

BRITISH COLUMBIA FINANCIAL TIMES

A Journal of Finance, Commerce, Insurance, Real Estate,
Timber and Mining.

Published on the first and third Saturdays of each month at
Vancouver, B.C., Suite 421-422, Pacific Building, 744 Hastings St. W.
Telephone, Seymour 4057.

BRADFORD W. HEYER, Editor and Publisher.

Address all communications to British Columbia Financial Times.
Advertising Rates on application.

Admitted to the Mails as Second Class Matter.

Annual Subscription: Canada, \$2.00; Great Britain, 8 shillings;
United States and other countries, \$2.50; single copies, 10 cents.

VOL. VI. VANCOUVER, B.C., NOVEMBER 15, 1919 No. 22

Writing in the middle of the last week of the third Victory Loan campaign it must be classed as an unqualified success. Those, who during the summer, when the campaign was first broached expressed the opinion that a widespread public appeal for subscription to a new government loan after the war had ended would fail must pardon something to the effect of publicity, salesmanship and the inherent common sense of the Canadian people. At this writing \$400,000,000 have been subscribed, and we fully anticipate that 450 and 500 million dollars will have been subscribed before the campaign closes. The government asked for 300 million dollars and expected 500 million. Any approximation toward this latter amount must be considered as a very favorable total for the loan.

The campaign has had some peculiar cross currents. The experience is that while a smaller number of persons subscribed than last year, those that did have taken larger amounts than last year. Yet a large number of business houses who took from \$5,000 to \$25,000 last year have this year refused to participate at all. The general appeal to the small purchaser has not had the response which was so general in the two previous campaigns. The personal sacrifice and the inducement to thrift involved in the gathering of \$5 or \$10 per month has not had the war stimulus nor the patriotic appeal this year, and in consequence their number have considerably fallen.

Those business houses which this year refused to purchase, but last year felt it their duty to subscribe to their maximum ability find that with growing business and some increase in prices of commodities that they would simply be calling upon their banks to pay for the loan requiring increased banking accommodations if they made purchases. However the great bulk of the business houses have purchased moderately participating as much as they thought their means would afford.

In the older settled communities in the East a great many business men and a large number of the business houses have seen the safety through the course of decades of business experience to build up reserves against contingencies such as depression, falling markets, labor troubles, etc. To those the holding of Victory Loan make an ideal investment for these reserve accounts. In the West

with the growth of the country and the expansion in business the opportunity for building up reserves has not been afforded as in the older districts. More dependency is placed upon banking accommodation for the carrying on of commercial and industrial transactions. In fact, many business men seek to increase their business capital through the liberality of banking accommodation.

Active, conditions, and the profit that is accruing from the business done is large enough at this time to enable business men to set aside from their net profits some small amount for the establishment of a reserve. We think that it is highly desirable that business men should seek to strengthen their position by establishment of a reserve account. For, while business is active and the spread is larger than it will be when we finally settle down to peace conditions, at no time has the business future been so uncertain as it is at present. We are living from day to day and what looks like a sound position at this time may prove a very unsound condition thirty days hence. When all the forces of reaction with accumulated stocks, receding prices and possible serious labor disturbances occur, we must urge in the interests of business safety the effort to make a beginning of the creation of a reserve. The ideal employment of funds thus created is in the Victory Loan. With its prime security, its ready sale, with attractive interest return, it affords the best investment possible to be used if necessary against the time of business reaction and depression.

In the contribution of Mr. E. A. Bradford on the subject of "Present Day Industrialism," which we present on another page of this issue, he strikes a new note, or perhaps a note that should be more insistently struck on the function of law in the protection of economic service. Taking as his text the recent soft coal strike in the United States, which if continued would stop industry in a wide section of the United States, he points out that it is of the necessity of Government to maintain the flow of economic goods which are necessary in our social and industrial welfare. The action of the United States Government, in securing the injunction which prohibited the strike, was a reliance on a war measure rather than any inherent activity of Government which would insure the production of coal against the failure of employer and employee to come to terms. The economic service involved was so large that the question of employer and employee was swallowed up in the welfare of the public, who must be protected.

As a phase in our economic readjustment to normal peace conditions, the claims of the public to consideration must grow in importance, and their rights must be subserved by the law of the land and the functioning of that law. Had there been a deep consciousness in the mind of the public which would have reflected itself in governmental action, whether Dominion, Provincial or Municipal, the serious labor strike of last summer focusing at Winnipeg and reaching to Victoria would not have been tolerated along the lines of cutting the production or the transportation of goods and services to the people of Western Canada thus affected. The struggle between capital and labor, or employer and employee, will perhaps continue to go on until a new system has been evolved or some very radical changes have been made in the present system, but a new voice is entering into the discussion, a new force into the struggle. Call it the people or the State or the Government, this voice and this force will continue to grow in volume and in strength until it will say with authority to either capital or labor or both that such and such must be done in the public interest. We think that this element in the large problems involved, growing in intensity as the solutions proceed, is one of happy augury for the future of our social and industrial life.