

than \$28,500,000. The shingle business was brisk for the greater portion of the year; while the activity in the pulp and paper market has been most encouraging, the only difficulty encountered by British Columbia mills being the shortage in available shipping. The total cut of the Province may be estimated at $1\frac{1}{4}$ billion feet, which is a somewhat surprising figure in view of existing conditions. The permission granted by the Government to loggers to export the accumulations of logs that our mills were temporarily unable to utilize, did a great deal to relieve the conditions on the Coast.

"It is a noteworthy fact that the present revenue has not suffered to the extent that might have been expected. Collections for the twelve months ending December 1 last, amounted to \$2,157,018.

"The fire season was one of the worst on record, and expenditure was far heavier than usual, though, even so, it was less than a quarter of the amount the Northwestern States were compelled to devote to fire fighting. The damage done to standing timber and property was comparatively small, a result that is to be attributed to the excellent organization of the Forest Service.

"During the past two years the Government has made a careful study of the lumber industry of the Province, in order that any action taken to promote this industry might be based on full knowledge of conditions. This study, up to the present, has consisted of a review of the sources of supply upon which the timber importing countries of the world depend. In the course of this review information has been received which has already led to the placing of foreign orders in British Columbia. Advantage has been taken of the co-operation offered by the Dominion Department of Trade and Commerce to place exhibits of British Columbia timber in the chief foreign importing centres. The field for export expansion is great; the entering of this field by the lumber industry, and the Government in co-operation will undoubtedly lead to an important expansion of the industry.

"We can scarcely over-estimate the importance of the timber industry to British Columbia. On a very recent occasion in this House the Premier said that the time was not far distant when the revenue derived from this industry would be sufficient to carry on the entire civil business of the country. During a previous session I expressed a similar opinion, and referred to our enormous resources in pulp wood alone. Our timber is growing faster than it is being cut; and if all of what in the past has been classed as