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## Eddies and Currents in Spring Business

**Usual Barometers Fail to Show Any Increase in Business, Yet the Straws in the Wind Seem to Show That a Slow Recovery Is in Progress.**

The "man on the street," when asked how's business, usually replies that he believes business is better. When asked for his reasons, he is somewhat shaky and indefinite, but nevertheless adheres to his point that recovery has come. It is difficult to gauge the trend of business when circumstances of war, which is beyond the experience of this generation, are exercising so potent an influence on commerce and industry, and the eddies and cross currents of trade are so ill-defined.

If one were to take only into consideration the more specific barometers of trade, such as bank clearings, customs receipts, railway earnings, public utility earnings, building permits, etc., the answer would have to be that a change in trade has not been indicated in these barometers. Bank clearings have advanced but little since the advent of spring, and show considerable shrinkages from last year. Enforced economy and less improvement and development work in the Dominion are reflected to decreasing custom receipts. Railway gross earnings, particularly that of the Canadian Pacific, have recently been showing a declining decrease as compared with last year. During the fall and early winter the loss of gross earnings was particularly disturbing, and for some weeks registered as high a decrease as 35% compared with the corresponding week in the previous year. This was due to the small grain receipts because of the shortened crop on the prairies and were compared with the largest grain movement in the history of the Dominion, the fall of 1913. Since that time the loss has been running from 13.5% to 15%, still a serious loss. Public utility earnings, on account of the inroads which "jitneys" have made, are of little account as indicating trends, although usually one of the best barometers of trade in centres of population. Building permits are still on a low level of activity. This, for places such as Vancouver and Victoria, which were overbuilt and because of depression have lost a considerable number of their floating population, is likely to continue for a few years.

If these barometers only were to be used in seeking to

determine trade trends, the answer would have to be that while improvement may be at hand, we have no evidence of it.

On the other hand there are seasonal activities which are increased according to the period of the year, whether the usual experience of business is depression or not. Such, for instance, as Christmas, Easter, etc., which induce extra activity preceding these periods in wholesale and jobbing circles and induce extra retail trade shortly before the period. So also in early spring, when the plans of spring, summer and fall work in the open are laid and orders placed. This, perhaps, accounted for the spurt of activity in February, when renewed hopes of recovery were most confidently expressed. A March lull ensued, and the fore part of April started another movement, which is gradually gathering strength.

The war has affected the Maritime Provinces but little, and during the fall and winter business was on the usual level of activity. Quebec and Ontario were more seriously affected, and the Prairie Provinces and British Columbia were about equally hard hit. It is seriously questionable just how severely war affected business west of Ontario, except in so far as scare and lack of confidence was engendered. The slowing up in business must in large measure be attributed to the small agricultural output on the Prairies, and in British Columbia the war undoubtedly had a very serious affect on the mining industry, where it not only cut the output of minerals, but stopped development work. The rise in the charter market also prevented some cargoes of lumber from being placed with

British Columbia mills.

Business in Canada, and to some extent in British Columbia, has been stimulated by the placing of war orders, both by the Imperial and Dominion Governments. The steel industry has been practically kept alive by orders for munitions of war. Affiliated lines, such as gun factories, automobile factories, and every establishment that could be used for this purpose, were well supplied with orders. This has exercised a beneficial influence on industry in Canada, the effects of which are beginning to be felt in other lines.

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