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## Business Conditions and Problems in B. C.

Status of Trade and Reason for Change in Sentiment—  
Improvement in Basic Industries Over Last Year—De-  
terrent Influences Operating.

The status of business in British Columbia in mid-August is so improved over conditions a year ago as to occasion considerable comment, not only in our own commercial centres, but also in Eastern Canada. The voice of the croaker in the land is not yet stilled, and neither has his stultifying influence on trade and business initiative lost its potency. Yet the logic of business events that has transpired and the definite trends in trade have done much to dispel the pessimism which was so rampant a year ago.

Without attempting a comparison of conditions and sentiment of a year ago with today, one of the greatest deterrents to trade last year was the uncertainty of the war. The doubts and fears of a year ago have been dissipated in the military successes of the Allies in the past two months. Now, it is realized, it is a question of time for complete victory to be attained. Then there were fears that the war would possibly end in a draw and a consequent inconclusive peace. Nor is this all. Doubts were very widely held a year ago that the financial structure would be able to be maintained. The tremendous financial vitality and resources of Great Britain have astonished the best informed Canadians, and it is now felt that Great Britain is fully equal to the task of seeing this struggle through. Whatever lack of faith in Canada there has existed hitherto has completely disappeared in the remarkable recuperation from the disastrous effects of the outbreak of war and the crop failure of 1914.

Today we face the world's dominating event with calm faith in the ultimate victory of the Allies; and also with the knowledge that, whatever happens, Canada will be able to stand the strain. However near-sighted a view a business man of this Province may take, the progress of the conflict has always had an intimate effect on his sentiment and plans. If such it can be construed, where the daily destruction of life and wealth is on so huge a scale, the events of war are to be taken, expressed in stock market parlance, as bullish factors.

General business conditions are comparatively good. One hardly ever meets a merchant, or manufacturer, who does not admit that he is doing a much better business than last year. Credit conditions are excellent. The commercial position has been thoroughly liquidated and collection of accounts is normal. The banks are prepared and willing to extend credits wherever cause can be shown. Conservatism is the watchword and practice of business. Its chief fault is lack of aggressiveness.

What factories exist in the Province are usually well employed. Particularly is this true of the iron foundries and machine shops. The demand for steel and iron products is comparatively as great in British Columbia as in the East. Machine shops are still heavily employed on small shells and shrapnel, and the mining development and logging activity are fully occupying those not engaged in making ammunition. Other factories are reasonably well employed on account of increasing local demand and inability to get Eastern, British or United States delivery.

General wholesale and retail trade in staples is anywhere from ten per cent. to fifty per cent. better than last year, despite the slight but continued loss in population through soldiers going to the front since the first of the year.

More general development work is being carried on than appears at first sight. A considerable amount is being spent throughout the Province in mining machinery and supplies used in the industry. One large undertaking, the Ocean Falls project, is spending millions, and the Pacific Great Eastern

Railway is only being delayed in the prosecution of construction by the inability to secure an adequate supply of labor. In several other places is inconspicuous development in progress.

The basic industries of the Province are generally sound and reasonably active. Overshadowing the others is the mining industry. While the recovery was directly induced by the war, and although enjoying prosperity it cannot hope to maintain permanently, the wild rise in the price of metals has called the attention of the world to the tremendous mining resources of British Columbia. These resources are being taken hold of by mining interests, and the developments now going on are greater than ever un-

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