climax, the provincial policy has made the Government a sleeping partner in forest exploitation—a sharer in the profits of the lumbering industry. Two things are therefore plain: one, that the value of standing timber in British Columbia is destined to rise to heights that general opinion would consider incredible to-day: the other, that under careful management, heavy taxation need never fall upon the population of the province. The profits from a permanent Crown timber business, should make British Columbia that phenomenon of state-craft and good fortune—a country of "semi-independent means."

The Commissioners recommend increased efforts in the direction of fire prevention and fire fighting. The concensus of opinion, they state, is that, provided fire be kept out, the growing timber on cut over lands will make the yield of lumber permanent. They, therefore, suggest the formation of a permanent forest organization in order that the work of fighting fires may be performed in a thorough and systematic manner.

CANADA ACCIDENT ASSURANCE COMPANY.

The report presented by the Manager (Mr. T. H. Hudson), at the annual meeting of the Canada Accident Assurance Company, held in Montreal on Wednesday, was of a particularly satisfactory character. The net premium income of 1910 amounted to $189,095, this being an increase of $80,546 upon 1909, while the claims for the year were $67,880.

The surplus of assets over all liabilities, including capital, and after laying aside $80,337 for reserve of unearned premiums, amounts to $143,807. That the general progress of the Company has been very marked within recent years, is shown by the following comparison of leading figures of 1901 with those of the current year:—

	1901.	1910.
Assets	$100,344	$291,165
Liabilities, including capital stock	47,086	67,020
Reinsurance reserve	27,368	80,337
Net surplus	25,890	143,807
Income	45,469	197,728
Expenditure	34,773	127,489

It will be seen from this comparison that assets have increased by nearly 200 per cent, within a decade; the re-insurance reserve by 200 p.c.; the net surplus by approaching 500 p.c.; and the income by about 350 p.c. So notable an advance must be a source of gratification to the officers of the Company, upon whom the strength of the Company's position reflects much credit.

As is generally known, the Canada Accident Assurance Company is affiliated with and has all its policies guaranteed by the Commercial Union Assurance Company, Limited, the assets of which are upwards of $95,000,000.

SCHEDULE FIRE RATING: A VINDICATION IN NEW YORK (II.)

We continue quotation from the recently published report of the legislative committee, which has lately been investigating the subject of fire insurance in New York. The report, as we pointed out last week, is an able defence and exposition of fire rating of dictinct interest to a wider circle than the underwriters immediately concerned with the committee's recommendations.

SCHEDULE RATING.

The method of rating proceeds upon the theory that the hazard of a risk may be analyzed into its component parts and that the rate for the risk as a whole may be built up from its various elements. For example, let us suppose the proper rate for a certain type of building is known; we will say a five-story brick mercantile building, of 5,000 square feet of floor space on each floor, with closed elevator shafts and with certain other definite details of construction. Now, it will be generally conceded, at any rate, it can be demonstrated by experience, that additional stories, a greater floor space and open elevator shafts are all factors that tend to make the fire hazard of the latter building greater than that of the former. The theory of schedule rating is that the quantitive effect of each of these factors in increasing the fire hazard can be separately given and that the resultant rate may be so built up. While there is a field here for a critical analysis of just how this combination shall be effected the reasonableness of the general proposition must be readily admitted.

The economic, even the sociological effect of the application of schedule rating can scarcely be overstated. It is doubtless true that schedule rating is at present by far the most powerful agent in the inauguration of good building construction and in checking the appalling fire waste of the country. The power of schedule rating as an economic force can be very simply explained: it lies in the fact that it is specific and open, that is to say the rate, instead of being made as a single lump sum, is in direct relation to the various features of the hazard. The importance of this lies in the fact that when the insured sees just how, by making certain changes in his building, he can obtain a more favorable rate, there is a direct appeal to his pocket which is at once taken advantage of. The change may consist simply of clearl.g rubbish out of

SUMMARY OF CANADIAN TRADE.

	Month of December.		Nine months ending December.	
	1909.	1910.	1909.	1910.
	$	$	$	$
Merchandise entered for consumption	30,774,900	34,698,349	267,041,935	331,502,622
Do. domestic, exported	38,066,086	28,125,138	221,116,813	221,764,869
Total merchandise for consumption and domestic exported	68,840,986	62,823,487	486,158,748	553,267,491
Coin and bullion entered for consumption	913,024	800,839	4,754,120	8,314,941
Do. exported	116,018	806,488	2,023,246	2,864,550
Merchandise, foreign, exported	2,657,437	1,111,062	17,550,264	13,552,646
Grand Total, Canadian trade	73,527,465	65,541,876	512,486,678	577,999,628