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We have presented to our readers, on the front page, an article on the moratorium in Great Britain, the cause for its enactment, its operation, the further step taken by the Government to relieve the money market, i.e., the re-discount of bills, and two objections to its application to the Dominion Government. We wrote that article for the purpose, so far as in our power, to protest against the exercise of the power to enact a general moratorium conferred on the Finance Minister at the late session of the Dominion Parliament, and at the same time to forestall a demand for such legislation in this Province, as will soon be enacted by the Provinces of Manitoba and Saskatchewan, the Legislatures of which have been called in special session for the express purpose of passing such legislation. Since that article was written, a movement has been started to establish a moratorium in British Columbia, and the Vancouver member at Ottawa has petitioned the Premier, Sir Robert Borden, to declare a moratorium, while the Mayor of Vancouver and the President of the Vancouver Board of Trade have come out with interviews publicly advocating its enactment.

So far as English experience goes, the system is not working well there. It has been found that for the short time it has been in operation it has placed as much hardship on the debtor as on the creditor. In fact, both classes, we have been informed, have been daily petitioning the Government to discontinue its operation on its present expiry date, October 4th. Of 8,000 replies sent out by the Government, 4,500 opposed an extension of the moratorium beyond September 4th. It is almost positive to go out of existence on the former date. If the act does not work well in Great Britain, what evidence have we got that it will work well here?

Two objections stand out, as we have mentioned; the most important being that ex post facto legislation is repugnant to our institutions, and any legislation that has a tendency to undermine the validity of contracts strikes at the root of our social structure. If the validity of contracts is not the corner stone of our business relations, it is the stone next to it. The other objection centres round the fact that the enactment of moratorium places additional obstacles in the way of the debtor recovering the credits remaining to him.

But a larger objection, and one of grave concern, must be emphasized. Canada, and British Columbia in particular, can be most rapidly developed only by the employment of outside capital, because home capital is thoroughly inadequate to the needs. As a field for investment, we believe that Canada, and British Columbia especially, afford the best opportunities to be found anywhere in the world. What shall we say to the English investor, the French and Belgium investor, the American investor, when he wants to draw his interest or principal? No, you shall not have your money, and we have prevented you taking recourse to law to get your money. Perhaps next year we will let you have it, but not now.

What are our chances for keeping investment capital here when things have righted themselves, let alone encouraging new capital to come in? An act of moratorium would put us back in this Province twenty years in the financial markets of the world. In fact, damage has already been done by the discussion. Capital is timid, and easily frightened, and has a long memory. One large mortgage agent stated that if a general moratorium were put into operation in this Province he would have to go out of business. And he is agent for millions of British money invested in good faith in British Columbia. This is serious business.

Now what is the particular demand? A canvas of the large investment houses dealing mostly in realty mortgages in Vancouver, and Victoria would give the same testimony, shows that there has been no particular tendency to order foreclosure proceedings on behalf of British and Eastern Canadian principals so long as the interest is kept paid up, and the security back of the mortgage is being maintained. By far the greater percentage of mortgages maturing which are held by this class of investors are being renewed or extended from interest date to interest date.

If the British and Eastern Canadian investors are not clamoring for their principal when it becomes due, and they represent by far the greatest proportion of mortgage investments held here, we must look to some other source as the author of foreclosures. There has been a large amount of money loaned on real estate in this Province, but especially in Vancouver, by Shylocks of both Hebrew and Christian faith. These men loaned money at ruinous rates, and they also knew when the loan was made that it could not be paid off, and there would be nothing left of the security if the loans were renewed. These men have invariably ordered foreclosure proceedings. They would rather have the property they loaned on than the return of the money. And with this in mind they will use every legal means to obtain the property. We think that an investigation will bear out this statement.

British Columbia must keep its credit good at all hazards.

Two countries will reap advantages through this sorry business of war if any advantage is to accrue to any. These are the United States and Canada. Will we not be placing ourselves under a very serious handicap to attract the wealth of Europe in both money and men, when the non-combatant, fleeing from the scene of carnage with as much of his worldly possessions as he can take with him, will seek these shores? So also will the industrious citizen of Europe, when he sees the fruit of his life toil destroyed by the shell of an enemy, and those who will leave the Old World to escape the frightful taxes of war, and those who will seek to live in peace and security to enjoy the fruits of their labor, far from the clutches of designing monarchs, unscrupulous politicians, and brutal war lords, who ruthlessly order them in the game of empire, seek these shores if we place not too many obstacles in his way, such as temporary repudiation of debts.