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## Position of Shipbuilding in British Columbia

**Demand for ships to handle Canadian cargoes requires continued policy of governmental ship construction—possibility of yards building for own account.**

The position of shipbuilding in British Columbia has reached a stage where it is in imminent danger of extinction. Unless new orders are obtained, Coughlan shipyards and the Wallace Shipyard will cease operation except for repair work. The Foundation Company has already completed its contract with the exception of equipping some of their boats for French account and this leaves only the Mullen yard at Prince Rupert and the Victoria Machinery Depot with six and two contracts respectively for government account operating into the new year.

The demand for space for cargo shipments is almost as keen today as it was during the war. Rates and charters are almost as high as they were then and cargoes offering at terminal ports are crowding to the limit of the available storage space. The position of the United States in its government owned and controlled mercantile marine is such that the United States Shipping Board, which takes over the vessels after construction, raised the trans-Atlantic rates to an amount greater than it charged the Allied Governments during the war for carrying cargo.

The causes of this condition in the shipping world are numerous. Of course the real reason is the suffering which allied shipping interests sustained on account of the German submarine. It is now stated that if all the shipyards in the world were kept actively engaged in construction, it would take several years for the mercantile marine of the world to come back to even its pre-war position. The commerce of the world, however, is growing and even a pre-war condition of shipping would not solve the shipping problem today. In addition the Allied Governments have commandeered so vast an amount of tonnage for its war work that these vessels, now gradually being released, must be put into dry dock for extensive repairs and overhauling to bring them into efficient operation for peace business. It will yet take two years to place all these vessels in service again. Due to conditions brought about by the war the amount of goods to be shipped is inordinately large. Europe must be restocked with raw

materials and must be fed during the time when it is replanting its battlefields and restocking its fields with cattle, sheep and hogs. How long this condition of affairs in the shipping world will continue, it is impossible to forecast but that every indication points to its continuance for a long period in the future, perhaps for several years, seems to be the best opinion of those in a position to know.

The importance of the export trade to Canada is such that it is imperative that, where Canadian goods are available for export, the ships should be provided to carry these

goods if possible. The operation of the Canadian Government mercantile marine is one of profound satisfaction to the government. It was at first thought that the government programme of shipbuilding would be a perpetual source of expense rather than one of profit. Rates obtaining on trans-Atlantic business, on which service most of the ships of the Canadian mercantile marine are now engaged, is one of great profit and it is stated that six complete voyages to Great Britain from a Canadian Atlantic port will completely replace the capital expenditure involved in the construction of a ship. With this experience and a large amount of cargoes being offered, which will be accentuated this autumn and winter, it is difficult to explain the hesitancy of the Canadian Government in placing future orders for our own government mercantile marine. If conditions obtain for the next few years as they are at present the entire capital outlay for ship construction will be returned to the Dominion Government and when the situation changes so that a change

in policy may be necessary, these vessels will stand on the books of the government at the zero mark and the sale price of the ships will represent a net profit on the present ship construction and operation policy.

Due to the difficulty in securing ship plate at the last session of the Dominion house, the government ordered the construction of a ship plate plant at Sydney, Nova Scotia. These plans were not so sufficiently advanced that they could not be changed at the time of the signing of the armistice, but the government determined to go on with the construction of a ship plate mill and by the first of the year it will be in active operation if it has orders. But unless the gov-

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