

BRITISH COLUMBIA FINANCIAL TIMES

A Journal of Finance, Commerce, Insurance, Real Estate,
Timber and Mining.

Published on the first and third Saturdays of each month at
Vancouver, B.C., Suite 303-304 Pacific Building, 744 Hastings St. W.
Telephone, Seymour 4057.

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Address all communications to British Columbia Financial Times.
Advertising Rates on application.

Admitted to the Mails as Second Class Matter.

Annual Subscription: Canada, \$2.00; Great Britain, 8 shillings;
United States and other countries, \$2.50; single copies, 10 cents.

VOL. VII.

VANCOUVER, B.C., APRIL 3, 1920.

No. 7

The business world sustained a severe shock in the recent unsuccessful German revolution, and had the reaction from revolution to Soviet principles been successful in establishing a government in Germany, probably disaster would have resulted. With Germany in the hands of the Communists Europe would again be convulsed with physical and economic resistance at very low ebb as a result of the war. Its reaction on American and Canadian business would be very marked and the present sensitive position of commerce and finance might easily lead to serious and prolonged depression.

It is difficult to see at this distance just what has transpired. The intended revolution was apparently headed by the Agrarian and Pan-German parties, which have so long dominated Germany under the leadership of the late Kaiser, but the movement received no public response, or at least not enough to have enforced its will upon Prussia and the other German states.

With the undermining of authority the Communist group known as Spartacans, which is in open alliance with the Russian Soviet, sought to seize the reins of government and succeeded in numerous places in establishing control, and this control rapidly spread westward to the industrial centres of Rhenish Prussia. By compromising with the radical element for the maintenance of law and order after the defeat of the Pan-German rebellion, the old Government succeeded in gradually establishing authority in Germany with the exception of the more serious effected districts, which now are gradually being brought into line. The struggle has been won at a heavy cost and the German situation is still in doubt and subject to influences of a disorganizing nature which are the feeding grounds of the Bolshevik. The strong, ruthless hand of the Minister of Defence, General Noske, has been withdrawn and with his going goes considerable of the confidence of the present German Government to establish and assure stable government.

The present Government, too, is more socialistic than any that has been in the saddle since the war, and even if it is able to maintain itself it must do much to weaken or lessen the economic recovery of Germany. The future course of events in Germany will be watched by the business interests of Europe and North America with the deepest concern, and any further dissolution of German society will have a direct effect on the rest of central Europe as well as on Italy, France and Great Britain. The indirect effect on North America will be equally severe. The situation is sufficiently serious to warrant the consideration of allied interests sending to Germany an army for the maintenance of law and order until such time as the sober common sense of the German citizens will have again assumed ascendancy.

Co-operation as a factor in success is again illustrated in the favourable results attained by the business interests of Victoria in underwriting a shipbuilding and shipowning

The services of this journal are offered through an inquiry column, which is open to subscribers and the public generally without charge, for detailed information or opinion as to financial or industrial affairs or institutions throughout the Province of British Columbia. Wherever possible the replies to these inquiries will be made through this column. Where inquiries are not of general interest, they will be handled by letter. We think that we can assure our readers that the opinions expressed will be reliable and conservative, and that all statements will be as accurate as possible.

project which its citizens have so largely desired. In order to avail itself of a Dominion order-in-council regarding aid to shipbuilding, which we described in our last issue, it was necessary for the people of Victoria to subscribe \$300,000 to give the Victoria (B.C.) Shipowners, Limited, a start. Victoria is to be congratulated for its public spirit and for the unselfish devotion of the committee in charge headed by Brig.-Gen. R. P. Clarke. It is now clearly the necessity of the directorate and management to devote every possible energy and skill toward making the enterprise successful and permanent and profitable.

If only moderately successful and under careful management the company is able to maintain its activities both in shipbuilding and ship operation in competition with world markets, then the co-operative step which the good people of Victoria have successfully taken will be used as a method in the future for the launching of additional enterprises when it is considered in the civic interests or public good.

We have devoted considerable space in this issue to the presentation of the budget speech of the Honourable Mr. Hart, finance minister of the Province of British Columbia. We think that his presentation of provincial conditions and also his remarks on municipal administration call for the careful perusal of the business interests of the Province. It will be noted that government revenue and government expenditure is increasing at a rapid rate. The government is to be congratulated in its efforts to develop the province, and also on the fact that its expenditures for capital account are so largely for productive enterprise, which will, in all probability, be returned to the provincial treasury without any actual loss to the tax payers.

We think that the business interests of the province should stand back of the Finance Minister in seeking to restrict expenditures and to lessen the burden of taxation, which is now so severely felt by the business interests which contribute so much to the financial support of the Government by taxation. Under the stress of readjustment to peace conditions and with the necessity for the opening up of our great natural resources any government is in danger of extravagance and of embarking in undertakings having most admirable objects, but which may eventuate in case of failure in added burdens to the taxpayer. With the conclusion of this session of the Legislature, business interests of the Province should more carefully investigate proposed governmental activities involving capital expenditure which cannot properly be engaged upon by private interests. The Province is apparently in an era of exploitation and development which might be easily overdone in the way of providing public improvements and other features of development where private initiative and enterprise may step in and be assisted and encouraged to go ahead.