

Still there are many fine streams in the interior which can be utilized in floating the logs. In the interior, timber lands tributary to the railway, or to streams by which the logs can be floated to points on the railway, are of course the most valuable. The many islands along the coast are mostly heavily timbered, and are of course very easily worked as far as moving the logs is concerned.

A number of saw mills have been established at points along the railway in the interior since the opening of the road, but none of the mills are of very large capacity. The interior mills are unable to ship lumber to the coast in competition with coast mills, and are therefore confined to the limited local demand and to such shipments as they can make eastward to points in the Territories. High freight rates is the great drawback to the interior mills. The manufacturers complain that the freight rates to eastern points from interior mills are so high that they are almost prohibitory.

The coast mills have a larger local trade, and they are also in a position to cater for foreign trade. Ships are frequently loaded at some of the larger coast mills, for direct shipment to Australia, South America, and other points. Some exports are also made to California, but here the duty comes in to prevent this trade from assuming great importance. The opening of the California market to free lumber from British Columbia would be a great benefit to the lumber industry of the province. The provincial manufacturers would then be in a position to compete with the Puget Sound lumbermen for the trade of the Golden State on an equal footing.

Burrard Inlet has long been the principal point in the province for the foreign export trade. Two mills have been sawing on this inlet for twenty to twenty-five years, mainly for export. This and last season exports have also been made direct from the Fraser river mills. Mills sawing for export only do not carry a stock of dry lumber. The lumber is run right from the saw to the ship and exported in a green state. The export trade from the Fraser river will be vastly increased by the completion of the mammoth Ross-McLaren mill, the daily capacity of which will be from 300 to 500 feet. Another mill is also talked of for the Fraser river. At Vancouver a number of mills have been established since the completion of the railway, but they have worked mainly for local trade, which has been brisk during the rapid building up of the city. One of the old Burrard Inlet mills at Vancouver has recently been purchased by a company, supposed to be supplied with British capital. The mill will be remodeled and continue the export trade on a larger scale. This mill itself was not very valuable, owing to the long time it has been running, but very valuable timber lands went with the property. On Vancouver Island very little has been done beyond meeting the requirements of the local trade, the three principal mills being located one each at Victoria, Chemainus, and Nanaimo. A new company was formed some time ago, which took over the Chemainus property, and it is understood to be the intention of this company to erect a large mill for export and local trade. Shipments of cedar shingles from the coast mills have been made to Maui-

toba and territorial points, and these shingles are now regularly in the market at all points through the prairie region. In lumber, however, the coast mills have not been able to do as much business with the prairie country east of the mountains, as it was thought could be done at one time, though a limited quantity of lumber has been shipped eastward. Exports of produce of the forest from British Columbia for the fiscal year ended June 30th last were about \$450,000, of which \$388,000 was from the port of Vancouver.

Probably a good deal of the investments in British Columbia timber lands of late have been of a speculative nature. Eastern Canadian and United States capitalists are among the investors in these lands, and it is hardly likely that the intention in every case is to develop the property, but rather to hold for sale at an advance in values. The provincial timber lands, however, are not sold outright. Licenses are granted to cut timber for an annual fee of \$50, in addition to which thirty cents for stumpage and seventy-five cents per thousand feet, board measure, for lumber manufactured, goes to the Government. In the railway belt a fee of \$10 per 1,000 acres is charged, with fifteen cents stumpage and twenty-five cents board measure per thousand feet for the lumber cut.

THE INSURANCE QUESTION.

The question of fire insurance for retail dealers has been so frequently discussed in these columns, that there is little room to add to the statements already made and views previously expressed. THE COMMERCIAL has frequently advocated the cause of insurance and has steadily advised business men to avail themselves of the privileges afforded by insurance, in providing compensation for loss by fire. This journal has further pointed out, that retailers who were working on a credit basis, were morally bound to protect themselves by insurance to a reasonable extent. Reasonable protection would be to an extent sufficient at least to cover their liabilities to others, so that the loss of their goods would not, as it very often does, fall upon their creditors. From a business point of view, the merchant who buys for cash should not neglect the advantages of insurance. To do so would be to follow a very unbusinesslike course. But the merchant, wholesaler or retailer, with liabilities in excess of the value of his indestructible property, is bound by principles of honesty, as well as by proper business habits, to insure his goods to a reasonable extent.

As a rule losses by fire in this country have been borne largely by the wholesale trade. When the retailer who buys on credit has been burned, the wholesale dealers have simply been compelled to shoulder the loss, for as a rule the insurance carried has been altogether out of proportion to the amount of stock. Last week it was announced that a meeting had been called to consider this state of affairs, and if possible devise some effective means of urging upon dealers the advisability of more fully protecting themselves and their creditors by insurance. This meeting has since been held in Winnipeg and was attended by representatives of the local and a number of eastern houses doing business here. All were agreed as to the nec-

essity for some action, but the difficulties of the situation were fully appreciated. Letters were read from a number of eastern houses approving of the movement. The question of insurance rates was discussed, especially as to the possibility of securing some reductions in rates. A number of insurance men were present, and it was agreed that a committee from the board of underwriters would meet a committee of merchants and discuss the question of insurance rates. In this connection it may be stated that the wholesale merchants will do their best to secure reductions of insurance rates in outside towns. At the meeting it was decided to form a jobbers' association, to be open to local and eastern houses doing business in the west, for mutual protection and the furtherance of mutual trade interests. A committee was appointed to frame by-laws to govern the proposed association. Mr. Bertrand, who has been mainly instrumental in working up the movement, presented the question in its various aspects, to those present, in a forcible and lucid manner. His idea is to have the question of insurance brought personally before all retail dealers in the country, through a systematic canvass by a person appointed for the purpose. Secondly, that a record of information be kept, as to amount of insurance carried, etc. The association will likely take up the matter on these lines, and Mr. Bertrand will probably act as an intermediary between the association and retailers who may be considered by the association as not properly protected by insurance.

The question of insurance rates is of course a very important one to retailers in outside towns, as owing to the lack of fire protective appliances and the risky nature of the buildings in our smaller towns, insurance rates are necessarily very high. In some cases they are considered as almost prohibitory, by the merchants. The insurance companies, however, claim that the rates are fully as low as the situation will warrant, and when approached for a reduction, they point to the exceedingly risky nature of the property covered by their policies, with arguments which cannot be satisfactorily answered. It is a fact that a fire in most of our smaller villages means the wrecking of everything within its reach. Even some places having from forty to fifty business institutions of one kind or another, are entirely without protective appliances, or at best with very inefficient means of fighting a fire. This is a very mistaken policy. A few thousand dollars for a fire engine and appliances is looked upon as too great an expenditure to be undertaken, but no thought is taken of the many thousand dollars worth of property entirely at the mercy of a fire. When the fire comes, which is only a matter of time at best, the property destroyed in a brief time would amount to a sum sufficient to provide fire appliances for about all the towns in the country. Even the smaller towns should make some effort to provide the very best means which they can have with which to fight fires. The removal of fire traps in the form of straw and rubbish about buildings should be looked after. Another dangerous feature in most of our towns is the location of feed stables among the business buildings. A few fire-walls between buildings would also be a great protection against the spread of fire. If our country towns would do what they can in the way of protecting property from destruction by fire, the merchants in such places could then reasonably hope for some reductions in insurance rates. We are certain the underwriters would be inclined to meet them half way in this matter. But the utter disregard of providing any protection whatever, which is shown in a great many of our towns, is little encouragement to the insurance people to reduce rates.