

# BRITISH COLUMBIA FINANCIAL TIMES

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When Sir George Paish of the Statist, London, speaks, pretty much all of the investment world listens. As a sane optimist in season and out of season on financial affairs in North America on both sides of the International Boundary, he has no superior. His criticism and comment on railway affairs are regarded as nearly the last word on the subject. He has been responsible for huge sums of money being invested in Canadian railways, and has always advised investments in Canada when sound judgment is to be used. As a financial commentator we have no greater friend at the financial court of London.

When, however, viewing things Imperially, he lectures Canada, and British Columbia in particular, on her exclusiveness, he may truly take a broader view of the Asiatic question than we do, he, nevertheless, fails to get the local point of view. We regret that Sir George failed to get as far west as Vancouver on his trip last year to the Dominion. We feel that he has missed something, and we have missed his opinion of ourselves and our Province, but particularly that understanding from a close observation and contact that only a personal investigation can produce.

The question of the exclusion of the Hindus, brought to a head by the refusal of the Dominion authorities to allow the landing of the passengers of the Komagata Maru at Vancouver, may have serious consequences in London and in India, and may complex a situation that the British Indian Office is ever trying to solve. We trust, however, that what we do may not prove as serious as some of our British friends think who are endeavoring with might and main to bind the bonds of Empire.

But the local situation of exclusion is not economic alone. It is ethnic in the last analysis. We are fighting to make this a white man's country, and to keep it so. It may be inordinately selfish, it may be economically unsound, it may go so far as to retard the development of the country; but whatever it is in its growth and development and progress it must be a whiteman's growth, a whiteman's development and a whiteman's progress. The utter inability of the Hindu, however loyal a subject of the Crown he may be, the Japanese, the Chinese, to fuse with the white population cannot be realized except by personal investigation or residence where the effort is being carried out.

Where a nationality cannot fuse with the people of its new residence, that people has a just right to refuse that nationality a residence among itself.

We welcome Sir George's criticism, even strictures, but we would like on the other hand his willingness to understand our position.

The signing by President Wilson of the Panama Canal Free Toll Repeal has settled a very much vexed question, and one in which British Columbia has a very important interest. We think that the question has been correctly and permanently settled. The essential consideration, however, is that it has been settled to our interests. It has been affirmed, we do not assert with what reason, that the lumbermen of the Pacific Coast of the United States wrote the exemption for American bottoms in the Panama Canal Act. But that the Pacific Coast lumbermen were most to be benefited cannot be doubted.

While British Columbia has not advanced, but has in fact, lost ground, in the export lumber trade, and at the same time this Province has not the facilities for handling the export lumber business that our neighbors to the south have, the opportunity is present and the field has been enormously widened by the construction of the Panama Canal and the repeal of Free Tolls. It will not be many years before the lumber manufacturers here will be actively competing for this trade.

It may possibly be that American lumbermen will enter into a working agreement with the Canadian manufacturers for each nation to compete in its own territory exclusively. This would free the British Columbia manufacturers of their chief incubus, the American competition on the prairies. At the same time it would keep out British Columbia lumber along the seaboard of the Atlantic states. While a trade agreement of this kind is thoroughly likely we think it would be for the best interests of the lumber trade and industry to leave it as free and untrammelled as possible so as to compete on a free basis of quality, price and service. Let the American manufacturer get some of our prairie trade, and we get as much of their Eastern trade as possible. It will do the lumber industry little harm, and will in the long run be the square thing with the consuming public.

We hope to treat in the near future on "Blue Sky" legislation and its application to this Province. That some legislation should be placed on the statute book and stringently enforced, restricting the promiscuous selling of shares and securities, is patent from the latest phase of selling oil shares in the principal cities of this Province by irresponsible salesmen selling shares in irresponsible companies. The wonder of it is that such salesmen and such companies are so successful on the flimsiest of pretexts for public support. It is more a study in psychology and the cupidity of human nature than a study in finance.

The public has to be protected, and in some cases against itself. A law should be so constructed as to prevent the offering of shares in the illegitimate promotion without at the same time interfering with the investment of funds. We do not know where an act has been enforced that meets the conditions with entire success. An act of this kind could be employed with better chances of success than in a community where the proportion of investments in relation to the population is much larger than it is in this Province. The Manitoba "Sales of Share Act" recently passed is said to be working well. The conditions applying in Manitoba are not very different from those applying here, and it may be that that Act might be used with profit as the basis of legislation on the subject in this Province. On the other hand the enactment of amendments to the Companies Act may prove sufficient.

But the spectacle of companies incorporated in another province selling shares in this, without any bona fides of title or good faith, all done on the basis of the magic word "Oil," should not be tolerated any longer than a legislative enactment can be put in force.