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No more joyful note has been sounded in the world than that which announced the termination of hostilities at 11 a.m. on November 11th, 1918. That moment ended the most frightful and destructive war in history and ushered in the day of reconstruction and a new order of things the heavy import of which will be more keenly marked as the years go by. The day of autocracy is gone. Regnant democracy is in its place. The day when a king, emperor, czar or other crown head can declare war is gone. If there is another war, which God forbid, it will be a war of peoples, a war of nations, a conflict of ideas, principles, races or religions. The day of the secret treaty is gone, as has diplomatic subterfuge. Treaties will now be made and ratified by people's representatives.

What has come in its stead is not so clearly marked. We hear of a league of nations. The scheme of a league of nations is idealism, the fruit of which must be painfully worked out through an enlightened public opinion of the peoples of the world which will take decades to produce. It is sincerely to be hoped that, beginning with the peace table, which will soon sit, some few steps may be taken. If by international agreements a scheme can be worked out whereby armies may be nothing but a glorified police force and navies the guardians of commerce only, leaving to a later date the formation of an international police force operating both on the land and sea, then by the disbandment of armies and the reduction of sea forces to meet peaceful conditions the germ of war will from year to year lose its virility and power and the nations of the world will be freed from the curse of armament and the economic incubus, which has weighted the past generations with such tax burdens and dread.

The Allies and their enemies have been for four years, three months and seven long days—how now it seems like a nightmare of catastrophe after catastrophe—but the economic burden will be with us for two generations. We care little at this moment how Germany attempts the solution of her financial problems, but one observation occurs. If Germany is made to pay for restitution and reparation for damage wrought in Belgium, France, Poland, Serbia, Roumania, Russia, Britain and others; for her submarine warfare, etc., she may do so only by the repudiation of her domestic war loans or by the continued drastic capital taxa-

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.

tion of them until they are extinguished. If Germany applied either method for the settlement of her domestic war debts then she could issue a peace loan for the amount of damages assessed against her, which in part would be subscribed by the Allied nations themselves. A similar case arose in 1871 when Germany collected her huge indemnity from France. France issued a domestic loan to pay Germany, with the surprising result that German bankers subscribed about ten per cent. of it, not for sympathy or business friendship for France, but in self-protection to its own exchange market and to stabilize trade between the two countries.

Belgian reconstruction and restoration must be paid for by the Huns with goods and materials from the world. French reconstruction must be paid for by German indemnities, but chiefly from her own resources, and so with Britain, Poland, Serbia and Roumania. Russia will reconstruct itself from within when she has established order and a stable government aided by economic and business commissions from the Allied powers. Russia has such great economic powers that, when developed, will free her from the odium of repudiated debt and make of that great country a field of exploitation which will enrich herself and the world.

To Britain, France and Italy financial rehabilitation is a very serious problem. When the purse strings of the government are tightened up and no war orders are placed among the industries, when taxes remain high and the profit of industry declines, when huge floating obligations have to be converted into funded debt then the resources of the stamina of the nation must be tested as it was tested in war for four years.

To Canada the problem is simple and will take less time in its solution. In two ways a nation will solve its financial burdens as a result of war. Either by the assumption of industry or the distribution of burden by development and recuperation.

In Europe development cannot proceed at the same rate as in Canada, Russia, or even the United States. By efficiency, economy and thrift the industrial effort of a people may be sufficient to support the burden; if not, then the government must help bear the industrial responsibility and share in the profit of trade and industry.

But in Canada by a wide policy of development, by a judiciously planned policy of immigration industrial activity and trade can be so stimulated that either the increased general profit will support the tax or the burden be distributed over a large number with the probability that both will result.

Canada can face the future with calmness and confidence if our people will be but thrifty and industrious with an eye to development of the great resources which are our heritage.