

INDUSTRIAL CONDITIONS ON PACIFIC COAST

Conditions Thought to be Ideal for Shipbuilding—
Agricultural Produce—New Officers of Victoria
Board of Trade

As to the economic importance and the great desirability of establishing shipbuilding on this coast, of providing adequate drydock facilities, and of the erection of grain elevators to take care of the western grain shipments, there can be no doubt, remarked Hon. W. R. Ross at the annual meeting of the Victoria board of trade.

"As the report of the board of trade ably points out," said he, the industrial conditions on the western coast are peculiar, and the object should be to build large industries into which the high price of labor shall not enter as a deterrent factor. Shipbuilding is certainly one of those industries, and, with shipbuilding, is, of course, closely allied the question of adequate drydock facilities. The erection of grain elevators, and possibly of large flour mills, is another such undertaking entirely independent of the condition of the labor market. I should add to these an iron and steel industry, once we have solved the fuel problem, or that of electrolytic smelting; because, while high priced labor does enter into the smelting of iron and the manufacture of steel products, the other conditions of accessibility of the iron deposits, the contiguity of lime, and the cheapness of water transportation, etc., are sufficient to offset that factor.

Panama Canal and Competition.

"Talking of labor, none of us wishes to see the scale of wages reduced in this country, especially in the face of the greatly increased cost of living, but we must not lose sight of this fact, that until the rate of wages becomes equalized throughout the industrial world, the great majority of products which we could manufacture for ourselves cannot be manufactured by reason of the rates of wages which prevail in Europe and on the eastern side of this continent; and this condition of affairs will be more or less emphasized upon the completion of the Panama Canal, whereby the products of the eastern world will be brought more keenly into competition with our own. Therefore, as the report suggests, you must look to those industries and those activities which do not depend for success upon cheap labor.

"Shipbuilding is pre-eminently one of these, and I sincerely hope that the parliament at Ottawa may see its way clear to work out a system of encouragement that will be effective in bringing out its establishment not only on this coast, but on the Atlantic coast as well. In time I see no reason why the shipbuilders of experience and financial ability in Great Britain should not transfer a portion of their operations to both coasts with this in view. The conditions on this coast for shipbuilding, it seems to me, are ideal."

Must Depend on Prairies a While.

Mr. Ross stated that the population of British Columbia is increasing at the rate of 75,000 or 100,000 annually.

"If you estimate the consumption of agricultural produce at \$80 per head per annum, which I think is fairly conservative, you see at once that 75,000 persons would consume \$6,000,000 worth, being the amount of annual increase of consumption. In 1910 the imports amounted to \$14,850,000, and the home production to \$14,400,000. In 1912 the imports amounted to \$15,250,000 and the home production \$22,270,000.

"They show that while we have not by far been able to provide for our own requirements we have advanced very rapidly and substantially in that direction. You must remember, too, that we shall never reach a time when we shall cease to import largely of agricultural products, because the returns include tropical fruits and other fruits out of season. Until the northern country is fully developed, which is admirably adapted for stock raising and dairying, we must depend on the prairies for our meat supply and outside sources for our dairy products."

Victoria Board of Trade Officers.

The newly-elected officers of the Victoria board of trade are: President, Mr. J. I. Shalldross, who was re-elected by acclamation; secretary-treasurer, Mr. F. Elworthy, who has held that position for fourteen years, and the council consists of Messrs. Simon Leiser, I. C. Fraser, D. R. Ker, C. H. Lugin, J. L. Beckwith, R. L. Drury, A. C. Flumerfelt, H. B. Thomson, M.P.P., H. T. Bullen, Beaumont Boggs, J. Forman, Captain W. H. Logan, H. A. Munn, J. T. Mara and A. G. Sargison.

Peterboro's board of trade's new officers are as follows: president, Mr. C. H. Pennefather; vice-president, Mr. J. J. Turner; treasurer, Mr. James Hamilton.

UNITED STATES POLICYHOLDERS AND
INCOME TAXCo-operation of Companies—Concessions and Alterations
—Should Include the Exemption of all Insurance

"Policyholders are to be congratulated upon the hearty co-operation of life insurance companies all over the United States in an effort to obtain the important amendments to the income tax section of the tariff bill needed for the protection of their interests," stated Mr. Robert Lynn Cox, general counsel and manager of the Association of Life Insurance Presidents. "While it was reported about two weeks ago that the tariff bill was completed, that no hearings would be given and no amendments would be made, life insurance men have been able to impress a few of the leaders at Washington with the justice of their claims that much ambiguous language should be cleared up and the bill otherwise amended. The leaders at Washington do not yet seem to recognize clearly the essentially mutual character of life insurance as compared with businesses organized and carried on solely for the profit of stockholders. That the leaders have recognized this distinction to some extent by exempting mutual savings banks and fraternal insurance societies, leads to the hope that a continuance of co-operative efforts among life companies may in the end obtain justice for their policyholders.

"The leaders have not granted the request of companies for the exemption from taxation of policyholders so-called dividends or premium abatements. Apparently they are not yet impressed with the strong arguments that have been presented on this subject from many sources.

Individual Return of Holders.

"Some of them seem to see only the many millions of dollars involved in dividend abatement of premiums and do not perceive that the aggregate is made up of small individual returns to each policyholder. The point of view of the policyholder still remains to be brought home to them effectively. Again, the technicalities of life insurance serve to confuse the mind and delay the granting of exemptions from the tax of all proceeds of policy contracts regardless of their form.

"While the leaders have practically conceded language that will clear up the ambiguity of the original bill so that proceeds of life policies paid on the death of the policyholder will not be taxed as principal, yet the wording is so phrased as to raise a question as to whether other forms of insurance are exempted as well," thinks Mr. Cox.

Definitely Agreed Upon.

"One change that has been definitely agreed upon insures the exemption from taxation of the net annual increase of reserves. The revised language in defining the exemption permitted insurance companies, specifies 'the net addition, if any, required by law to be made within the year to reserve funds' but excepts 'dividends, or return of premium payments, paid within the year on policy and annuity contracts.'

"It will thus be seen that the companies must continue to co-operate in the effort to obtain full justice for policyholders, which should include the exemption of all insurance conducted on the mutual or participating plan, whether in mutual or stock companies, as was provided for in the Income Tax Law of 1894," said Mr. Cox.

"The amended bill will probably be reported by the ways and means committee at once and it will then be possible to ascertain the exact phraseology needed to make it conform to the views of insurance men, and bring it into harmony with the other exemptions granted to business institutions conducted on the mutual plan and mainly in the interests of persons with small incomes."

UNITED STATES MARCH FIRE LOSS

The losses by fire in the United States and Canada during the month of March, as compiled by the New York Journal of Commerce, reach the sum of \$17,511,000, as compared with \$16,650,850 charged against the same month a year ago. The following table gives a comparison of the fire losses for the first three months of 1913 with the same months of 1912 and 1911:—

	1911.	1912.	1913.
January	\$21,922,450	\$35,653,150	\$20,193,250
February	16,415,000	28,601,650	22,084,600
March	31,560,800	16,650,850	17,511,000
Total 3 months.	\$69,907,250	\$80,905,650	\$59,788,850

Canada's fire waste during March, according to The Monetary Times' fire record, amounted to \$1,710,756, the total for the first quarter of the year being \$7,661,527.