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It is a good thing in Canada that we have an organization such as the Citizens Research Institute for the purpose, on the one hand, of studying public finance and administration and on the other of presenting the results of their findings to the public and insisting on citizenry responsibility for the conditions found and presenting remedies therefor. The director of the Institute is Doctor Horace L. Brittain, who is at present investigating the financial affairs of the City of Vancouver with a view to remedying the taxation problems that confront our citizens.

What we wish to call to the attention of our readers was an article prepared under the direction of Doctor Brittain, and presented in this issue, on the subject of "Public Ownership," the material of which is graphically presented and in consequence is very impressive. On the part of the Dominion Government, the various provincial governments and the municipalities, the citizens of Canada are responsible for ownership of varying public utilities totalling over one billion dollars, and it remains to be seen in the course of years just how government officials discharge the responsibilities to the tax payers and citizens of Canada.

The gradual encroachment of government on business through the past two decades in the matter of regulation and operation has educated the public mind to the point where it refuses opposition in the cases where government credit has been used for privately owned enterprise resulting in failure, such as the case of the Canadian Northern and Grand Trunk Pacific systems, and that of the Pacific Great Eastern Railway of British Columbia. The success of government ownership is dependent upon the efficiency of public administration and public efficiency can be only increased when the citizens in general take a deep interest in the properties involved. Until governments arrive at the stage when they can more nearly compete with private enterprise, it would appear that the difference in the results must be paid out of the taxpayers' pocket.

Hitherto the principle of government operation in North America at least, has been limited to great public utilities, almost limited to the carrying of mails and those of natural monopoly. The matter of natural monopoly in the study of government has generally been conceded to be better operated under private ownership but under government regulation. Due to government regulation becoming more stringent, both in the matter of operation and in the matter of profit, it has discouraged private enterprise from undertaking public improvements of a monopolistic nature in consequence, and for the present at least due to high rate of borrowing private enterprise has little inclination to venture in the line of public improvements of this nature. Due perhaps to the inadequacy of private funds and the natural timidity that goes with it, the amount of private money

The services of this journal are offered through an inquiry column, which is open to subscribers and the public generally without charge, for detailed information or opinion as to financial or industrial affairs or institutions throughout the Province of British Columbia. Wherever possible the replies to these inquiries will be made through this column. Where inquiries are not of general interest, they will be handled by letter. We think that we can assure our readers that the opinions expressed will be reliable and conservative, and that all statements will be as accurate as possible.

available is steadily decreasing, when applied toward national development and extension. In consequence government ownership and operation has received great impetus. Doctor Brittain points out, without taking into consideration the principle of public ownership, the responsibility which rests upon the citizens of Canada to see that their properties now owned and operated by the various governments of Canada and provinces and municipalities are well administered in the public interest with some approach to the efficiency associated with private ownership and operation.

A great many business men are thinking in no uncertain terms with regard to a reduction in the wages of labor in connection with a recession of commodity prices. We think that in the liquidation of prices, if such a term might be used, that a liquidation of wages should be attempted very gingerly and then only if it is in the general public interest. What is more needed than a liquidation of wages is an elimination of "loafing on the job." An increase in the efficiency of labor is equivalent to the reduction in wages, and a reduction in labor costs in manufacturing.

When wages are reduced, it reduces public purchase and public consumption of goods and therein aids in the aggregate to reduce prices further. But when labor can be persuaded that, in order to hold the particular job, the individual workman must work harder and render greater value than he has during the war period and the time following to the present, then he is directly contributing toward reduction in costs and thus enabling the particular product on which he is working to be marketed at a lower price.

Certain union officials seeing efforts that are now being made to reduce wages, are doing their best to forestall these reductions by threats of a strike for increased wages. They in general believe that no increase in wages will be granted but they at least believe that this action may result in a maintenance of the present scale.

What we think is needed is closer co-operation between trade unionists and capital. Trade unions are fighting an internal battle. The Reds in trade unions are in the first place seeking to get control of the unions through rash and ill-advised promises, intimidation and oratory. They have gained an influence in the larger councils of labor which is inimical to the best interests of trade unions and general industry. Failing to get control, they are seeking to disrupt trade unions and make for absolute open-shop conditions which they feel will greatly expedite their programme for revolution which they openly court and advocate. In the face of this, general industry will be ill-advised to strengthen the hands of the Reds by a direct attack on the present scale of wages. When readjustment has proceeded much further and labor is yielding 100% efficiency where now they are perhaps yielding 60%, and at the time of the armistice were yielding perhaps 30% efficiency, and the saner and wiser elements in trade unions have become firmly entrenched again in the councils of the unions, then industry and the unions may get together in co-operation for a reduction in the wage scale when the price of living has been reduced to the amount of the desired reduction for the steady employment of labor and for the gaining of a reasonable profit on the part of industry.