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Why the National Position is Good

Canada Has Performed the Striking Achievement of Changing in Twelve Months an Unfavorable Trade Balance of \$162,000,000 Into a Favorable Balance of \$6,000,000—An Array of Facts Which Shows That the Dominion Is Rapidly Approaching a Position Which Must Inspire the Greatest Confidence.

Mr. Fred. W. Field, editor of The Monetary Times, has gone into a rather exhaustive analysis of the national position of Canada, from data derived from the experience of the first five months of the year, which inspire confidence of the future.

"There are good reasons for confidence in the Canadian situation. Sentiment should follow the facts more closely. The national problem is strong. An array of substantial facts is available. Those who find always the pessimistic plane, may be well answered. That the speculative sugar of 1912 has been cleaned out of the national larder, is true. The complaint is that these are not the palmy times of those boom days. That also is true, but we may as well recognize now that the country is on a good, plain business diet. Things in Canada are better than if there had not been war. A general reaction from a long period of rapid development and speculation, together with a much needed readjustment of economic conditions had set in some time before the war came. The war has given sufficient stimulus to industry and sufficient opportunity generally to prevent this country from sliding to the point to which it deserved to slide as a result of economic sinning. It is easy to be an empty optimist, but the Canada of today is dutifully bound to be something of an optimist because a careful analysis of the situation reveals a long line of facts which give ample support to that position."

In the realm of national finance early fears have not materialized. For war purposes the Imperial Government is advancing £2,000,000 per month which is helping to defray the cost of Canada's war activities and the London market has underwritten a loan for public works of \$25,000,000 while for the usual undertakings, the financing of which we have usually looked towards London is no longer open to us, the market of the United States has responded

with considerable liberality. Since the first of December to May 28 \$130,089,772 of Canadian bonds have been sold of which our investors took \$19,187,000, Great Britain \$25,000,000 and the United States \$85,902,772. During the whole of 1914 Canada sold \$257,581,000 bonds, and for the first five months of 1915 we sold \$103,000,000; so that we have not fared badly so far in this war year. In the field of money and investments forecaste and analysis is very difficult. Mr. Field quotes the two extreme positions of

cheap money and dear money as a result of war but refuses to express an opinion. One fact stands out however and that is that money is accumulating. Despite the fact that Great Britain is financing in large measure the Allies money is accumulating in London at a remarkable rate.

Money is also accumulating in Canada. For the first time on record, the total deposits of the Canadian banks for any March exceeded a billion dollars, the figures being \$1,016,390,076. The deposits payable after notice (the savings of the people) in the same month, totalled \$676,875,790, being \$31,000,000 greater than in March, 1914, and \$47,000,000 more than in March, 1913. There has been a steady increase in what, in the true sense of the word, are savings deposits, and ordinary depositors also being either unable or unwilling to lend their funds at present, are transferring abnormally large current account balances to savings bank accounts.

The bond houses find a fairly good demand in Canada for first-class securities. There is an absence of any unhealthy speculative tendency. This

will be an excellent factor if it continues for any length of time.

Looking at all the money signs, it would seem that after the war, when it is hoped that confidence will be fully restored, and allowing for the demands of war loans, there will be ample funds for legitimate investment purposes, with a tendency for the rates to harden as the world gets back into its peaceful gait.

The position of international trade and commerce is remarkable. For the fiscal year ending March 31, 1915, an adverse trade balance of \$162,891,650 the previous year has been changed to a favorable balance of \$6,071,138.

WHY THE NATIONAL POSITION IS GOOD.

WORKMEN'S COMPENSATION VERSUS
INSURANCE COMPANIES.

RECENT COMPANY REPORTS.

MINING THROUGHOUT BRITISH COLUMBIA.

TRUST COMPANY NOTES, COMPANY
NOTES, INSURANCE, MUNICIPAL,
LUMBER, MINING AND OTHER
INFORMATION.