

make a demurrage charge as a lien upon the lumber, and then charge the railroads a penalty of one dollar, to be collected out of the freight charge, for every day a car is in transit above certain maximum schedule. Thus an inducement would be held out for prompt unloading.

The second grievance is freight rates. It is certain that the business community of Canada is burdened with excessive charges for transportation. It should be equally certain that these will be remedied, but the fact that they have so long existed without official interference makes hope forlorn. It may be that the demand for a readjustment on a proper basis is stronger than ever before, and that something tangible will result from the present agitation. The appointment by the Dominion Government of a Commissioner to investigate railway rate grievances is a proper step, and should be followed by the appointment of a royal commission.

A committee of the Toronto Board of Trade are, at considerable trouble, collected statistics showing a comparison of the rates of freight throughout Canada with those that prevail on similar products in the United States. These figures have not been made public, but it is understood that they will strongly support the contention for lower rates in this country. The Winnipeg Board of Trade has furnished to the Commissioner a comparison between the rates applying on merchandise from New York to St. Paul via the Soo line (which for the greater distance passes over the C.P.R. and roads controlled by it), and the rates from Montreal to Winnipeg. The distance in each case is about equal, but the charges from Montreal to Winnipeg are nearly double those from New York to St. Paul. Why this should be is a question which the railway companies should and no doubt will be asked to explain.

EDITORIAL NOTES.

Canada tendered a right Royal welcome to the Duke and Duchess of Cornwall and York, who have just left our shores after a month spent in visiting all parts of the Dominion. It is to the credit of our future King and Queen that they would have undertaken a nine months' journey, traversing two-thirds of the earth's surface, with the object of acquainting themselves with the people and conditions existing in the various parts of the great British empire. The information which they have acquired will enable them to more capably discharge the duties of their high station. The people with whom they have come in contact feel that the bond of sympathy and loyalty which binds them to the Empire has been further strengthened. Great commercial advantage is also likely to accrue to Canada from the descriptions of the country and its resources and opportunities written by representatives of the visiting British and American papers who accompanied the Royal party.

Twenty dollars per thousand feet is stated by Schenck to be the price of pine stumpage in Germany and France. Many persons believe that the time will come within another century when a similar price will prevail on the American continent, as the white pine

territory in the United States and Canada is somewhat limited. It is little wonder, therefore, that pine timber limits are being sought out for investment by shrewd and far-seeing financiers.

The Consular reports to the United States Government have been the means of diffusing much information regarding the markets of different countries. These reports are usually accurate, but it is not to be expected that the persons acting as Consuls can be familiar with all branches of trade. This lack of knowledge sometimes results in the publication of misleading statements. As an illustration, a report from Consul Skinner, of Marseilles, France, states that the firms of Price & Pierce and Taggart, Beeton & Company, of London, are reported to be the actual importers of fully 80 per cent. of all the American lumber shipped to England and the Continent. It is well known that there are many importers of lumber besides the two firms named, and that their imports represent much more than 20 per cent. of the total. Mr. Skinner is quite correct when he states that it will require persistent and well directed effort to change the present course of business and bring the manufacturer and consumer together; and it is a question if lumber for export will not continue to pass through the hands of brokers.

TAXATION OF LOGS.

Some important questions were raised in the personal property tax case against the Rat Portage Lumber Company, which was decided by Judge Dibell in the district court at Duluth, Minn. Among other points that were raised by the company, one was that the logs were in transit between the United States and Canada, and were therefore under the interstate commerce act and beyond the jurisdiction of the state. Nevertheless the company accepted a reduction in its valuation, and paid its taxes to the amount for which judgment was entered.

The company cut some logs during the winter of 1899-1900 near the northern boundary of the county, and the logs were taxed in the United States. The assessors reckoned the amount at over 15,000,000 feet, and put a valuation of \$9 per 1,000 feet upon the lot, making a total valuation of \$141,300, on which a tax of \$1,127.04 was levied. The company claimed that it had only 13,165,200 feet there on May 1, and that logs in the harbor at Duluth were only assessed \$2.75 per 1,000 feet, in addition to the other points it raised. The company showed by the surveyor general that it only had the amount of logs it claimed.

The company also introduced proof that before May 1 all its logging drives were started, and on this the point that the logs were under interstate commerce rules was raised. A decision of the United States supreme court was quoted showing that where drives had been started, and the logs were bound for another state or outside the country, the state could not tax.

Another point was that there are only three places where property can be taxed: At the residence of the owner, at the residence of the agent, or at the point where the logs were manufactured. It was shown that in this case all of these points are in Canada.

Yet the company was willing to pay taxes and only asked that the valuation be made lower, and by stipulation it was agreed that the other logging property of the county was assessed at \$2.75 and that judgment should be entered on that basis. The valuation of \$9 per 1,000 feet was therefore cut down to \$2.75, and instead of over \$1,200 taxes, with interest added, the company paid only about \$200.

OPENING FOR A SASH AND DOOR FACTORY AT SHANGHAI.

Henry B. Miller, United States Consul at Chungking, writes as follows:—There is an excellent opening for the establishment of a sash, door and wood-working establishment at Shanghai. A number of very large modern buildings are always in course of construction in this city, and I have been advised by architects that they are constantly in difficulties about interior finishings.

There is not a planer, moulding machine, or sawmill in China, so far as I have been able to learn. Logs are sawed into lumber by the whipsaw process, and in every city and throughout the country men are engaged in this business of sawing lumber by hand. Mouldings are made by hand work, and all lumber is dressed in the same way. There is not a lumber dry kiln in China, and the most difficult problem in the construction of buildings is to get well-seasoned material for interior finish.

A proper wood-working establishment at Shanghai would command the trade of the entire Yangtze Valley and probably of points along the coast to the north, such as Tsintau, Wei Hai Wei, Tientsin, and Port Arthur.

The most important feature of the plant would be a first class dry kiln of sufficient capacity to meet the demands for dry lumber. A good bandsaw for sawing native logs of small size and imported lumber up to 18 inches would be required. Moulding machines, planers, and sash and door machinery for making special work, turning lathes and general wood-working machines would complete the requirements. A plant for making stock doors and windows would not be advisable, as proper material is not to be had and the demand is not heavy. Most of the wood used for interior finish is hard wood, coming from countries south of here. All building contracts are carried on by Chinese, and the lumber yards are also in their hands.

The best man to undertake this business would be one of good education and address, familiar with the details of the business and capable of taking the management of the concern; he should have some capital and first class recommendations; he should spend at least three months here looking into the requirements before ordering his plant; he should get the Chinese contractors and perhaps the lumber dealers to join him in the enterprise.

The Chinese have plenty of capital to engage in such enterprises and do not hesitate to invest therein, if they are presented by good and capable men and show chances for reasonable profit.

The architects will be glad to do all they can to encourage the institution, for all recognize the necessity of it.

Experiments are being made in New York to saw dust in a commercial way. It is understood that if the scheme is successful, as now seems probable, the entire output of the Ottawa mills will be sent to New York.