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Business in Review and Prospects for New Year

Business in 1918 Has in General Been the Most Active and Prosperous in the Province—While the Outlook Is Mixed, the Situation Calls for Thrift and Efficiency.

In attempting to present some rough outline of the progress of 1918 and the outlook for 1919 as it affects British Columbia, we think we should preface our remarks with the statement that business men should keep in mind that the period immediately ahead will be a period of declining profits. The war era of high profits is ended, and in future the economic law of competition is going to preclude the making of large sums of money as was experienced during the war period, except from doing large business in a large way. We think, therefore, that the merchant who can show a balance sheet as at January 1st, 1920, with a reasonably small profit on the right side of the ledger may consider himself as having experienced a successful year. During the period of rising prices everybody makes money. During a period of falling prices everybody loses money. The period immediately ahead calls for astute management, efficient operation and hard work, in order to show a balance on the right side of the ledger of even small proportions. If the experience of the year shows better than this it will be due to a process of more rapid readjustment than at present appears possible. Preparing for disturbed conditions is the best insurance against the occurrence of these conditions.

the Allied and neutral countries, and in general the forecast then made has been amply fulfilled, for 1918 has been a profitable, active year in business.

In the lumber industry the experience was somewhat mixed. Every indication pointed to the largest year in the industry's history and at most profitable prices. Two events prevented the fulfillment of this promise. During the early summer indications pointed to a much shortened agricultural yield on the prairies, and late in the summer the United

States Government placed an embargo on shipments of lumber east of the Mississippi River and north of the Ohio River also shortly after the signing of the armistice the spruce camps closed down.

Notwithstanding these events logging operations were on an unprecedented scale. While in 1917 the log scale was 1,647,000,000 feet itself, a banner year, it is anticipated that the log scale in 1918 will approximate 1,798,000,000 feet, an increase of approximately 150,000,000 feet. Due to the causes above mentioned, manufacturing of lumber has not kept pace with logging operations, and today there is a huge accumulation of logs in the water. The outlook for manufacture, however, is not as dark as the situation would indicate. Crops did not turn out as badly as was anticipated, and the embargo on lumber was subsequently raised. Due to inadequate housing facilities on the prairies and in British Columbia, a great deal of building must be done during the year ahead. In addition the Canadian Government has appropriated \$25,000,000 for the build-

ing of houses for returned soldiers, and these two factors—chiefly the former—should account for a reasonably active year. In addition the United States will require a great deal of building and considerable exportation is expected. The deep-sea trade is too uncertain to venture an opinion, on account of the doubt as to available tonnage that will be furnished during the year in this trade.

The paper business has had an active year, and a greater year is in prospect. The Powell River Company, the Ocean Falls Company, and the Mill Creek plant have been turning out pulp and paper to their capacities. During the year the Swanson Bay plant came into operation,

BUSINESS IN REVIEW AND PROSPECTS FOR THE NEW YEAR

REMARKABLE STATEMENTS OF TWO LEADING BANKS

DOMINION CAMPAIGN FOR FIRE PREVENTION

COMPANIES TO BE STRUCK OFF PROVINCIAL REGISTER

RECENT ANNUAL REPORTS

MINING THROUGHOUT BRITISH COLUMBIA.

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

The year 1918 opened with every prospect of an extremely active and prosperous year in business. The war situation at that date was such that no one would attempt to say that it would be concluded before the year was out. In fact until July 18th, surface indications showed that Germany was still winning the war. When on November 11th the armistice was signed, showing conclusively the overwhelming defeat of Germany, it caught the business and financial world almost all but unprepared for the mighty changes that will occur in carrying on the business of the world after peace has come. The outlook for the year in British Columbia was similar to the outlook in all