

ing the wholesale smuggling into Canadian territory of American products purchased by British Columbia Indians while on their periodical visits to ports on Puget Sound, has been the cause of serious loss not only to a large portion of our trading community but also to the revenue of the country.

It is generally believed that the permanent services of an efficient revenue cruiser and the establishment of Customs' stations at convenient points along the coast will be necessary in order to put a stop to this illicit traffic, and the Board has energetically advocated the adoption of such measures, and has urgently pressed upon the Dominion Government the necessity of at once commissioning such a vessel, as also of stationing preventive officers at such points as may be selected for the purpose. These suggestions have been favorably received by the Government, and the Board understands that active steps are being now taken to procure a suitable vessel for the service in question. Reference to the Appendices is requested for full information on the subject.

FISHERIES.

The delay in adjusting the difficulties which have grown out of the seizure last year of British sealing schooners in Behring's sea by United States cruisers has tended to greatly disturb and curtail the operations of our sealing fleet.

It had been hoped that the provisions of the new treaty between Great Britain and the United States would have dealt with this matter and the deferred settlement of existing differences must operate to the detriment of this particular branch of our Fishery interests.

It is to be regretted that some decided action has not been taken by the Imperial authorities to prevent a reoccurrence of the outrages committed on our sealing fleet and to secure proper compensation for the losses already inflicted.

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It is hoped that the result of the surveys undertaken by the Dominion Government for the purpose of locating the