

BANK OF MONTREAL

Established 1817

Capital Paid up, \$16,000,000 Reserve Fund, \$16,000,000
 Undivided Profits, \$1,321,193
 Total Assets, \$390,421,701

BOARD OF DIRECTORS:

Sir Vincent Meredith, Bart., President

R. B. Angus, Esq.	E. B. Greenshields, Esq.	Sir William Macdonald
Hon. Robt. Mackay	Lord Shaughnessy, K.C.V.O.	C. R. Hosmer, Esq.
A. Baumgarten, Esq.	C. B. Gordon, Esq.	H. R. Drummond, Esq.
D. Forbes Angus, Esq.		William McMaster, Esq.

Head Office: MONTREAL

Sir Frederick Williams-Taylor, LL.D., General Manager
 A. D. Braithwaite, Assistant General Manager

Branches and Agencies { Throughout Canada and Newfoundland
 Also at London, England;
 And New York, Chicago and Spokane in the United States.

A GENERAL BANKING BUSINESS TRANSACTED

D. R. CLARKE,
 Acting Superintendent of
 British Columbia Branches
 Vancouver

W. H. HOGG,
 Manager
 Vancouver Branch

The Bank of British North America

Established in 1836

Incorporated by Royal Charter in 1840

Paid up Capital - - - \$4,866,666.66
 Reserve Fund - - - \$3,017,333.33

Head Office in Canada, Montreal

H. B. MACKENZIE, General Manager

Branches in British Columbia

Agassiz	Kerrisdale	Prince Rupert
Ashcroft	Lillooet	Quesnel
Duncan	North Vancouver	Rossland
Esquimalt	150-Mile House	Trail
Hedley	Prince George	Vancouver
Kaslo		Victoria

YUKON TERRITORY

DAWSON

Savings Department at all Branches.

Special facilities available to customers importing goods under Bank Credits.

Collections made at lowest rates

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued; negotiable anywhere.

Vancouver Branch

WILLIAM GODFREY, Manager
 E. STONHAM, Assistant Manager

benefit to this part of the Dominion, it should prove so to an even greater extent to our manufacturers of the East, and also to the railways.

Some few years ago there became established a line of steamers running from New York to Seattle. The rates made on these steamers were as low as 25 and 30 cents per one hundred pounds on commodities on which we in British Columbia at that time were paying rates of 65 cents to some \$3.00 per one hundred pounds. The matter was not brought home to us strongly, however, until Seattle jobbers began to enter into competition with us in British Columbia at prices which made it almost impossible for us to compete. As a result of competition caused by the establishment of this line of steamers, you will understand that the jobbers out here immediately began to investigate the new conditions. We found that on a vast number of lines it was impossible to any longer bring in Canadian goods and compete with Seattle, unless we also were to take advantage of this same route, and this we were forced to do as far as we could by bringing in American goods.

So rapidly did matters develop in this direction that the steamship interests were encouraged to put on direct steamers from New York to Vancouver. The cost of goods being brought in by rail from Eastern Canada was so abnormally high on account of the heavy freight rates, compared with the low cost of water transportation, that the United States had an excellent opportunity for the development of this business, the result being that large tonnage developed on this new line of steamers, and every boat was booked up and loaded down with freight long before its sailing date. A large volume of business which had hitherto been going to Eastern Canada immediately became diverted to the United States, and this condition has prevailed ever since.

Many of the Canadian manufacturers at once realized the changed conditions and took the matter up with their distributors on this Coast. It was pointed out by letter and by personal interview with those who visited us what the circumstances were, but nevertheless, as many told us, it was very difficult to bring home to the bulk of the Eastern interests the seriousness of the situation, and it was suggested that a delegation be sent back to personally submit to the manufacturers as a body the conditions prevailing. In accordance with the arrangements made, a delegation went East in January, 1915, and held meetings in Toronto with the Canadian Manufacturers' Association, which meetings were largely attended by a majority of those interested in Pacific Coast business. We were able to point out to them, as we would like to tell you now, that the development of this water route from New York has deprived Canada of a very large amount of commerce, which it had enjoyed with the Pacific Coast, but which could no longer find a market here until the Government opened up between the East and West some method of taking advantage of the geographical relation of the Atlantic to the Pacific coasts of this continent as connected by the water route. A vast number of instances were given showing how serious the handicap was under which we were laboring. Schedules were submitted verbally and in writing showing a vast number of items on which the cost of delivering goods from Montreal and Toronto to Victoria and Vancouver were three or four times as great as that of delivering similar goods by the port of New York.

In regard to the business with which I am personally connected, as one instance only amongst many hundred, for many years we have brought in carload after carload of American pumps at a rate from New York to Victoria of fifty cents per hundred pounds and a local freight rate from the factory to New York of fifteen cents for a hundred pounds. This would make the cost of delivering a car from the United States factory \$156, whereas the cost of such a car coming from Ontario would be some \$340. On another item we could buy in Hamilton, Ont., ship the goods to our New York agents, pay the American duty so that they became American goods, then ship from New York to Victoria by the water route, pay Canadian duty again on the goods and lay them down at a lesser cost than if they had been shipped direct from Hamilton to here by rail in the first place. We will submit to you, if desired, a schedule of the representations made at that time, in writing, but we may say that the facts submitted then carried conviction, not alone by the figures given, but by the loss of business which we were able to inform our friends was going past them and into United States channels.

It was determined at the final meeting held in Toronto that the matter be submitted to the Dominion Government, with a request that immediate relief be given by the establishing of a customs officer in New York. It was also agreed unanimously that such action would not act detrimentally to the Canadian railways, inasmuch as it would not deprive them of business which they were enjoying, but rather the result would be not alone to place business in the hands of the Canadian manufacturers which had been lost, but would also add to the business of the Canadian railways by giving them at least some haul for goods which they were not now touching at all; and that it would, in addition, give them the freight on the raw materials to the factories on goods which would then once more be manufactured in Canada. It was pointed out at this meeting by Mr. Whitton, manager of Steel Company