

tection to home industry. That policy in the past has done much to create, foster and upbuild the various industries of the Dominion, but so far as the iron and steel industry is concerned, the present tariff is far from satisfactory. The iron schedule has been mutilated, and tinkered from time to time till it now bears no semblance to the original structure. The large range of exemptions covering the so-called raw material of one manufacturer which is the finished product of another has produced a condition of affairs which is now intolerable and as a result we see Canadian capital being utilized to assist and exploit German enterprise in a foreign country enabling them to dump their bounty-fed material on our shores in immediate competition with the output of our own workmen. This condition of affairs, I trust, will soon be remedied."

Want Primary Industries.

At the annual meeting of the Canadian Manufacturers Association last week, Mr. R. S. Gourlay, president, said:—"As at present constituted, the iron and steel industry is to some extent encouraging the establishment and expansion of what might be called 'secondary industries,' but it is far from adequate in the protection it affords to certain of the more basic branches of the iron and steel trade, where the investment in plant must necessarily be heavy and where volume of output counts for so much."

Mr. J. H. Plummer regards it as a lamentable feature that the strong tendency of the iron and steel tariff is to build

up secondary industries in Canada, depending on foreign manufacturers for their raw material. "I am quite well aware," he adds, "that the Canadian plants cannot as yet cope with the great demand for iron and steel, but it is to be regretted that people in the business are deterred by tariff conditions from increasing the primary and basic lines of manufacture; that large secondary industries are growing up whose existence may depend on the maintenance of supplies of raw material entering at low duties, or even duty free; that these conditions will make it increasingly difficult to get the primary industries established in Canada. The outcome may be a condition of industrial dependence on foreign makers of pig iron and of steel in its earlier stages of manufacture, except in the case of a few concerns which start with the coal and ore and sell the product in wire, nails and other finished articles."

Canada's Steel Imports.

Taking iron and steel products alone, and counting only such as in our present state of development, are or should be made in Canada, our imports for the twelve months ended March 31st last amounted to 1,168,467 tons, valued at \$28,331,349, as against 273,650 tons in 1909, valued at \$7,234,116. This takes in only the less-finished articles, as the low average price shows. Taking the whole line of iron and steel and manufactures therefrom, excluding only automobiles, the increase is striking; the total in 1909 was \$40,717,761 and in the year ended March 31st, 1913, \$138,648,364.

ROYALTIES ON LUMBER

Legislation in British Columbia May Embody Lumbermen's Suggestions

(Staff correspondence.)

Vancouver, September 20th.

Investors in timber in British Columbia are opposed to the proposed increase of royalties and have submitted an alternative schedule of increases. At the last session of the legislature, a bill was brought down in which it was proposed to increase the royalties on January 1st, 1916, but owing to opposition from lumbermen the bill was withdrawn. The minister of lands and the chief forester are consulting with the lumbermen and it is probable their views will be embodied in the legislation to be enacted in the coming session. The proposals made are: no present increase on stumpage dues for No. 3 grades of hemlock, balsam and cottonwood, or low-grade cedar; an increase of 25 cents per thousand on Nos. 1 and 2 grades fir, spruce and cedar from 1916 to 1921; a further increase in 1921 of 25 cents; while in 1926 a general increase of 25 cents more be made, at which time it would apply to the No. 3 grades. These increase then to have effect until 1936.

Put Industry on Settled Basis.

It was pointed out that full development of the forest resource would not take place if stumpage on No. 3 grades was now exacted, as it would not pay to bring this timber out. Moreover, time should be allowed in making increases so that adjustments can be made by lumbermen. Timber legislation is now so unsettled that banks are turning down licenses and leases as collateral for loans, and the suggestion has been made that royalties and rentals should be fixed for a period of thirty years.

General conditions in British Columbia appear to be improving. Some concerns report money easier, and industries are not inactive. Some of the shingle mills have started operation again, and it is thought they are anticipating a revival of trade with the prairie country in view of the good wheat crop, which will bring in money.

Municipalities and Electric Lighting.

South Vancouver council has approved the proposition of establishing a municipal lighting plant. The cost is placed by the municipal electrician at \$600,000 and would be revenue producing. To meet this, the British Columbia Electric Railway Company has made a concession in the matter of rates, but the reeve states this will make no difference to plans under consideration. In Vancouver the proposal has also been made that the city get into the lighting business, and when the Seymour Creek watershed is acquired it would not be a difficult matter. For an expenditure of half a million dollars the city can secure all the land and timber in the Seymour Creek valley, and thus absolutely ensure a never-failing and abundant water supply. An engineer has reported that the water can be stored, and run through pipes operating a turbine plant, without making the water less impure. The storage basin is necessary for water supply purposes, so the cost of installation of turbine machinery would be the largest item.

BUSINESS MEN AND THE WEST

Conditions Are Improving This Fall—Talking of a Good Nineteen Fourteen Now

Monetary Times Office,

Winnipeg, Sept 23rd.

Mr. W. Smith, managing director of the Western Empire Life Insurance Company, has returned from a trip through the West as far as Vancouver and Victoria.

In discussing conditions with *The Monetary Times* Mr. Smith said he was well satisfied with conditions, and is confident that the situation in the West will greatly improve this fall. He had an opportunity of studying the crop situation, and stated that everywhere he went the crops were good and the grade will be considerably higher than it was last year.

Threshing is in full swing in all parts of the West, and, despite some pessimistic reports, the crop will be better, both in quantity and quality than in any past year.

Conditions on Pacific Coast.

Mr. Smith thinks that conditions on the Pacific Coast are improving. In the Okanagan Valley the fruit crop is good. In the city of Kelowna and all the towns and cities of the Okanagan Valley and southern British Columbia conditions seem to be good. Many buildings are going up in Kelowna, costing as high as \$30,000 and \$40,000, a number of them being of reinforced concrete.

Mr. Smith states that the Western Empire Life are having a successful year, and he is well satisfied with the outlook in the West.

Views of the Future.

Mr. Charles M. Simpson, president of the Empire Loan Company and vice-president of the Fidelity Trust Company, of Winnipeg, has returned from a holiday trip to a number of United States cities. In an interview with *The Monetary Times*, Mr. Simpson states that conditions in the States are much like they are in Canada, the tightness of money being just as apparent there, and in many cases more so than it is in Canada. For general commercial business, Mr. Simpson says that business there is good, but that the spirit of speculation has experienced the same dullness as in Canada.

Mr. Simpson thinks that after the crop is marketed, conditions in Canada will materially improve, and he is optimistic regarding the outlook in Western Canada this fall and thinks that next year will see a return of normal conditions, and that 1914 will be a splendid year in every respect.

ALBERTA RAILWAY CASE SETTLED

Premier Sifton states that Messrs. J. D. McArthur and his associates, owners of the Edmonton, Dunvegan and British Columbia Railway, now being completed to Peace River, who also built a section of the Grand Trunk Pacific, and are now building the Hudson's Bay Railway for the Federal Government, will take over the charter of the Alberta and Great Waterways Railway, complete the road, and assume all existing liabilities.