BRITISH COLUMBIA

Transportation and Telephone Extensions—Companies Effecting Economies—Lumber Prices

(Staff correspondence.)

Vancouver, July 1st.

Tram service that should be a factor in the development of the district has been started in the Saanich Peninsula, a line 21 miles in length having been opened there by the British Columbia Electric Railway Company. This line runs north from Victoria to Saanich Inlet, through what is one of the best agricultural sections of British Columbia. Saanich Inlet is fairly well settled, but with expansion in and about Victoria during the past few years it is imperative that access be easy to this large district which affords such encouragement to the settler.

On the mainland, the British Columbia Electric has its line from Vancouver to Chilliwack and this has done much to help people to get out of the city on to the small holding. This line out of Victoria will do as much for the people there.

Producers and Development.

Development of the land is what is required in the province and easy transportation such as this will enable the bona fide settler to get his produce to the city without difficulty or delay.

This year, for the first time at the summer season, butter has gone up five cents a pound in price, which is at the rate of nearly fifteen per cent. It is higher now than at any time during the winter, and at a time when it should be going down a point or two if anything. Although living is higher than ever, money is scarcer. With producers living in the province, the large amount of money sent out for all kinds of farm produce would be circulated here. This question is prominent and is being discussed in many ways. The outcome will be the devising of some scheme whereby the land will be made productive instead of being kept idle.

Economies Are Being Effected.

Owing to monetary conditions the British Columbia Electric announces that it has to curtail expenditure under instructions from its London board, and its staff has been reduced. Municipalities have been putting a stop to proposed work, since bonds have to be sold at too large a discount. The lumber industry, which bid fair after the good year in 1912 to enjoy a measure of prosperity this season, is affected. Mills are buying logs only for present needs, with the consequence that logs have dropped fifty cents a thousand feet in price, and those who need the money are selling lower still. Camps will probably discontinue operations, for with logs going down it will not pay to operate, since stumpage is so high.

A North Vancouver alderman states that trust companies here cannot invest in municipal debentures unless the securities are guaranteed by the government. For that reason, municipal bonds are not sold within this province. In other parts of the Dominion, it was pointed out, trustees could invest in municipal offerings. The matter will be taken before the provincial government in an effort to have an amendment made in the provincial law.

Commercial Achievements and Conditions.

This week the British Columbia Telephone Company laid a telephone cable across the Gulf of Georgia between Point Grey and Nanaimo. Since this new connection embodies the latest developments of electrical communication, it will mean much for the middle and upper part of Vancouver Island. These districts, under conditions which have existed before, were out of touch with prompt communication with the mainland. Merchants and farmers are thus able to keep in closer touch with conditions, and development will be aided. The laying of the cable and the land work in connection, for two new copper circuits were strung between Victoria and Vancouver, will entail an expenditure of close on to $200,000.

Messrs. Merrill & Ring who, with Weyerhauser, are perhaps the richest owners of timber in British Columbia, and well able to wait, will not quote a figure lower than $5 a thousand feet for timber on crown granted lands. A few weeks ago sales were reported of crown granted holdings at $3 per thousand, and some there were who would have discredited the amount. A buyer told *The Monetary Times* that he approached Messrs. Merrill & Ring and got $5 as a quotation. Leaseholds are different, since the government has control and at any time may alter the conditions of holding them.

The O. E. Hood Company, (Retail), Limited, has changed its name to Hoods, Limited.

C. S. Windsor, Limited, has changed its name to Scottish Canadian Canning Company, Limited.

STANDING OF CANADIAN MUNICIPALITIES

Payne Criticism was Strong, but Canadian Municipalities, Especially Smaller Communities, Must Apply Brakes

Mr. R. M. Horne-Payne's criticisms of municipal finances continue to be actively discussed in London. The pretty general opinion is in agreement with the Canadian Gazette, that, while it is natural enough that Mr. Horne-Payne should prefer the securities of his own Canadian Northern-Bank of Commerce-Empire Trust group, his remarks are calculated to injure the whole field of British investments in Canada, and it is hoped he will modify them.

The Financial News thinks:—"It is amazing and somewhat shocking to hear those who have every reason to be proud of western Canada wantonly besmirching her good name and impugning her credit. The suggestion has been openly made that western municipalities should be carefully watched as if they were so many pickpockets, and unworthy hints have been thrown out of the possible default in meeting interest."

Must Go Slowly.

This is journalistic hysteria, pure and simple, as one can find no trace or suggestion of default in any responsible quarter, says the Canadian Associated Press. What is widely felt is that, though Mr. Horne-Payne went too far in recommending even a temporary boycott of Canadian municipal securities, it was necessary to warn municipal authorities, especially those of smaller communities in the west, that the capital demands of the world, have utterly outrun the available supply, they must go slowly for a time in fresh expenditures and borrowings, unless they mean to run the risk of permanent disfavor with the British investor such as now attacks American municipals.

What Sir William Mackenzie Says.

Sir William Mackenzie was shown the recent newspaper despatches concerning the speech of Mr. R. M. Horne-Payne on the subject of Canadian municipal financing in London. He said that for his own part, he had always considered, and continued to regard Canadian municipal securities as a first-class investment.

"Mr. Horne-Payne," said Sir William, "is a director of the Canadian Northern Railway and as president of the British Empire Trust Com any, has been identified with a considerable portion of the financing of the Canadian Northern Railway in London. Mr Horne-Payne, however, has many other interests in Londo , and his views as expressed at the annual meeting, which he addressed, were those of a London financier, not by any means an expression of opinion from the Canadian Northern Railway. My view is that Canadian municipal securities are an excellent investment."

LIFE INSURANCE PAYMENTS LAST YEAR.

Life insurance organizations of the United States and Canada distributed $626,350,000 in 1912, according to computations by the Insurance Press. The payments in the two countries for death claims, matured endowments and other benefits under the policies of level-premium companies and the certificates of various life insurance organizations—assessment and the like—amounted to $413,350,000. The estimated total of the amounts paid by regular companies as savings for policyholders, cash values on surrender, annuities, and on claims in foreign countries was $213,000,000.

All benefits under policies—death claims, endowments, savings—in the transactions of the reguler companies increased in 1912. The life insurance written and revived in the United States, by the regular companies alone, was nearly $3,233,000,000, or about $355,500,000 more than in 1911. The statistics of fraternal insurance associations continued to indicate the effects of the disruptions of organizations and decreases of memberships.

In Canada in 1912 the increase of the new insurance was about $40,600,000. The payments for death claims and other benefits were larger than in the previous year.

The disbursements for lapsed, surrendered and purchased policies by companies that had 90 per cent. of the insurance in force at the close of 1912 amounted to $84,000,000, an increase of about $8,300,000 over 1911. This is to be compared with an increase of $2,853,000 in 1911, a decrease of $187,000 in 1910, an increase of $3,059,000 in 1909, and an increase of $14,543,000 in 1908.

The Great West Manufacturing Company, Limited, will change its name to the Great West Casket Company, Limited.