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Business in Review in British Columbia for 1917

Increasing activity and prosperity in all industries except mining last year—Sound and safe character of business transacted—Outlook for the New Year.

The year 1917 went out with the same prospect for the future that it came in with. The outlook for the year in business has not been changed by the events of the past year. Those elements and influences which control the world of commerce and industry certainly look to have the same effect on business in 1918 that it had in 1917. From present facts upon which to base judgment, it would appear that the world will be warring at the end of 1918 as vigorously as it is warring today. Those tendencies which have both accelerated and impeded business will become still more accentuated until the end of war. Whatever problems, and they certainly will be enormous, the world will be brought to face at the conclusion of war, it certainly can be definitely stated that financial and economical exhaustion will not be reached during the year by the Allied powers and it is doubtful if it will be reached by the Central powers.

We think the business man will fare best who will do as large an amount of business as possible on the smallest amount of goods in stock. Frequent buying with as close approximation to cash payments and cash sales will yield the best results. The safest course to pursue is to do business on the basis of day to day, or week to week, in order that future events which may happen rapidly, may find business in a position to make quick readjustments to the new and unknown conditions.

The public duty and private interests will be best served by the elimination of waste and luxury and the practice of saving and thrift.

The most important development of the year in British Columbia was the establishment of a shipbuilding industry on our coast. There are today, ten steel ships of 8,800 tons deadweight capacity, two ships of 4,600 tons deadweight capacity and 27 wooden ships of steam propulsion, of 2,800 tons deadweight capacity, being erected in British Columbia shipyards. We hear rumors of the establishment of

another steel shipbuilding plant, and further wooden ship orders are firmly believed to be in prospect. While we must congratulate ourselves that such large war business has been established in British Columbia, we should perhaps marvel when taking into consideration the facilities and locations, and the huge demand for bottoms, that the business is really so small, in view of the huge shipbuilding industry now in existence on Puget Sound in the State of Washington. However, we are glad that we have so much of an industry here and its effects upon general business have been very beneficial to the business of the province.

The basic industries of the province, with the exception of the mining industry, have had a successful year. Of these the lumber business has been the most noteworthy. The log scale for the first eleven months of the year has totalled over 1,453,000,000 board feet, and it is quite likely that the year's log scale will approximate 1,600,000,000 board feet. This estimate is made the more emphatic by the comparison with 1916 which totalled 1,279,852,662 board feet, and 1915, 991,780,200 board feet. The value of the lumber output for the last three years is as follows: 1915—\$29,150,000; 1916—\$35,528,000; 1917—\$46,000,000 estimated. The lumber demand is active, insistent and growing stronger. Ship material is in great demand. The demand for spruce for aeroplanes is so great that orders are going begging. The prosperity of Eastern Canada and of the Prairies is responsible for the heavy demand among the coast and interior mills. Car short-

Victoria, B. C., December 31, 1917.

The Editor,
British Columbia Financial Times,
Vancouver, B. C.

British Columbia is meeting the demands of the Empire in this time of stress in splendid fashion; and in spite of the strain, with consequent unsettled conditions, is in a sound and healthy state. The Government is endeavoring to set an example to the people by keeping public expenditures within the revenue, although heavy fixed charges and guarantee obligations make increased taxation an imperative necessity for the present. That taxes shall be equitably borne by all classes of persons and property is the desire of the Government, and it is confidently hoped that wise government and economy which does not impair efficient service will lead to a reduction in these. Greater production is an urgent need, and in this matter official encouragement will stimulate individual action. There can be no question of the splendid resources of this Province; with the courage of its people, seconded by prudent administration, its future prosperity is assured.

JOHN HART,
Minister of Finance.

ages impede this trade.

The off-shore shipment of lumber depends only upon the bottoms available. The deep sea British Columbia shipments were for 1915, 58,074,773 board feet; 1916, 43,676,523 board feet. For the first six months of 1917 there were 20,956,114 board feet, and a conservative estimate for the entire year would be 45,000,000 board feet. If labor and lack of cars do not too seriously impede the lumber industry, the totals for 1917 will easily be exceeded during the present year.

The mining industry in 1917 has lain under a pall of labor troubles all the year. The settlement of a prolonged