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The proposal to establish a Canadian Customs official at New York for the purpose of sending Eastern Canadian goods from New York in bond to British Columbia ports by water transportation has received a great impetus during the last few months, and has gathered such force that during the next session of the Dominion Parliament the House will likely be memorialized on the subject. We present on another page an exposition of the position which British Columbia takes on this question which means much to the trade of this Province and at the same time to Eastern manufacturers if the advantages accruing to both East and West will be adequately availed of.

It is undoubtedly true that the long haul freight cost of transportation across this Continent precludes the consumption and use of a considerable list of commodities and articles manufactured in Eastern Canada by the people of British Columbia, and points on the Prairies tributary to Vancouver. The people of this territory are compelled to use either British goods imported direct from Liverpool and other British ports, or to import them from the United States, despite the discouragement of the use of the imposition of duties. This is a distinct loss to the Eastern Canadian manufacturer, without compensating advantages to the people of Canada or the transportation systems of Canada.

It has also the effect of shutting out to a very large extent the products of British Columbia from the markets of Eastern Canada; markets which we need and products which the people of Eastern Canada are anxious to use, other things being equal.

By placing an official at New York goods could be shipped in bond from the manufacturing centres of Ontario and Quebec to New York, involving in a few cases not over six hundred miles of rail haul, and in the vast majority of cases not involving over five hundred miles; thence transshipping by steamer, via the Panama Canal, to Vancouver, whence they could be distributed all through the Province and to many sections of Alberta.

Conversely our lumber, fruits, fish and, to some extent, metals and other British Columbian commodities could be shipped back via New York, thus ensuring full cargoes both ways. By the adoption of this expedient freights would be reduced from fifty per cent. to seventy per cent., and trade between the Atlantic and Pacific Coasts of the Dominion would be developed such as could not arise from the very cost of rail transportation to the railway companies.

It is stated that the transcontinental railways operating in Canada will oppose this proposal tooth and nail. While some opposition is to be expected, it is not likely that the

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 sane and conservative, and that all statements will be as accurate as possible.

railways will oppose as seriously as many of our business interests fear.

It must be admitted that the adoption of this measure will at first result in the loss to the railways of a small amount of through freight, and it is natural from this fact that this will not be pleasing to them. Yet it will soon become evident, after the return to normal times, that the business created through this bonding privilege will result in a very great increase in short haul business which will more than compensate for the slight loss in transcontinental freight.

It must be borne in mind as an elementary fact in commerce that business created, or subject to a very remarkable extension, benefits every element in the commercial and industrial structure, and among the least of these to be thus benefitted is not the transportation system.

The case of the United States is one in point, although not so obvious as it will become ten years hence. After a generation of opposition, mostly engineered by the railways, the "ditch" was built. The tariff before the Canal was built was adjusted to the cost of water transportation from coast to coast via Cape Horn, plus adjustments of benefit by way of time accruing to the shipper by rail haul. When the Canal was opened to transportation the railways sought to lower the through rate to compete with the shortened water route, and sought to raise the interior rates. In the latter they did not succeed with the Interstate Commerce Commission, and in the former they could not compete; thence arose a mighty wail of lamentation. But somehow the disaster did not follow. There resulted a material diminution in through haul, but the short haul, strange to say, made up the loss. Then, as the readjustment became complete, it was found that the business created by the cheaper means of transportation actually induced an increase in through haul of higher classification freight, although the low classification freight constantly tended to diminish. From analogous conditions we have reason to anticipate analogous results, and we do not think that Canada will prove an exception.

Much of the credit for this movement is due to Mr. E. J. Leveson, of Vancouver, who initiated it and has continuously supported it. He has been ably assisted by members of the Vancouver Board of Trade, which a short time ago took action and is now pressing for a favorable decision at Ottawa. Most all the Boards of Trade and the general business interests of the Province have joined in furthering this end.

Mr. Andrew Stewart, liquidator of the Dominion Trust Company and of the W. R. Arnold estate, received from the Canada Life \$14,113 and from the New York Life \$97,373 on policies taken out by the former managing director. Mr. Stewart is expecting shortly the payment of \$100,000 from the North American Life. All other policies, amounting to about \$200,000, are being resisted on the ground of suicide, and misrepresentation and suppression of material facts.

In addition the Canada Life paid a policy of \$25,000 to the mortgagees of the Dominion Building which was given by the late Mr. Arnold as security for that loan.