

A PLEA FOR MINING IN BRITISH COLUMBIA

Industry Should be Developed as Factor in War—United States Capital Gaining Hold

"Being in the mining business, and having dealt in mines more or less for the past 20 years," said Mr. Donald Cramer, of Vancouver, in an interview with *The Monetary Times*' special representative, "one is struck with the incongruity of things when he sees a heading in the paper as follows: 'The Dominion government has agreed to purchase all the pig-iron manufactured in British Columbia during the next three years at current rates,' and then further on a statement made by Sir Robert Borden, which, while not made altogether in connection with the mining business still has a bearing on it, that the Dominion government has not an inexhaustible supply of money."

"The first statement was made in answer to a delegation of reputable business men from the province of British Columbia, asking the Dominion government to aid in starting the iron and steel industry in the province of British Columbia. They, no doubt, made an appeal to the government, not only from an economic, but also from a patriotic standpoint. If the war is going to continue much longer, and there are no signs of abatement yet, we are going to need all the iron and steel that can be produced in British Columbia and elsewhere in Canada, as a war measure, and while at the beginning of the war, before munition plants had started in Canada, millions of dollars were advanced to manufacturers of munitions in the United States by the Munitions Board to enable them to produce munitions for the Allies, until such time as our own plants could start and get into proper shape, do you not think it would be a wise plan for the government to look upon the iron and steel industry in British Columbia in the same light as the manufacture of munitions was looked upon in the early days of the war?"

"We read with a great deal of interest that the United States government has given an order to the shipbuilding plants in Seattle for ships, amounting to a hundred million dollars, the reason being that the yards in the east were crowded with work. In order to facilitate the building of ships, and to give the whole country a fair chance, this immense order was placed in the west."

Conditions are Suitable for Steel Industry.

"Now there is no reason to believe that all the iron and steel manufactured in eastern Canada cannot be absorbed by eastern Canada itself, and a great deal more. Then why should not this idea apply in the same way to the iron and steel industry in British Columbia, and why should not the Dominion government develop such a scheme? This is not only patriotic—it is good business."

"This bugaboo of not having the minerals is not right. We have the minerals,—we have some of the finest minerals in the world with which to manufacture steel. Some of the most eminent engineers from foreign countries, such as Norwegians, Swedes and men from the United States, have passed upon our ore, and every one of them is high in the praise of British Columbia iron ore. A mere promise to buy all the iron and steel made in British Columbia during the next three years, while it adds a certain zest to the industry, is really nothing more or less than a nicely phrased shelving of the matter. Personally I am not in the stock jobbing business, but am dealing with the properties themselves, and for the information of the Canadian public I may say that there are several groups of very wealthy Americans who are buying up properties in British Columbia with the view of holding and developing them later, or with the view of developing them and shipping the raw material to the States of Washington, Oregon and California, and there manufacturing, and no doubt reselling to us our own original product fabricated in a foreign country."

"From the viewpoint of a resident of the United States this is all well and good, but from the viewpoint of a Canadian and a citizen of the British Empire, it is all wrong, economically wrong."

"The people in British Columbia are not a wealthy people; most of the people here enjoy a good living, but there is no great personal wealth, and one part of the country has got to help the other, so why do not the wealthy Canadians who are attracted to this class of investment make their investments in British Columbia instead of in foreign countries?"

"We have often heard it said that so many deals have been 'put over,' as it were, on unsuspecting investors. Very

often it is the unsuspecting investor, as he calls himself, who invites these particular deals. Men who go into this class of business must be prepared to see the thing through to a finish. We have a great many examples in British Columbia of success attained in the mining field, and simply because the people who invested their money in mines stayed with it and developed it, as they would an ordinary business. Mining after all is a business; it can be made a speculation the same as anything else; but mining run in a businesslike manner and run on a business basis in the aggregate pays as well as any other business."

Energetic Department of Mines Needed.

"Another thing strikes one as rather out of the ordinary. The Department of Mines, which is maintained by the province for the benefit of the public, and is there to investigate deposits and see what can be done with them, frequently makes reports which are quite unintelligible. A live department would be a great boon to the province and to Canada, and they should keep their ears to the ground, as it were, and as soon as they heard of new discoveries, and as soon as they heard of minerals that would be of value to the country, they would have men on the spot to investigate, and men to give a report on that particular mineral without fear. Sometimes their judgment may be at fault, but still it is better to give a thorough report as to what an engineer sees and what he thinks than to issue a report in such a way that the meaning is obscured to the public."

"I would suggest that branches of the Mining Department should be placed in every mineral province in Canada, with active heads in charge of each branch, whereby properties could be investigated with the least possible delay, and the results given in plain, understandable language."

American Capital Acquiring Hold on Properties.

"Finally, I would further suggest that some of our wealthy eastern capitalists should take it upon themselves to aid in developing the mineral resources of British Columbia instead of leaving it to the people from the United States, who are, as I have previously stated, tying up several properties with a view to either holding them, or developing them so that the raw material can be manufactured in the United States, much to the detriment of Canada as a whole, and it is only by the development of our natural resources that we can ever think of being able to wipe out our immense debt, and if our resources in this province were developed, it would not take long for them to place the country on a sound economic basis, and provide for the wiping out of our war debt, besides being primarily a patriotic duty."

ENORMOUS EXPENDITURE ON RAILROADS

The railroad administration of the United States has prepared a budget providing for a capital expenditure of \$1,000,000,000 on the railroads, for means and equipments. This sum is approximately equal to the total capital expenditures of the railroads for the past three years. Practically all of the sum is to be expended for additions and betterments and for equipment, only a small item of \$18,000,000 being allowed for extensions.

DOMINION BANKRUPTCY BILL

The Bankruptcy Bill, introduced at the opening session of the Dominion House by Mr. S. W. Jacobs, of Montreal, has been under consideration by the special bankruptcy committee of the House. The bill as drafted is based largely upon English law, the principles of which are adjusted to Canadian conditions. There has been no comprehensive Canadian act on bankruptcy for some thirty years, and the system prepared in this act is expected to be more satisfactory, both to creditor and banker. The bill has been discussed with accountants and lawyers of several of the provinces, and several weeks ago a deputation of Ontario accountants went to Ottawa in order to suggest certain amendments to the draft. A final draft has now been completed, which will be printed by the committee and circulated among the various associations and accountants for consideration and criticism. Nothing further will, therefore, be done until the next session of the legislature, when it is expected that a bill with any further amendments which may be deemed advisable will be passed.