

should be in line with her neighbor, who had recently voted \$50,000,000 to this end.

The evidence with regard to ship scarcity was given by Mr. James Carruthers, Montreal. He also spoke with reference to freight rates on wheat and on flour. The side of the ship owners on these points was presented by Mr. W. I. Gear, Montreal.

In dealing with the shortage of ocean tonnage, Mr. Carruthers said that it would be possible to ship twice the quantity of grain from Montreal if the ocean tonnage were available. His explanation of the shortage was the increased insurance on the St. Lawrence route and the great disadvantage of the port being closed during winter.

Mr. Sinclair: "Is anything being done in Canada to supplement the tonnage? Are you building any boats here?"

Mr. Carruthers: "No, not so far as I know."

Mr. Sinclair: "It is about time that you were up and doing something in Canada."

Mr. Black quoted figures to show the big difference in freight rates between wheat and flour.

Mr. Gear admitted the difference, but argued that shippers did not consider the larger space occupied on ships by flour. The average cost of handling flour on ship and on shore was four times that of wheat.

Mr. J. N. Jamieson, elevator engineer, suggested that colliers which came from Sydney to Montreal with coal and go back light should carry grain. This could be stored at Sydney and could be shipped to England at any time of the year.

Mr. Clarence I. De Sola, Belgian consul in Montreal, stated that Canada was losing much from the fact that she could not enter into a direct competition with the United States in the way of a fast service such as is furnished to New York, and that a large percentage of Canadian trade went via New York simply because the service to the Dominion was not speedy enough. He thought a system of "all red-route" trains and steamers could be operated successfully.

Pulp and Paper Industry.

The disappearance of the wood pulp supply in Canada during the next 25 years, if conservation measures were not adopted, was prophesied by Mr. Ellwood Wilson, of the Laurentide Company, an expert on the paper industry. Mr. Wilson stated that three things were essential to protection of pulp industry in this country: one was the adoption of a scientific scheme of reforestation, another a proper system of fire protection such as had been adopted in British Columbia, and on the lands under the control of the Laurentide interests on the Ottawa and St. Maurice Rivers, and also a system that would do away with the dangerous disposal of waste that now prevails in the forests throughout Canada. Mr. Wilson stated that during the past 35 years, 30 per cent. of the pulp wood lands of Canada had been burned over and rendered useless for generations to come.

Mr. Carl Riordan explained how the long haul to Europe with its consequent high freight rates, made it almost impossible for Canadian paper or pulp manufacturers to compete with the manufacturers of pulp in Europe, who are located principally in Sweden and Norway. He stated, however, that when the war was over it was expected that with the higher taxes that would prevail in Europe, the higher cost of production and the higher cost of capital, the price of the European pulp would increase materially with the result that the Canadian manufacturer might find a new field for his output.

Mr. J. A. Cunningham has been re-elected president of the British Columbia Manufacturers' Association. The other officials are: Vice-president, Mr. J. Hanbury; vice-presidents, Vancouver; Mr. G. G. Bushby, New Westminster, Mr. J. R. Duncan; honorary-treasurer, Mr. E. G. Baynes; reception and membership committee, Vancouver, Mr. J. W. Curran, New Westminster, Mr. W. R. Gilley; tariff committee, Vancouver, Mr. B. Wilson, New Westminster, Mr. N. Nelson; railway and transportation committee, Vancouver, Mr. J. C. Grant, New Westminster, Mr. John Reid; commercial intelligence committee, Vancouver, Mr. J. H. Hamilton, New Westminster, Mr. H. Schaake; press and advertising committee, Vancouver, Mr. Harry Duker, New Westminster, Mr. W. R. Gilley; vigilance committee, Vancouver, Mr. R. H. Gale, New Westminster, Mr. J. McDonald; parliamentary committee, Vancouver, Mr. W. F. Martin, New Westminster, Mr. N. Nelson; insurance committee, Mr. W. H. Leckie. The Victoria officials are to be added later.

TAX CERTIFICATES AND DELINQUENTS

High Rate of Interest Said to be Essential to Success of This Plan

Mr. J. W. Brislawn, of the state board of tax commissioners, Olympia, Wash., writing to the Calgary Herald, says: "This method of tax certificates results in encouraging the payment of taxes as a preferred claim because the rate of interest on delinquent taxes is much higher than the rate of interest than money will earn for the average business man. This seems to be the chief reason for the issuance of certificates of delinquency bearing 15 per cent. interest. Another advantage is that the tax certificate is a desirable form of investment and the county issuing them has little or no trouble in disposing of the certificates and consequently never finds itself with its funds depleted by reason of tax delinquencies and also the county rarely has to take over the land, because someone is willing to purchase the certificates and foreclose the lien.

High Rate of Interest.

"Those who oppose this method of collecting the delinquent taxes say that the rate of interest, 15 per cent., is exorbitant, usurious and an unfair discrimination against the man who may be in straitened circumstances. There have been repeated attempts made to have the rate of interest borne by these delinquent certificates reduced from 15 to 10 per cent., but the argument that the present method gets the money usually seems sufficient to over-balance the objections that are raised against it. We are unable to advise you as to a better system in use in other states."

From this it would seem that the success of the scheme depends in a large measure on a high rate of interest on the certificates as an inducement to investors and an incentive to the delinquent taxpayers to pay off their obligations.

Seattle's Experience Given.

This view is confirmed by a communication from Mr. George B. Suttlefield, secretary of the municipal league, of Seattle, who says:—

"There has been some agitation during the last year or so with regard to the matter of tax certificates. The main point of this agitation has been that the rate of interest, 15 per cent. per annum, was extortionate, and an attempt has been made to reduce the figure.

"The habitual purchasers of tax certificates profess to be entirely easy upon the matter, and state that after considering the amount of property which they are obliged to hold for long periods of time, the irregularity of payments to them, and the difficulty of keeping all their funds working, they do not secure more than about seven per cent., although the certificates draw 15 per cent. They say, if the rate of interest is reduced by law to anything like seven or eight per cent., the result will be that no large purchases of tax certificates will be made, and consequently the county will be without the funds which are produced by the present arrangement. In response to the suggestion that the state or county invest surplus funds in these tax certificates, they point out that after a short time this will dispose of all the surplus funds and the situation will be as bad as before.

Many Foreclosures Recently.

"Generally speaking, the purchasers of tax certificates do not seek to acquire the property and are willing to give any reasonable amount of time to the owner to redeem, so that up to this time there has been little cause for complaint. At present, however, some of the largest buyers have for almost the first time in their experience found themselves so heavily loaded with investments of this kind that they have been following a general policy of foreclosure, with the idea of securing the return of some of the invested funds."

Baron Sakatani and associates, who were returning to Japan after attending the allied trade conference in Paris, were guests at a luncheon at Vancouver, at which Hon. Mr. Abe, Japanese consul, was host. Among those who made speeches were the mayor of Vancouver, Mr. F. W. Peters, president of the Canadian Club and general superintendent of the Canadian Pacific Railway, and Mr. C. Gardner-Johnson.