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Canadian Industrial Activity and the Province

Interdependence of Business East of Rockies With District West — Eastern Activity Reacting on Provincial Industry.

The effect of widespread industrial trade activity in Canada on the business of British Columbia is marked and beneficial and their interdependence calls for some comment in regard to provincial activities in industry and trade.

Canadian industry has recovered from the cessation of war orders, brought about by the signing of peace, and is on almost as high a level of activity as under the feverish conditions of our greatest war-effort. The influence of our adverse exchange rate on New York has to date had practically no ill-effect on Canadian business. It seems to have had no material influence upon our imports from the United States. Either the public are willing to pay the increased price or in many cases the United States merchants are absorbing the exchange. Apparently depression in trade will have to set in or exchange rates will have to rise to a higher level than at present before any material difference will occur in our imports, except as they shall be fundamentally changed by increasing Canadian manufacture of commodities for domestic use which are now imported.

The general financial situation is in excellent condition. Merchants, by reason of holdings of Victory bonds and the creation of reserves are in excellent positions to sustain any flurries or moderate depression, and the banking facilities are in such condition that increases in accommodations are willingly granted on sound business undertakings. Expansion in manufacture is hindered by reason of high cost of raw materials and their scarcity. Plant extensions are hindered by reason of high cost of building and equipment.

Canadian manufacture is on a high level of activity. Practically all lines are working to capacity and mills and factories are having great difficulty in keeping up both with domestic consumption and export demand. By reason of the large domestic consumption, wholesalers and jobbers are in an equally favorable position with credit conditions very satisfactory with both short term sales and prompt collections. For the same reason retailers are doing a large

business at profitable returns on stocks.

Canada, east of the Rock Mountains to the Atlantic ocean, has had a very severe winter. Cold weather with frequent storms and heavy snowfalls have been of common occurrence. While a trying experience, it nevertheless presages, if previous experience is to be relied upon, an excellent soil condition with adequate moisture, indicating exceptional agricultural returns. Agriculture in Ontario and the prairie provinces is still the basic industry and large crops will do more to promote prosperity and industrial activity than any other element in our economic make-up.

Canada has absolutely out-grown its housing accommodation. For manufacturing, trade and dwelling purposes there will have to be carried on an extensive building programme. The high cost of building materials is restricting these activities at the present time, and will continue to restrict until more definite conditions arise, but present prices simply hold back the flood of building activity rather than turn it into other directions. In consequence building for both business and home purposes must be continued for several years at a high rate in order to cope with the necessities of Dominion growth. It is estimated that Canada will have to plan this year for building construction of over \$300,000,000, a greater part of which will be expended this year. The influence of this building on the building trades and in manufacturing lines entering into construction will be very marked and must insure tremendous activity in these lines.

The effect of these conditions in Canada, outside of the province, is very stimulating to British Columbia trade. In manufacturing lines, apart from those involved in the development of our natural resources, the result is that there is much less keen competition by eastern manufacturers for our local trade and local manufacturers handling staple lines that go into general public consumption, and our local industries are generally filled with orders for provincial use similar to conditions in the manufacturing east. Wholesale and jobbing lines are also very active with an increasing domestic consumption and influenced by provincial development and growth.

<p>CANADIAN INDUSTRIAL ACTIVITY AND THE PROVINCE</p> <hr/> <p>PRODUCTION OF IRON AND STEEL INDUSTRY IN CANADA</p> <hr/> <p>DOMINION INSPECTOR'S REPORT ON PROVINCIAL FISHERIES</p> <hr/> <p>GRANBY COMPANY COAL MINE AT CASSIDY LANDING</p> <hr/> <p>RECENT ANNUAL REPORTS</p> <hr/> <p>MINING THROUGHOUT BRITISH COLUMBIA</p> <hr/> <p>TRUST COMPANY NOTES, COMPANY NOTES, INSURANCE, MUNICIPAL, LUMBER, MINING AND OTHER INFORMATION</p>
