Another lumber mill has been established at Cowichan, and other important establishments are in contemplation in the near future, both on this Island and the Mainland.

Logging Camps are increasing, and the industry is progressing satisfactorily, although the foreign trade has been depressed owing to various causes; the revolution in Chili and the political disturbances in Buenos Ayres, both contributing to this.

The Board having observed that Australasian trade reviews placed imports of British Columbia Lumber as being received from the United States, communicated with the Melbourne, Sydney, Dunedin and Wellington Chambers of Commerce, with a view of insuring a proper classification of our lumber. Favorable replies have been received from Sydney, Dunedin and Wellington, and British Columbia lumber will henceforth be specified in the import returns of these colonies.

Attention is directed to the strength of British Columbia timber; tables in reference thereto are included in the Appendices.

This industry, we are pleased to gather from various sources, as well as from our own observations of what is being done in various districts, is receiving increased attention, and the indications are that it will in a few years hence, have reached dimensions of commercial importance worthy of an annual review.

It seems almost a revelation to many when they are told that this industry in California, which fifteen years ago was as little thought of as it is with us at the present time, has now eached the enormous value of \$19,857,826.00 for the past year. Wheat-growing, fifteen years since, was then the engrossing pursuit of the farmer, but according to recent returns, the annual value of wheat and flour exports was less by \$530,660.00 than that of the fruit exports.

That the lands of many parts of this Province, and particularly of this Island, are admirably adapted for fruit-growing, has been demonstrated beyond dispute; and a well known authority (Mr. Cunningham of New Westminster) stated at a recent meeting, that all fruits, not tropical, except grapes, can be successfully grown in the Province.