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Popular Loan Campaign for British Columbia

If the Government of British Columbia Needs Money for Productive Development the Citizens of the Province Will Respond Through a Popular Loan Campaign — Desirable to Owe Money to Its Own Citizens.

The success of a British Columbia syndicate composed of three financial firms, having either their head office or a branch office respectively in either Victoria or Vancouver, in the flotation of \$2,800,000, five year, 6% bonds of the Province of British Columbia, calls renewed attention to the possibility of the Province of British Columbia making a popular offering for its financial requirements.

The war has shown that a popular loan campaign when intensively carried out is the most economical, efficient and most successful in the way of raising large amounts that has yet been devised. In fact, every finance minister, during the war, was astonished with the huge totals that were rolled up in a period of popular enthusiasm. In Germany and France, for instance, this was the only method used for the raising of funds to carry on the war. Great Britain, more astute in financial matters and having great faith in the ability of her citizens to make financial sacrifice, was the notable exception in that she increased taxation during the war and the after-war experience is showing the wisdom of that course. But at that the vast funds which Great Britain spent in the war were raised principally from the proceeds of popular loans.

In Canada, it took a year and a half after the outbreak of war for the finance department to realize the great inherent strength of the Canadian people. In fact the first three loans were in no sense popular loans, as the meaning later became understood, but the success of these business loans or appeals to the business interests of the country were very gratifying. It was not until 1917 that the Government attempted to carry on a real intensive house to house and office to office campaign. The success of these loans was astonishing, and from 1917 to 1919 there was a steady progression in the amount of money raised, due to more comprehensive organization, to increasing use of enthusiasm and patriotism. On the entry of the United

States into the war and the experience she gained from European and Canadian methods, great success was attained from popular loan campaigns.

The experience of war finance has sunk deep on the consciences of the finance departments of all countries and any large loan placed by a country will undoubtedly partake of the form as carried out by the organizations created during our own Victory Loan campaigns. Some of the Provinces of Canada are leaning in this direction and their

finance departments are of the opinion that this is a thoroughly practicable, sound and efficient way of raising funds. In fact the Province of Manitoba has put out an issue for popular consumption, although not attended with an organization for its sale.

The people of British Columbia, through the wide holding of Victory Loan, have become educated to the desirability of this class of security. The form of the security is simply, easily tucked away into a strong box, collection of interest is prompt and simple and by reason of the Government providing a market, the security can be easily converted into cash, so much so, that it almost resembles a Government or bank bill of large denomination. With this experience there must be a certain degree of receptivity to this form of security. The object or the sales argument must be placed on a different basis. To win the war, to adjust the country to peace conditions, can no longer be used as arguments. Any effort toward placing a popular loan must be based on production in the way of development of the Province. For

purposes of funding or paying old debts the public attitude would be lukewarm, but toward the construction of highways, toward the completion of the Pacific Great Eastern Railway, particularly into the Peace River district, toward industrial development as well as bringing natural resources of the Province into economic use, would meet with a reasonably hearty public response.

The desirability of the finance department making a popular Provincial loan are several and noteworthy. It is always desirable for a Province to owe its own debt to its citizens, thus making the Province self-contained, and causing a great deal of interest in the financial affairs of the

POPULAR LOAN CAMPAIGN FOR BRITISH COLUMBIA?

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