BRITISH COLUMBIA FINANCIAL TIMES

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

Vol. III. No. 10

VANCOUVER, MAY 20, 1916

SINGLE COPY 10c THE YEAR \$2.00

The Shipping Bill and the Shipping Problem

T. W. B. London, British Columbia Manager, Balfour, Guthrie & Company.

Doubt Expressed as to the Proposed British Columbia Shipping Act to Meet the Situation — Two Counter Suggestions.

The Government Shipping Bill as introduced is a piece of proposed legislation that is sympathetically received and apologised for by its friends, apathetically entertained by the general public, and condemned by the shipping interests.

The difficulty of framing a satisfactory bill of this kind is admittedly very great, and the Government is entitled to sym-Pathetic support in its efforts to respond to the importunities of certain classes of the business community. The Province has no models to follow. The Dominion of Canada gives no lead. The same is true as to the United States where, for the Past twenty-five years there has been more or less constant clamorous lobbying on the part of shipowners for subsidies to vessels, but no legislation acceptable to the country at large has yet been secured. The United States, with its enormous wealth in trade, resources and money, and its hundred millions of people has not been able, or at least willing, to effect such legislation, notwithstanding the notorious decadence of its mercantile marine from its proud position of fifty years ago results in its products being carried to a very great extent in foreign vessels. boldness, not to say temerity of the Provincial Government is therefore sufficiently obvious in atempting a bill of the scope now under consideration.

Our lumber interests are responsible for the steps that inspired the bill, though they evidently have had little or nothing to do with its framing. Lumber is our chief product. It is an article requiring a considerable freight rate, being bulky and of a low value per ton weight or measurement; it therefore is not sought after in times of active freights by liners which desire cargo that can pay higher rates and is more easily stowed in the numerous compartments of the up-to-date steamer.

Should our lumber interests be supported in their efforts to enlist governmental assistance of ship-owning, etc.? Many will say "No," and point to the fact of the lack of "self-help" among lumbermen, in that there is not a single sea-going schooner owned by a lumber mill in all of British Columbia.

The writer agrees that this is a proper indictment against our lumber friends, and no argument has yet been advanced justifying absolute inactivity in this respect as compared to their competitors in the south.

It is true, however, that even with some ships of their own they would not be on quite equal terms with their American competitors in competing for the world's trade, for the reason that our mills cost more to equip, and it is

doubtful if the output per man in camp and mill is equal to that attained by their competitors, whose export mills are also usually much larger. Besides all this, our lumber friends have hitherto not cared to compete for export business with two or three very notable exceptions.

The writer considers, therefore, that it is wise for the Province, which practically owns all the lumber and which article is probably also its greatest asset, to give the necessary fillip to exportation of this product.

Let us therefore very briefly outline the bill in the endeavor to see what results might be anticipated from it. It provides:

(a) For a "Shipping Credit Commission," to consist of a governmental appointee called a superintendent, who with another governmental appointee and the Deputy Minister of Finance are to act as the three Directors.

(b) The commission may loan up to 55% of the ascertained value of the ship, this to be a prior lien, and at 6% interest plus 1% on the gross earnings of the vessel, repay-

able in not over five annual instalments. During the pendency of the loan, the Superintendent is to act as Managing Owner, the Commission to approve each charter, which shall not be at rates exceeding those paid on Puget Sound, etc. White labor only, at wages deemed fair, shall be employed. The vessels, during the loan period, to be operated continuously, utilising their carrying capacity to the fullest extent outwards from British Columbia.

(c) A subsidy to be paid during 10 years, which is designed to bring the nett earnings up to 15% per annum, but the subsidy not to exceed \$5.00 per ton of dead-weight capacity, and not to be paid during any year when 15% or over is earned, and to commence one year after peace is declared.

THE SHIPPING BILL AND THE SHIPPING PROBLEM.

T. W. B. London.

THE LUMBER INDUSTRY AND BRITISH COLUMBIA SHIPPING.

Ernest H. Beazley.

RECENT ANNUAL REPORTS.

MUNICIPAL REPORT AND APPLICATION TO BRITISH COLUMBIA.

LIFE INSURANCE IN PROVINCE OF B. C. FOR 1915.

MINING THROUGHOUT BRITISH COLUMBIA.

TRUST COMPANY NOTES, COMPANY NOTES, INSURANCE, MUNICIPAL, LUMBER, MINING, AND OTHER IN-FORMATION.