid at the commercial centres east of the Mainland. The importance of these arrangements can hardly be over-estimated. Lumber and coke are loaded on the cars at the mills and ovens and delivered where required without any additional expense in handling. It is also possible to forward fresh fish in refrigerator cars to any point in Canada and the United States. These facilities have only recently been available. Already the growth of business resulting therefrom is considerable, but insignificant when compared with the developments which must soon follow. Capital alone is required to prepare the natural resources of the Island for markets, and the competition of three transcontinental railways may be relied upon to transport them at the lowest rates possible. While considering competitive transportation matters, reference may be made to the unique position of the city of Victoria in regard to the number of deep sea vessels of all the companies doing business between the Mainland—Puget Sound points as well as Alaska, Orient and the Orient, Australasia, Great Britain and Europe, call at Victoria. This advantage will assuredly have a marked influence upon future developments on Vancouver Island.

The railways on the Island extend about 100 miles. The Victoria & Sidney Railway (now known as the Victoria Terminal Railway), length 18 miles, runs through a good agricultural country and furnishes connection for the freight cars of the Great Northern and Northern Pacific Railways. The Esquimalt & Nanaimo Railway, length 85 miles, connects Victoria with Nanaimo. The freight cars of the Canadian Pacific Railway enter Victoria over this line, the ferry connection being made at Esquimalt harbor.

There has been considerable agitation in favor of the construction of a railway from Nanaimo to the north end of Vancouver Island, the idea being that its location should be for the purpose of opening up the interior. The advocates of this scheme point out that such a line would be used in developing trade in the northern parts of British Columbia and Yukon. While there is practically no opposition to the proposal, there is a strong feeling that before it is carried out the interior of Vancouver Island should be better known, and it must be admitted that a large area has only been exploited in a very superficial manner. The advocates of a "waiting policy" urge improved steamer communication with other points, say, north of Comox, and the construction of trails into the interior, so located that later they may be improved for wagon traffic as required. In the meantime no definite action is to be taken, however, permission of the Dominion government must be first obtained.

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