

Advantages of Free Zone Area for Vancouver

Desirability of Foreign Trade Area for Port of Vancouver to Stimulate Foreign Trade and Attract Steamship Tonnage.

Mr. Charles S. Meek, of C. S. Meek & Co., Vancouver, presented a report on the subject of the Free Zone area on port development for Vancouver (as chairman of this committee of the Vancouver Board of Trade. The subject is very important for the future development of the Port of Vancouver, and if established will have a strong tendency to attract tonnage that would otherwise be deflected to the Pacific ports of our neighbors to the South. The full report is as follows:

Acting under your resolution appointing me chairman of the free zone or foreign trade area committee, with power to choose its members, in addition to Mr. N. Thompson I selected Mr. B. W. Greer, Mr. Robert McKee and Captain Betham.

Meetings have been held weekly, and to these meetings we have invited the mayors and reeves of the municipalities contiguous to Burrard Inlet, and the members of the Board of Harbor Commissioners.

The question of the value to Canada, and Vancouver in particular, of the establishment of foreign trade areas in Canada has been carefully investigated.

We have had the benefit of all the investigations that have been made by various committees of Congress and Senate of the United States on this question.

Our general conclusions are:

The establishment of foreign trade areas in Canada, is the natural outcome of the desire or necessity to expand foreign trade.

The chief advantages expected from the adoption of the foreign trade area policy are:

(1) The attraction to Canadian ports of the trans-shipment commerce, giving increased cargo to Canadian and British bottoms.

Delays and difficulties in complying with customs regulations operate against such trade at present.

(2) The opportunity for grading, reconditioning, sorting, repacking, mixing or manufacturing foreign merchandise for re-shipment, at present practically impossible.

(3) Manufacturing for export in the foreign trade area thus saving customs duties and the delays incident to the use of dutiable imported raw materials and eliminating the restrictions, hindrances and difficulties of the bonded warehouse and bonded manufacturing plant.

(4) Facilities for consignment market, where Canadian and United States buyers may examine goods before purchasing, and where seasonal movements of goods may be financed most conveniently and with greater security.

(5) The supplying and reducing the work of customs inspection. All the labor and cost expended in inspection and surveillance of goods for re-export will be saved.

(6) The foreign trade area will encourage the growth of primary markets.

(7) Less capital on the part of both bankers and foreign traders is required under the foreign trade area system, as the value of goods for financing and insurance is not enhanced by addition of duty charges.

(8) Tramp shipping is attracted to foreign trade areas, as a cargo can more probably be obtained there than elsewhere. This competition for cargo means lower c.i.f. costs at foreign ports, and better facilities for foreign traders here, with obviously larger business and greater profits.

In reality a foreign trade area is an enlarged bonded warehouse, simplifying and reducing the administration of customs and permitting breaking of shipments that is not now permissible.

The foreign trade area will not in any way affect the

existing Canadian tariff laws; as a matter of fact it will have a tendency to increase the customs revenues.

Everything passing out of the area into Canadian consumption will pay the usual duties.

The requirements from the Federal Government in regard to foreign trade areas are simply the passing of permissive or enabling legislation and no financial responsibility devolves on them.

Your committee is of the opinion that the fundamentals of the legislation passed on this subject in Canada and United States, should be as similar as conditions will permit in order to facilitate the working of the foreign trade areas on this continent in the future.

For that reason, the bill drafted by your committee, a copy of which is submitted herewith, has been founded on United States Senate Bill 3170, now before the Senate of the United States for its third reading and enactment.

It is the unanimous opinion of your committee that the establishment of a foreign trade area within the Port of Greater Vancouver is of the utmost necessity, for the up-building of the City of Vancouver and surrounding municipalities, and for the benefit of Canada, by the development of foreign trade and the retention and enlargement of the transpacific commerce now handled through the Port of Greater Vancouver.

It is the opinion of your committee that the onus of attaining this object devolves on the Vancouver Board of Trade, being a neutral body, and this committee suggests the appointment by the council of a permanent committee to carry on the work of obtaining the necessary permissive legislation and subsequently the establishment of a foreign trade area in the Port of Greater Vancouver, giving such committee power to submit a bill, or bills, to the Federal Government, and with power to secure such legal advice and services as may be required, and the provision by the council of ways and means for the presentation of such bill, or bills, to the Government at Ottawa.

It is the opinion of your committee that the attitude of the Vancouver Board of Trade on this question should be one of active interest, in endeavoring to bring to fruition a foreign trade area for the Port of Greater Vancouver.

With the enactment of the bill now before the Senate of the United States, Seattle will immediately establish a foreign trade area, and Vancouver and Canada cannot afford to be behind their Pacific foreign trade rival; in fact, there is no sound reason why the Port of Greater Vancouver should not be the leader.

The unprejudiced position the Vancouver Board of Trade occupies in this matter, as regards location of such an area, and the hearty co-operation it is receiving from the various municipalities and the Board of Harbor Commissioners, will tend to expedite and facilitate the establishment.

TORONTO TRUST'S HEAD ON INSPECTION TRIP.

Mr. A. D. Langmuir, general manager of the Toronto General Trusts Corporation, was in Vancouver during the week on his regular trip of inspection of branch offices in Western Canada. Mr. Langmuir makes this trip every other year, alternating with his assistant general manager, Mr. W. G. Watson. While in Vancouver he made his headquarters with his branch office, 407 Seymour Street, and looked over conditions in the company of Mr. H. M. Forbes, branch manager.

Mr. Langmuir was pleased to be on the Coast again and was much impressed with the evidences of activity and development he noticed on his present visit. With regard to conditions in general, Mr. Langmuir noted the widespread activity and prosperity everywhere in the Dominion. While the need for building was urgent in all the urban districts