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Industrial Disturbances and Present Situation

Present menacing aspects of strike call for business co-operation and unity—High-price level a contributing cause not due primarily to profiteering but to world shortages.

The present strike situation in Canada is but an indication of the incipient strike and chronic labor unrest that industry and business has been suffering under for the past three years or since the nation got on a war basis. Each strike or each renewal of strike assumes an uglier aspect and partakes more of a revolutionary character. From small beginnings in a local industrial plant in Winnipeg involving one employer and a small number of employees, the strike has spread in such a way as to convulse the city of Winnipeg and the labor leaders have sought to create a sympathetic strike condition in every industry in Canada. The march of the strike west has been comparatively rapid. Starting on May 18th it moved westward. In Vancouver on Monday, June 2nd, the labor leaders sought to call a general strike of all those workmen affiliated with the Trades and Labor Council and other labor bodies associated with international associations. The present strike situation has uncovered definite designs for the overturning of government and the substitution of a definite communistic order, which even the strike leaders have little definite opinion about, being more concerned with the overturning of the present order than the replacement of another. The labor unions and associations in Western Canada, at least, are frankly in the control of these revolutionaries.

At present there is sitting in convention at Calgary certain labor representatives who are seeking to control all labor in Canada through what is known as the "One Big Union." The success of a "One Big Union" under present leadership would spell anarchy for Canadian industry, and its progress will be watched with considerable anxiety and must be met with a counter movement of forceful character with a programme of stern treatment and wide public participation. The principle of collective bargaining has for the first time been advanced in labor circles in Canada. This is the principle that the labor leaders operating as a unit for the entire labor body should bargain with employer or employers

affecting a particular industry or factory. The present practice is for the labor union to deal with its employers apart from the consideration of other unions, and if no solution could be arrived at then the strike leaders of that particular union called a strike. It can be readily seen under the present conditions when labor is completely in the control of leaders, one of whom stated recently that the war on capital had commenced and would never cease until capitalism was destroyed, and all the leaders did not want a settlement of present labor unrest and disturbances, but seek through the unrest and labor disturbances the overturning of business and industry, that collective bargaining is a serious menace and but another tool in the hands of these revolutionaries.

Responsible labor leaders in control of the management of the large unions in Canada and those in affiliation with the international unions in the United States have lost control of labor activities in Western Canada completely and their orders are being disobeyed with recklessness and lack of consideration.

The rank and file of members in the unions are sober, industrious and want to work. Where this sober element puts in an appearance those that give expression to it are subject to intimidation and rough treatment from tools of these leaders in control. The leaders are in possession of this control and sway the more moderate element because of the success which they have received in their recent calls of strikes by the complete abdication of employers to their demands. The

success of recent strikes has emboldened these leaders to go for more and more and has resulted in them going beyond anything which the average member wishes for. These leaders are now less interested in co-operation with capital than they are in seeking first to control, and second, to destroy capital. If they are permitted to get out of hand they would produce a condition in Canada similar to that in Russia. Labor's best friend in Canada, Senator Robertson, Minister of Labor, has clearly pointed out the different character of this strike in comparison with the strikes which have previously occurred and which he has been so successful in amicably adjusting.

The need for personal and community thrift is as great now as in the black days of 1918 when it was realized that the most stringent self-denial was requisite to enable us to meet the demands of the Government for more and yet more money with which to carry on the war. The great dread which hung over all a year ago has happily been removed, but we still have a duty to perform, and it is essential that it should be faced. It is necessary to carry on public works that will aid production, such as roads and railways, on a considerable scale, in order to provide employment for the workers. We have also a heavy burden of interest imposed on us by the war, and we have great obligations to those who were maimed as well as to the dependents of those who laid down their lives for our security. These obligations can be met only by a continuance of self-denial on the part of every one in the Dominion. —May commercial letter of the Canadian Bank of Commerce.

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The counter movement that is being made to these revolutionary strike movements are growing in intensity as the general public appreciate the peril is business co-operation and union. In Winnipeg the committee of "one thousand" are in more or less control of the situation and are determined that law and order shall be preserved and that the ordinary operations of the city shall be as little interfered with as possible. Great credit is due the active participation of the prominent citizens of Winnipeg in this movement. The business interests of Vancouver have started a movement of a similar nature to cope with the problem if it should become as serious as it is in Winnipeg. Those in charge of the subversion of the present order are well organized. Some of these leaders are skilful in playing on the public imagination and in cajoling and intimidating the worker. The business interests of every city must perfect as complete an organization as this revolutionary one. It is only by stern opposition, tactful handling and intelligent and sympathetic co-operation with the labor man that the present industrial unrest can be held in check until world wide changes arising from the return to the new conditions that will come about when immediate war problems have been settled has arrived.

Along with the industrial unrest and which seriously affects the entire public is the present high cost of living. High cost of living is a prime factor in industrial unrest. Although not the ostensible cause as put forth by labor. Prices of commodities are high, as we have shown in previous articles and editorials, not because of local conditions or even national conditions, but because of world wide conditions and international trade. Prices are high because the world is short of goods and to a smaller extent because of inflated currency conditions in Europe, which control commodity prices in certain limited ways. While this is fundamentally the fact it cannot be doubted that there exists profiteering, by which we mean to say inordinate profit being made either through production or distribution. Profiteering does exist but the average housewife, clerk and laboring man has the opinion firmly fixed in his mind that high prices are due only to profiteering and not due to legitimate trade conditions. It is one of the most pressing questions of the times to reduce this profiteering to a minimum. We had hoped that the economic action and reaction would be sufficient for the adjustment and the relief that is so much needed. We cannot, however, see any relief until the shortages in commodities had been made up and adequate reserves restored. Until this is done no relief from the present price level can be permanently expected and this cannot happen for a period of two years and perhaps longer. The reaction in prices may set in sooner, but that it will permanently be on a lower level cannot be hoped for shorter than this period with the exception of some important foodstuffs. The immediate responsibility for the high prices of food products on this continent at this moment is the tremendous shipment of food from the United States to Austria and Germany with the food relief being extended to the more unfortunate Allies such as Poland, Servia, Roumania and Greece, in addition to the large food products being exported to Great Britain, France and Italy. On the break of the Bolshevik regime in Russia, which is confidently hoped will take place this year, another drain upon the food resources of the world will occur in feeding starving and prostrate Russia. In view of this imperative demand that must be filled in order for people to exist, Canada must expect high prices in its food lines. In other necessities the same is true on a less urgent basis. If, however, the situation becomes much worse and industrial unrest begins to assume more menacing proportions than it does even at present, then it will be necessary for government action to recommence on the fixation of price and restriction or stoppage of food exports. We hope that this will not be necessary and that the public may see some cause for existence of the present price scale other than on the basis of profiteering. We think that the ulti-

Timber Resources of British Columbia

Review of forest resources of province issued by Commission of Conservation, Ottawa shows stand of timber smaller than generally thought.—A rear of 135,855 square miles should be permanently devoted to forest production.

We are in receipt of the report of the Commission of Conservation on the forests of British Columbia by Roland D. Craig, F. E. and H N Whitford, Ph. D., published by the Commission of Conservation, Ottawa. The publication treats comprehensively the forest resources of the province in a volume of four hundred pages with valuable maps and interesting illustrations and reflects great credit both on the authors and the Commission of Conservation.

Through the co-operation of the Provincial and Dominion Governments, the timber owners, the Canadian Pacific Railway and other interests, the authors secured very complete data on which to base the estimates. The province was divided into 66 districts, or which separate estimates of the stand were compiled.

The forest resources of the province are estimated to be approximately 350 billion feet saw-material with an additional 16 billion feet suitable only for pulp. In addition to the estimate of the stand, the report describes the effects of the climate, soil and topography on the forests, and outlines the various systems of tenure under which the forest resources have been alienated. Interesting chapters are devoted to the description and distribution of the various species of trees and to the injuries done by insects.

The total land area of the province is 355,855 square miles, of which approximately 200,000 square miles is incapable of producing forests of commercial value. About 145,000 square miles lie above the merchantable timber-line, and on 55,000 square miles below the timber-line the soil is either so rocky or wet, or the forests have been so com-

pletely destroyed by fire that there is no hope of natural re-establishment of forest conditions for centuries.

Of the remaining 155,855 square miles, which is capable of producing forests, only about 28,000 square miles—less than one-fifth—carries sufficient timber to be classified as statutory timberland. In the interior of the province, there are areas of forest land, aggregating 23,800 square miles, which, though not reaching this standard, carry between 1,000 board feet and 5,000 board feet per acre, part of which may be utilized. Only very meagre data have been obtained, as yet, as to the area of land which can be used for agricultural purposes. The forest land classification indicates that somewhat over 5,000 square miles is grass land or very open forest, some of which is suitable for cultivation, but the greater proportion is of value only for grazing. In addition, there is, perhaps, from 12,000 to 15,000 square miles, cleared or under forest, which is more valuable for agriculture than for forest production. Deducting this potential agricultural land, say 20,000 square miles, from the total capable of producing commercial timber, there is 135,855 square miles of absolute forest land which should be devoted permanently to forest production.

The timber on about 100,000 square miles, or two-thirds of the original forest land, has been totally destroyed by fire, and on over half of the remaining 55,855 square miles the timber has been seriously damaged. It is estimated that the province has lost, through forest fires, at least 655 billion feet board measure. As the present total stand of saw-material in the whole Dominion probably does not greatly exceed this amount, the seriousness of this loss, due very largely to public carelessness, is apparent.

The following table indicates the composition of the present stand of saw-material:

Species	Coast		Interior		Total	
	Million Feet Board Measure	Per Cent	Million Feet Board Measure	Per Cent	Million Feet Board Measure	Per Cent
West. red cedar	59,000	27.4	18,019	13.2	77,019	22.1
Douglas Fir	64,000	29.4	12,573	9.2	76,573	21.8
Spruce (1)	14,000	6.7	58,375	42.8	72,375	20.6
West. Hemlock	52,000	24.0	12,164	8.9	64,164	18.3
Balsam (2)	19,000	9.2	13,838	10.2	32,838	9.5
Lodgepole Pine	20	.1	12,130	8.9	12,150	3.5
West Yellow Pine.....	.....	.....	4,208	3.1	4,208	1.2
Yellow Cypress	3,700	1.9	.....	.....	3,700	1.1
Western Larch .....	.....	.....	3,152	2.3	3,152	.9
White Pine	1,100	.5	1,617	1.2	2,717	.8
Black Cottonwood	400	.2	272	.2	672	.2
	213,220	100.0	136,348	100.0	349,568	100.0

(1) Includes Sitka Spruce, Engelmann Spruce, White Spruce and Black Spruce.

(2) Includes Alpine Fir, Lowland Fir and Amabilis Fir.

Of the species used in the manufacture of pulp and paper (hemlock, balsam, spruce and cottonwood), there is 170 billion feet, which is equivalent to 243 million cords of pulpwood. This may be increased to 250 million cords by utilizing smaller timber. As the supply of pulpwood is becoming a very serious matter in eastern North America, it is important to know that so considerable a supply may be obtained in British Columbia.

During the last five years the total cut in the province

has averaged only 1,250 million board feet. With a stand of 350,000 million board feet of timber of economical size, and with over 100,000 square miles of land on which young forests are established and which, if protected, should produce from 5,000 million to 7,000 million board feet per annum, it will be seen that the forest resources of British Columbia can, under conservative exploitation, supply at least five times the present cut without seriously depleting the capital stock.

A close working arrangement has been entered into between the London County Westminster and Parr's Bank, Limited, and the Royal Bank of Canada, whereby an interchange of facilities is provided for the customers of both banks.

APPOINTMENT OF NEW DOMINION TAX INSPECTOR

Mr. C. H. Glendenning has been appointed to succeed Mr. A. G. McCandless as Dominion Inspector of Taxation for British Columbia and the Yukon. Mr. Glendenning was assistant to Mr. McCandless.

Necessity for Creation of Export Trade Machine

Great Export trade mechanism Britain built up more suitable to Canadian needs than American system of group export associations.

We are indebted to the Canadian Trade Commission, Ottawa, for the following statement of the export trade situation and the necessity to create an export trade machine:

"Business sense," as well as wider public opinion in Canada, is turning to foreign trade. There is a growing belief, it is becoming widespread, in fact, that exports will be necessary for the maintenance of our prosperity. The idea has appealed to the working-man as much as to the merchant. This is to the Canadian Trade Commission the most gratifying feature of its endeavor to put informative news before the public on these new trade conditions of our national life.

While placing the numerous sub-sections of orders secured under the Canadian credits accepted by European governments, the Commission has not ceased to keep before business men and workers of all grades how vital it is that these particular orders should not be regarded as the "be all and end all" in the Canadian attitude towards the markets of the world. Rightly viewed they are only a beginning. They should not be looked upon as anything more than a war-created opportunity. In themselves they will not make for permanent trade, but they will open the door, and, metaphorically, open the minds of the people to possibilities. When the credits are exhausted, the reason for a continuance of foreign trade will remain as imperiously as ever. Throughout the allotment of these orders the idea has been steadily impressed that from the first as organizations are built up—and there are already numerous trade groups formed into associations for co-operative export business—they should be arranged so as to expand when a "follow up" is required.

Unexpected success has attended the forming of these trade groups. Manufacturers of Canadian goods have displayed a strikingly prompt willingness to drop the old idea of cut-throat competition so far as the export field is concerned, and to take up instead the newer method, which war taught us was best, of co-operation to obtain foreign orders, and to leave it to the collective good sense of

groups to subdivide them fairly. This is a great advance. It uproots in one essential the older idea. Yet the spirit will have to be given still greater expansion.

The size of European orders in prospect in the next few months is such that only by this non-competitive co-operation could they really be secured for the Dominion. Continuance in this will connote the building up of an export machinery on a scale which has hitherto not come within the scope of national consideration. What is this needed machinery for foreign trade? It consists in the establishment and perfection of a chain to link Canadian manufacturers and producers with foreign firm through the medium of specific exporting and importing houses for, in some cases, joint buying, and in others for joint selling. Few firms in any country can afford to establish foreign branches. The main mass of foreign trade must be done through some organized channel, and in a manner which conforms with the best usage of the world's long experience.

Very briefly it may be said that there are two methods of working, both of which, by a coincidence, are open to Canadian business men so far as British and colonial trade is concerned under the Empire preference, in a way in which they are most certainly not open even to their nearest American competitors. The first method, that generally adopted in the United States, is by the establishment of large export associations. It means really the building up of a direct overseas sales system. The drawback to this method, where only a limited number of manufacturers is concerned and many divergent markets in different parts of the world have to be considered, is the relatively great initial expense. Yet it seems to appeal especially to the American pushfulness.

A writer in the "Exporters' Review," however, put the difficulty very shortly when he said:

"A careful boiling down of all the papers written on the subject of American foreign trade and the optimistic predictions made for our export opportunities fail to show in the final crucible how the manufacturer could carry on a direct business in foreign climes and eliminate the credit risks and the responsibilities which have been a deterrent factor in the upbuilding of a large volume of overseas business. It is indeed strange that the position of the old-established and well-recognized export specialty—the export merchants—was entirely overlooked. It cannot be impressed too strongly upon the manufacturer that he must not look upon his export trade as though the present demand was an opportunity to exploit a temporary bonanza. This would be a very serious mistake. We should view the gradual development of this business as a means to an end, a permanently established foreign demand for goods."

The quotation brings one to the second, or British, method. It differs altogether from the so-called American system in that the manufacturer never enters into direct relationship with his ultimate customer abroad. It is the growth of centuries of foreign commerce, and has taken forms which may roughly be divided into two parts, though both shade into each other by numerous modifications of the two main systems. First, there are the large commission buying houses established in England receiving foreign "indents" from importers all over the world, which they distribute among British manufacturers for the best fulfillment of the particular class of goods required. They do not necessarily place a whole "indent" with one manufacturer, but split it up as convenience suits. The second sub-division is formed of the export commission houses and "merchant-shippers" who undertake the whole work of shipping British manufacturers' goods into a dozen different countries. Really they act in the same way as an export department of one large branch, but

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Phases of Taxation—Professor Haig's Report

Concluding article of Board of Taxation report for British Columbia—Doubt of value of some proposed amendments—Need for removal of inimical restriction—Comprehensive system needed.

In continuation of our review of the report of Taxation submitted by the Provincial Board of Taxation to the last session of the Legislature, we beg to recall that we have treated of the basis of taxation and presented the conclusions of the Board that taxation is based upon sources of revenue derived from persons, persons having land, and persons employing capital. In our last issue, May 17th, we discussed the Board's recommendation with regard to persons employing capital resolving itself into the question of the income tax and presented to the recommendations of the Board with the graduations it recommends and the deductions which it would allow and the reasons for their allowance.

In addition to the income tax under the heading of "persons employing capital," the Report treats with regard to mining taxation, allowances for exhaustion of ore, of the 2% mineral tax based on the value of the ore. The report then goes on to speak of a point about which there will be great discussion and that is the allowing of a deduction of interest on capital invested by a Company before income tax is levied thereon. On this subject the Board says:

"This Board submits such should not be allowed. First, it is the amount of the net profits made by a company or individual which is the measure of the value of the opportunity given by the community to make such profits. This is the basis for and, indeed, proof of the fairness of a tax on net income.

"And seeing that there is no fixed relation between the amount of capital invested and the amount of profit derived from the investment, it would work out unfairly to allow such deduction. It may happen—and, in fact, very often does happen—that a company investing half the amount of capital that another company invests will make as much profits from their venture as the other does.

"In support of this recommendation, that interest should not be allowed on capital invested by a corporation, we quote the following from Professor Seligman. He says:—

"In England the income-tax payable on annual profits or gains, according to Schedule D of the income-tax, is advanced by the corporation, and is deducted by it from the dividends on interest due the security-holders, who are then to that extent exempt from the income-tax."

"He says further: 'Taxation of interest on corporate debt is not double taxation, because the coupons, like the dividends, are integral parts of the income; because both bonds and stock together form what is really the working capital from which the income is derived.'

"There is therefore the best authority for not allowing the deduction on borrowed capital before income-tax is levied, and this principle will hold, with equal force, against allowing any rate of interest on invested capital being set aside before income-tax is levied on net profits."

It strikes us that this recommendation for the disallowance needs the most careful consideration before the Government can accept the recommendations of the Taxation Board. If enacted its practical interpretation would have to be construed in a very liberal manner else it would so cripple certain concerns that their continuance in business would be impossible. If, for instance, loaning institutions that borrow money, issuing debentures therefor or other instruments of debt, and loaning this money out at a higher rate of interest in order to cover profit and

management expenses, the interest on these borrowed moneys were not allowed to be deducted before the levy of the income tax, these companies could no longer remain in business. And this class of companies represent a vast interest in the province and have performed a very useful function in the development of our urban territories particularly.

The Board of Taxation submit for consideration a draft of a complete taxation Act embracing the recommendations based on the views which they have expressed and of which we have presented a resume. The proposed Act is intended as a comprehensive system of taxation. The basis is intended to cover all phases of the problem and to exclude none from participation on the principle of "ability to pay." When less revenue is needed than is called for the rate of taxation can be lowered. When more revenue is needed the rate can be raised. It must be confessed that this is the only logical and reasonable basis for taxation and any Act which is intended to operate in this manner must commend itself to the Government and the people of the province who are so vitally affected by its enactment.

As an appendix to the Report of Taxation, the report of Robert Murray Haig, Ph.D., of Columbia University, is presented. While Professor Haig admits that his investigations which covered a period of only three weeks in the province, was not sufficient to admit of a comprehensive discussion and he himself calls it a preliminary report, it is nevertheless so filled with comment and statistics of a very valuable nature that it is worthy of the sincere and thorough perusal by the Government and particularly the business interests who will be so vitally affected when the entire taxation system of the province will shortly be up for legislative enactment.

In presenting the problem, Professor Haig states:

"Little progress can be made in the direction of a satisfactory solution of the taxation problem of British Columbia until knowledge has been secured of the fiscal needs of the province and a definite financial plan adopted. This is because the size of the sum which must be raised by levying taxes has a profound effect upon the type of taxation which is best suited to the circumstances. It happens that in British Columbia at the present time the exact determination of the amount to be raised by taxation is an unusually difficult and delicate task. Not only are conditions so uncertain as to make estimates of ordinary incomes subject to a wide margin of error, but on the expenditure side, also, uncertainty is present to an unusual degree. The Government is apparently making strenuous efforts to reduce expenditure, but how material will be the results upon the financial problem cannot at this time be definitely foretold. Finally, the important contingent liabilities which may soon become actual and pressing financial demands upon the provincial treasury are uncertain in amount. In view of these circumstances it will be readily understood why there was reluctance to furnish a definite statement of the amount which must be raised by taxation.

"It is very important that this amount be made definite at as early a date as possible not only because the tax programme can then be more exactly formulated, but also because the uncertainty is doubtless responsible for much of the present dissatisfaction with the tax system. Rates have been increased to the point where tax-paying is a very appreciable burden, and in some cases the yields apparently promise to be substantially greater than the estimates. This naturally gives rise to a feeling on the part of the taxpayers that they are being taxed in a sweeping and unjust fashion without reference to needs for revenue. Until it is possible to speak with some degree of

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certainty regarding financial necessities, this element of dissatisfaction cannot be eliminated. When it is possible to lay down a definite financial programme, the Government can demand and will doubtless receive, more willing assistance from the taxpayers in carrying it out."

Professor Haig gives in statistics and graphic illustrations the declining revenues and presents the different sources of revenue in relation to each other and in relation to the whole, and concludes with the following:

"The shortage of revenue is not chargeable to a breakdown of the tax system. Whatever may be said of the success or failure of the administration judged by absolute standards, it cannot be asserted that present difficulties are caused by a deterioration in that administration. Whether the taxes have produced as much as they should is a question still to be considered. It is not because they produced less than usual that the present difficult situation has developed.

"The causes of the cessation in the demand for provincial lands and for real estate generally are not entirely clear. Certainly one of them was the outbreak of the war, but the exact importance of this cause would be difficult to determine. To the extent that the war has had the effect of deadening real-estate activity, the financial problem of the province can be truly said to be a war problem

"The experience of the past four years has demonstrated the lack of stability of the revenues of the province. They have shown themselves to be excessively variable and undependable, and this constitutes the explanation of a very large part of the present difficulty. The situation in general is one which imperatively demands the adoption of one of two policies. Either the revenue system must be accepted for what it is and the policy of expenditure framed in such a fashion as to accommodate itself to the variations in receipts, or the revenue system must be radically recast with the purpose of making it productive of a more uniform series of revenues. The latter plan would be very difficult to establish completely, because of the dominating importance of receipts from land-sales in the scheme of revenues. But the desirability of a more uniform yield should be kept prominently in mind in considering changes in the tax laws. The most satisfactory solution of the difficulty lies in the direction of a more intelligent control of expenditure than has been shown in the past."

Professor Haig then takes up the question of expenditures with the efforts made in recent years to control them and to restrict them to the apparent estimated revenue. In a critical survey of existing taxes, Professor Haig points out their general heads and comments upon each phase. Taxes are generally made up of general taxes, specific taxes, and other taxes. Under the subject of general taxes are included real estate, personal property and income. Real estate taxes are divided into improved real estate, wild land, coal lands and timber lands. On fair valuations, Professor Haig does not think that the one per cent, rate imposed in excessive but he does contend that the tax of 5% on wild lands is an injustice in view of the history and the large amount of delinquent taxes outstanding and is not a dependable revenue producer. The tax on coal lands is small in amount and not of decided importance. The taxation on timber lands is of larger amount and is, in the opinion of the Professor excessive and punitive in character since the rate is now 3%. His reason is the same reason as that involved in his objection to the 5% tax on wild lands. In commenting on the personal property tax, Professor Haig states that it has been so loosely interpreted and exemptions have been granted with such a liberality that in practice it amounts only to a tax on stock in trade. The failure to abolish this tax he ascribes to a lack of confidence in the administration of the income tax. Under the subject of income, Professor Haig reviews the present law and discusses the exemptions permitted. One phase of the problem of exemptions as discussed has considerable interest for the business men of the province. At the present time the law forbids the deduction

(Continued on page 15)

BRITISH COLUMBIA FINANCIAL TIMES

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

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VOL. VI. VANCOUVER, B. C., JUNE 7, 1919 No. 11

Mr. E. W. Beatty, K. C., president of the Canadian Pacific Railway Company, with Vice-President Coleman and party, have been in British Columbia on a trip of inspection and came into contact with the business public of the province through addresses of Canadian Clubs and business organizations. This is the first trip that Mr. Beatty has made since he became president, and he promises the people of British Columbia that he will be among them more often than his predecessor, Lord Shaughnessy. Mr. Beatty has created a very favourable impression and his display of common sense in treatment of questions affecting the province and his railway, and in the discussion of public questions such as government ownership, industrial disturbances, and high cost of living has commended himself to his hearers.

President Beatty has come among us in part as a propagandist for the maintenance of private ownership and operation of the transportation system as against the principle and practice of public ownership and operation. We think that the propagandist's feature of his trip was too evident, and that his public remarks would have been strengthened if he had assumed the attitude of advocate rather than the attitude of sitting in judgment. However, on the subject of public ownership he echoed the thought of his hearers and met with a hearty and sincere response on this important question.

During the period of the war we have had an ever-increasing encroachment upon business operation, regulation and management by the Government. While this was readily accepted and the business interests of the country earnestly co-operated with the government in this war work, business men generally have arrived at the conclusion that government operation and regulation is extraordinary inefficient and expensive. We think that the public ownership idea has received a setback during the past three years, from which it will not soon recover, except in so far as great business interests seek to subserve their own personal ends to the detriment of the public interest. We are all now seeking to get away from government regulation and interference and control as much as possible, so that the old business laws may receive their full force and effect for the economic well-being of the community at as early a date as possible. What the public of Canada want in a transportation system is service for the transportation of commodities as expeditiously and carefully as possible. They also want efficient management in order that the service rendered may be economical so that at some future date when a normal condition is again operating, the freight rate may admit of a decrease and still permit of a reasonable profit to the transportation company.

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.

The fact that the Canadian National Railways has come under government ownership and operation is not an argument to the contrary but is due to the selection of this method as the only feasible way out. The government took over the Canadian Northern Railway with undoubted public approval for the reason that the people of Canada did not feel that they should be improperly exploited for private benefit with a property exclusively constructed out of public funds and the government was forced to adopt this method because no private interests would lease such a large undertaking under present conditions and on terms which might easily work out either disadvantageous to the government or to the lessors. We think that the movement toward public ownership will remain in abeyance for a long time. It is really up to the management of public utilities such as the Canadian Pacific Railway to see that, by rendering service and practising efficiency, this movement shall not again gain force.

It is good to note that President Beatty acknowledges that the public are the judges. Whether he intended this as a compliment or sincerely believed it we cannot with positive assurance state, but that he and his organization should be sincerely actuated by this principle is in the best interests of his company and the public which they serve.

It is good news to be advised that the outlook for the lumber industry for the remainder of the year is much brighter than it has been since last autumn when the United States government put an embargo against the shipment of her own and Canadian lumber into territory east of the Mississippi River. The impasse between consumer and producers of lumber stands a reasonable chance of being broken. The indications are all in its favour. While the demand of lumber in Canada and the United States for the Pacific coast product is due to imperative building, merchants and home builders have arrived at the conclusion that little recession in prices can be expected. In fact, present movements is all in the direction of higher prices and home builders are willing to pay the price. If no serious strikes occur in logging and lumber manufacturing it is confidently expected that the industry will gather headway as the summer months approach.

The lumber industry is a very important industry to the province and means much to the business man outside of the industry and those directly affiliated with it. The percentage of labor which goes into the manufacture of lumber is higher than it is in any other industry developing the natural resources of the province and the item of supply and material used in the manufacture of lumber is another important item so that those engaged in the lumber industry and dependent upon its activity for their prosperity are reasonably assured of a fair demand from the industry for the balance of the year.

Recent Annual Reports

Annual Statements Filed with the Registrar of Companies, Victoria, B. C.

ISLAND RIVER COAL COMPANY, LIMITED

Registered Office: Winch Building, Vancouver.

Balance Sheet as at December 31, 1918:

LIABILITIES—

Capital authorized, \$250,000.	
Capital Issued	\$ 205,675.00
Amounts Forfeited on Shares Cancelled.....	8,050.00
Sundry Creditors	95.00
Total	\$ 213,820.00

ASSETS—

Property at cost	\$ 160,000.00
Investments at cost	17,046.16
Organization and Expenditures	36,169.93
Cash at Bank, less Victory Loan Purchased.....	602.91
Total	\$ 213,820.00

FRANK P. JUDGE, Secretary.

CUMBERLAND ELECTRIC LIGHTING COMPANY, LIMITED

Registered Office: Cumberland

Balance Sheet as at January 15, 1919:

LIABILITIES—

Capital authorized and paid up	\$50,000.00
Bank Overdraft	2,359.43
Profit and Loss Balance	5,177.36
Total	\$57,536.79

ASSETS—

Plant and Equipment	\$12,000.00
Theatre	7,500.00
Charter and Contract	25,000.00
Accounts Receivable	3,702.09
Supplies on hand	3,968.17
Discarded Machinery	1,881.62
Ice Plant advances	1,711.19
Victory Loan	1,300.00
Cash on hand	373.72
Total	\$57,536.79

G. W. CLINTON, President.

MONTREAL TRUST COMPANY

Trust Companies Act—Certificate No. 23

Extra-Provincial

Head Office: 11 Place d'Armes, Montreal, Quebec

Provincial Head Office: 408 Homer Street, Vancouver.

Balance Sheet as at December 31, 1918:

LIABILITIES—

Capital Authorized and Paid Up.....	\$1,000,000.00
Reserve	900,000.00
Profit and Loss Account	78,331.04
Dividend Declared and Unpaid	20,000.00
Guaranteed Accounts	1,479,838.94
Mortgage Loan on Building	160,000.00
Other Liabilities	12,990.13
Contingent Liability, \$373,154.50	
Total	\$3,651,160.11

ASSETS—

Cash on hand and in Banks	\$ 267,926.91
Deposits with Provincial Governments	235,000.00
Call Loans	581,505.77
Mortgage Loans	356,442.50
Securities Owned by Company	1,678,840.37
Office Premises	408,067.87
Other Assets	123,376.69
Total	\$3,651,160.11

Estates and Trusts under Administration, and
Trusteeships for bond issues, aggregate.....\$244,066,801.63

F. G. DONALDSON, General Manager.

THE CANADIAN MORTGAGE INVESTMENT COMPANY

Extra-Provincial

Head Office: Canadian Mortgage Building, Toronto, Ontario

Provincial Head Office: 718 Belmont House, Victoria.

Balance Sheet as at December 31, 1918:

LIABILITIES—

Debentures Outstanding and Acc. Int.	\$ 606,966.25
Sundry Accounts	8,181.37
Capital authorized, \$5,000,000.	
Capital Paid Up	1,231,630.94
Reserve Fund	450,000.00
Dividend Payable Jan. 2, 1919	36,715.50
Profit and Loss Account	33,118.94
Special Investment Reserve	40,000.00
Total	\$2,406,613.00

ASSETS—

Loans on First Mortgages, less Repayments.....	\$1,565,170.34
Stocks and Bonds	486,252.33
Offices, Premises and Furniture and Fittings.....	259,800.00
Real Estate	28,926.15
Accounts Receivable	6,200.15
Cash in Bank and on Hand	60,263.53
Total	\$2,406,613.00

F. W. G. FITZGERALD, Man. Director.

STERLING TRUST COMPANY OF BRITISH COLUMBIA

Trust Companies Act—Certificate No. 18

Head Office: 445 Granville Street, Vancouver.

LIABILITIES—

Capital Authorized, \$500,000.	
Capital Paid Up	\$ 203,578.00
Sundry Creditors	833.56
Dividend Account Payable Feb., 1919.....	4,071.55
Reserve Fund	10,000.00
Interest Suspense Fund	8,500.00
Profit and Loss Account	6,923.22
Total	\$ 238,906.33

ASSETS—

Mortgages on Real Estate	\$ 143,992.16
Loans on Securities	55,891.48
Dominion of Canada Bonds	4,100.00
Sundry Debtors	1,446.30
Real Estate at cost	10,891.00
Arrears of Interest on Investments	12,543.64
Charter and Preliminary Expense Acc.	3,500.00
Cash in Bank and on hand	6,541.75
Total	\$ 238,906.33

A. M. POUND, Man. Director.

CUMBERLAND AND UNION WATERWORKS COMPANY, LTD.

Registered Office: Cumberland

Balance Sheet as at January 15, 1919:

LIABILITIES—

Capital authorized, \$75,000.	
Capital paid up	\$ 70,950.00
Bank Overdraft	1,022.87
Profit and Loss Balance	2,577.93
Total	\$74,550.80

ASSETS—

Real Estate	\$ 15,000.00
Pipe Lines	20,000.00
Dams	9,500.00
Charter	10,000.00
Supplies on Hand	1,682.50
Office Furniture	290.00
Accounts Receivable	2,621.25
Theatre Property	7,500.00
Victory Bonds	6,314.50
Ice Plant Advances	1,423.35
Cash on hand	219.20
Total	\$ 74,550.80

G. W. CLINTON, Man. Director.

ESTABLISHED 1875

IMPERIAL BANK

OF CANADA

Capital Paid Up \$7,000,000 Reserve Fund \$7,000,000

PELEG HOWLAND, President. W. MOFFATT, Gen. Mgr.

HEAD OFFICE—TORONTO

VANCOUVER—J. M. LAY, Manager

BRANCHES:

FAIRVIEW: J. S. GIBB, Manager

HASTINGS AND ABBOTT ST.: F.B. THOMSON, Manager

The Molsons Bank

One of the oldest chartered banks in Canada
Incorporated 1855

Capital Authorized\$5,000,000

Capital Paid Up 4,000,000

Reserve Fund 4,800,000

General Banking Business Transacted
One Dollar Opens Savings Account

Main Office - - - Hastings and Seymour Streets
East End Branch - - - 150 Hastings Street East

G. W. SWAISLAND, Manager, Vancouver

Established 1865

Union Bank of Canada

HEAD OFFICE—WINNIPEG

Authorized Capital\$8,000,000

Paid Up Capital 5,000,000

Reserve 3,600,000

Total Assets (Nov. 1918 over)..... 150,000,000

A Western Bank; solicits Western business of all natures, and offers true Western facilities and service. Call on our local officers in your City, Town or District, and you will find them very ready to serve you well, as depositor or other style of client. We have branches at every important point in Canada—220 west of the Great Lakes. Agencies, London, England, and New York, furnish first-class, up-to-date facilities for handling foreign business of all kinds. A prominent Banker has recently stated: "Personality" is a very important asset in business, and as regards Banking particularly it is the important asset." Our executive officers are instructed and ready to take a special interest in your affairs—if you will consult with them.

GEO. S. HARRISON, Mgr. Main Office, Seymour and Hastings Sts.
A. W. BLACK, Cordova and Abbott Street Branch
R. J. HOPPER, Mt. Pleasant Branch, Main St. and Ninth Ave.

THE MERCHANTS' BANK OF CANADA

Established 1864
HEAD OFFICE, MONTREAL

Paid-up Capital\$7,000,000

Reserve Fund 7,421,292

307 Branches in Canada, extending from the Atlantic to the Pacific

GENERAL BANKING BUSINESS TRANSACTED
SAVINGS DEPARTMENTS AT ALL BRANCHES

Deposits received of one dollar and upwards, and interest allowed at 3 per cent. per annum.

Most Modern Offices. Safety Deposit Boxes for Rent.

VANCOUVER

Granville and Pender Streets.....A. C. Fraser, Mgr.
N. S. Mackenzie, Assistant Manager.

Hastings and Carrall Streets.....W. O. Joy, Mgr.

Provincial Forestry Returns for March, 1919

TIMBER SCALED IN BRITISH COLUMBIA DURING THE MONTH OF MARCH, 1919

Districts	Douglas Fir	Red Cedar	Spruce	Hemlock	Balsam Pine	Yellow Pine	White Pine	Jack Pine	Larch	Cotton-wood	Birch
Cranbrook.....	6,887,091	238,141	122,613	208,193	26,181	2,481,320	182,565	52,570	2,135,531	.....	.....
Fort George	105,126	538,287	2,503,361	23,452	704,758	.....	.....	.....	.....	4,110	6,189
Kamloops.....	4,862,850	144,497	373,700	11,900	16,469	154,026	.....	.....	.....	.....	.....
Nelson.....	877,531	1,206,632	10,278	708,025	.....	54,579	224,417	.....	711,527	680	.....
Vernon.....	1,506,976	169,224	18,204	.....	.....	701,210	3,631	.....	501,964	.....	.....
Total Interior.....	14,239,574	2,296,831	3,023,156	951,570	747,408	3,391,135	410,613	52,570	3,349,022	4,790	6,189
Island.....	18,467,854	1,815,903	1,819,206	1,647,869	22,409	.....	37,069	.....	.....	.....	.....
Prince Rupert.....	.....	3,188	39,024,075	121,423	1,924	.....	.....	.....	.....	.....	.....
Vancouver.....	28,540,270	18,596,165	3,162,296	8,485,453	1,641,886	.....	197,690	.....	.....	393,576	.....
Total Coast.....	47,008,124	20,415,256	44,005,577	10,254,745	1,666,219	.....	234,759	.....	.....	393,576	.....
Total for B. C.....	61,247,698	22,712,087	47,033,733	11,206,315	2,413,627	3,391,135	645,372	52,570	3,349,022	398,366	6,189
Total Cypress	1,509 feet										
Total for British Columbia, all species.....	152,457,623 feet b.m.										

IMPERIAL BANK'S ASSETS INCREASED

The forty-fourth annual statement of the Imperial Bank of Canada, just issued, shows a substantial growth in total assets. At the close of the twelve months ending April 30th, 1919, total assets amounted to \$112,186,000 as compared with \$101,817,000 a year ago.

The increase in assets was due largely to expansion in investments and loans. Total investments, including government, municipal and railway securities, etc., amounted to \$21,412,000, as against \$19,943,000. The extent to which the bank came to the support of governments during the war period is demonstrated by the fact that in 1913 total investments amounted to \$5,495,000. During the past year the bank doubled its call loans outstanding to \$4,866,000, and in spite of heavy government calls by way of support in the war, the institution was able to back commercial enterprises of the country on an increased scale. At the end of last April current loans outstanding amounted to \$48,544,000, as against \$40,302,000 a year ago.

Another impressive feature of the statement is the strong position of the bank regarding reserve fund account. The sum of \$500,000 was added, bringing the total to \$7,500,000, which is \$500,000 in excess of the paid-up capital.

The strongly-entrenched position of the bank's finances is further demonstrated by the fact that the readily available assets amounted to over \$58,000,000, as compared with obligations to the public of \$96,000,000. Hence the ratio of quick assets to public liabilities was better than 60 per cent.

The number of customers increased during the year, as is indicated by the growth in deposits. Current deposits increased over one and a half million dollars to \$21,486,000, whereas savings deposits expanded over six millions to \$61,712,000. Total deposits stood at \$83,198,000.

As a result of the expansion in business as indicated above, the bank's profits grew. The amount being \$1,427,000, an increase of \$62,000 over the previous year.

Established 1887

PEMBERTON & SON

Bond Dealers

Pacific Building

Vancouver, B. C.

Representatives

WOOD, GUNDY & CO., TORONTO

The General Administration Society

Associated with and under the same management as

Credit Foncier Franco-Canadien

With full power to transact a General Trust Business

Head Office, Montreal

British Columbia Branch, Vancouver

A. C. STIRRETT,

Manager.

850 Hastings Street West.

The Toronto General Trusts Corporation

Assets under administration: \$33,286,782.

TRUSTEES EXECUTORS FINANCIAL AGENTS

British Columbia Advisory Board: A. H. Macneill, K.C., (chairman) and Eric W. Hamber of Vancouver, and R. P. Butchart and F. B. Pemberton of Victoria.

BRITISH COLUMBIA OFFICE:

407 Seymour Street

Vancouver, B. C.

H. M. FORBES, Manager

Colonial Trust Company

INCORPORATED 1909

Registered in the Province of British Columbia and Alberta Solicitors introducing business to this Company are retained in the professional care thereof.

An estimate of the Company's charges for acting in any of its capacities will be gladly given.

Head Office: 1221 Douglas St., Victoria Cable Address: 'Conall'

Prudential Trust Company, Limited

Head Office, Montreal

EXECUTORS, TRUSTEES, ADMINISTRATORS
RECEIVERS, LIQUIDATORS, ETC.

British Columbia Branch: Vancouver

456 Seymour Street

A. E. PLUMMER, Manager

Canadian Financiers Trust Company

Incorporated 1907. First Company to Obtain Registration Under the B. C. Trust Companies' Act. (Certificate No. 1).

Executor, Administrator, Trustee under Wills, Mortgages Marriage Settlements, Receiver, Liquidator and Assignee. Fiscal Agent to B. C. Municipalities. Agent for Real Estate and Collection of Rents, Insurance and Investment.

839 Hastings St. W Enquiries Invited Vancouver, B. C.

General Manager, LT.-COL. G. H. DORRELL

We Buy and Sell

Dominion Government and Municipal Bonds

Bond Department

BRITISH AMERICAN TRUST CO.

Phone Sey. 7620, 7621

Vancouver and Victoria

EXTRA-PROVINCIAL COMPANIES LICENSED

Tanisto Mining and Development Company, Limited, head office, 10143—101st Street, Edmonton, Alberta; Provincial head office, London Building, Vancouver; Chester MacNeil, barrister, Vancouver, is attorney for the company.....\$45,000

Service Tobacco Shops, Limited, head office, Montreal, Quebec; Provincial head office, 918 Government Street, Victoria. Henry Graham Lawson, solicitor, is attorney for the company. Capital, 1,000 common shares (no par value).

EXTRA-PROVINCIAL COMPANY REGISTERED

National Oil Company, head office, 821 Green Building, Seattle, Washington, U.S.A. Provincial head office, 417 Pender Street West, Vancouver. Ernest Henry Roome, Notary Public, Vancouver, is attorney for the company.....\$300,000

PROVINCIAL COMPANIES—INCORPORATED

Smithers Hall Company, Limited, Prince Rupert.....	\$10,000
Rotary Gold Dredging and Manufacturing Company, Limited, Vancouver	500,000
Aivazoff and Penklo Company, Limited, Vancouver	200,000
Taylor Management Corp., Ltd., Vancouver.....	100,000
The Kelowna Storage, Limited, Kelowna.....	35,000
Western Hardware and Steel Company, Limited, Vancouver	25,000
Bearing Supply House, Limited, Vancouver.....	25,000
J. T. MacGregor & Co., Limited, Vancouver.....	25,000
Mainland Investment Co., Limited, Vancouver.....	75,000
Monarch Real Estate, Limited, Vancouver.....	10,000
The Mabel Lake Ranching Company, Limited, Vernon	100,000
Canadian-American Oil Leasing Association, Limited, Vancouver	25,000
Vancouver Rolling Mills Co., Limited, Vancouver	50,000
Simplex Mill Manufacturing Company, Limited, Vancouver	100,000
Exchange Club, Limited, Vancouver	10,000
Golightly Bros., Limited, Vancouver.....	25,000
DeMuth Lumber Company, Limited, DeMuth.....	20,000
The Canadian Chemical Company, Limited, Vancouver	25,000
British Columbia Iron Company, Limited (N.P.L.) Creston	45,000
Associated Mills, Limited, Vancouver	100,000
Canada Western Cordage Co., Limited, Vancouver	300,000
McCandless Motor Co., Limited, Vancouver.....	50,000
Bella Coola Logging Co., Limited, Bella Coola.....	125,000
Morgan, McLean and Co., Limited, Vancouver.....	25,000
Refractories, Limited, Victoria	10,000
Fraser Valley Dairies, Limited, Vancouver.....	500,000
The Forks Mining Company, Limited, Victoria.....	50,000
Fleming Refrigerator-Cabinet Company, Limited, Vancouver	10,000
Edmonds Drug Company, Limited, Edmonds.....	5,000
The Dall Real Lace Company, Limited, Vancouver	25,000
Bullock Gold Mines, Limited, Poplar Creek.....	300,000
Haig Fisheries, Limited, Vancouver	10,000
Belgo Lumber Company, Limited, Vancouver.....	40,000
Canada Food Packers, Limited, Vancouver.....	150,000
Decorators, Limited, Vancouver	10,000
Douglas Furnishers, Limited, Victoria	50,000
E. C. Walsh Lumber Company, Limited, Vancouver	50,000
General Construction Co., Limited, Vancouver.....	250,000
Lapan Logging Company, Limited, Vancouver.....	25,000
Lexington Motor Sales, Limited, Vancouver.....	20,000
Mills Insurance, Limited, Vancouver.....	10,000
The Robert McNair Shingle Company, Limited, Vancouver,	500,000
Taylor Mining Company, Limited, Vancouver.....	1,500,000

United Aircraft of British Columbia, Limited, Vancouver	100,000
United Logging Company, Limited, Vancouver....	10,000
Victoria Ball Club, Limited, Victoria	4,000

COMPANY CHANGE OF NAME

Unity Limited has applied for change of name to "Empire Financial Corporation, Limited."

ASSIGNMENTS, CREDITORS' NOTICES, ETC.

Wilfred Francis Brougham, of 1245 Nicola Street, Vancouver, has assigned to Frederick James Carter, 505 London Building, Vancouver.

WINDING UP PROCEEDINGS

Upon order of Mr. Justice Murphy the Aberdeen Fish Curing Company, Limited, is ordered wound up, with Mr. Alfred Shaw, of 850 Hastings Street West, Vancouver, appointed official liquidator of the company.

INSURANCE NOTICES

Scottish Metropolitan Assurance Company, Limited, has been licensed to transact in British Columbia the business of fire, accident, sickness, guarantee, and automobile insurance. Lawrence W. Peel, Vancouver, is attorney for the Company.

The Western Casualty Company has been licensed to transact in British Columbia the business of accident and sickness insurance. W. H. Biegel, Vancouver, is attorney for the Company.

BANK OF MONTREAL HALF-YEARLY STATEMENT

The Bank of Montreal has made public its balance sheet as at April 30th, 1919, being the regular half-yearly statement issued by the Bank and the first to be published since the signing of the armistice. The report is especially interesting since it is the first statement that discloses the position of the Bank, following the absorption of the Bank of British North America. By reason of the fact that the resources of the chartered banks of the Dominion were to a great extent placed at the disposal of the Government, the half-yearly statement of the Bank of Montreal is interesting in that it shows that a gradual re-adjustment had been made of these special accounts and the Bank's activities gradually getting back to the normal lines of business undertakings.

It was naturally felt that because the war demands on industry had so largely decreased since the signing of the armistice that chartered banks statement would show a shrinkage in current loans. The Bank of Montreal statement, however, shows the contrary being \$157,683,463 as at the end of April, 1919, against \$100,294,678 as at the end of April, 1918. General increases of business credit to the Bank's customers and banking accommodations for the facilitation of export trade would appear to be the two main reasons for this noteworthy expansion.

The Profit and Loss Account also indicates the manner in which the various adjustments have been made in the rest account and the special appropriations provided or out of the profits for six months. The net profits for the half year to the end of April amounted to \$1,751,237, which compares with \$1,287,587 in the corresponding period a year ago. The amount brought forward at the end of the last accounting period was \$1,901,613 and premiums obtained on new stock amounted to \$3,500,000. These totals brought the amount available for distribution at the end of the six months' period up to \$7,152,850. This was applied as follows:—

Two Quarterly Dividends.....	\$1,172,250
Amount credited to Rest Account.....	4,000,000
War Taxes on Bank Note Circulation to April 30th	90,986
Subscriptions to Patriotic Funds.....	28,000
Reserves for Bank Premises.....	200,000

making a total of \$5,491,236 and leaving an amount to be carried forward to Profit and Loss of \$1,661,614.

The principal accounts as of April 30th, 1919 and April 30th, 1918, compare as follows:—

Total Assets	\$489,271,197	\$426,322,096
Liquid Assets	293,980,708	291,624,073
Current Loans and Discounts in Canada	157,683,463	100,294,678
Call and Short Loans in Great Britain and United States..	76,653,440	96,584,365
Dominion Notes	54,107,243	60,457,838
Gold and Silver Coin.....	24,743,935	20,931,133
Deposits bearing Interest.....	268,167,111	247,904,855
Deposits not bearing Interest....	124,736,111	109,851,949
Profits or the Six Months.....	1,751,237	1,287,586
Capital Stock	20,000,000	16,000,000
Rest Account	20,000,000	16,000,000

COMPANIES STRUCK OFF PROVINCIAL REGISTER

(Continued from last issue)

Notice is given, pursuant to Sub-section (3) of Section 268 of the "Companies Act" to each of the following companies that its name was, on April 23, 1919, struck off the register:

COMPANIES INCORPORATED UNDER THE "COMPANIES ACT, 1910"

Northern Cartage and Transfer Company, Limited, The.
Northern Interior Amusement Company, Limited, The.
North Vancouver Gas & Coke Company, Limited.
North West Refrigerating Company, Limited, The.
Okanagan Mission Farm and Orchard Company, Limited.
Only Chance Mining Company, Limited (N.P.L.), The.
Pacific Bond and Land Corporation, Limited.
Pacific Canadian Printing and Publishing Company, Limited, The.
Pacific Creamery and Produce Company, Limited.
Farson's Bridge Syndicate, Limited.
P. D. McTavish, Limited.
Pease Pacific Foundry, Limited.
Pennock and Godfrey Company, Limited.
Penticton Lumber Company, Limited.
People's Drug Stores, Limited.
Permanent Construction Company, Limited.
Portage Creek Power and Light Company, Limited.
Port Mann Gazette Company, Limited.
Potlatch Creek Quarries, Limited.
Premier Investment Company, Limited.
Priest Home Building Company, Limited.
Provincial Realty and Mortgage Co., Limited.
Rambler Auto Sales Co., Limited.
Richmond Consolidated Mines, Limited (N.P.L.)
R. J. Nott Company, Limited.
Rowe Canvas Glove Manufacturing Company, Limited.
Rupert Cosmopolitan Club, Limited.
Russell's, Limited.
San Juan Fisheries, Limited.
San Juan Packing Company, Limited.
Scotch Stomach Remedy Company, Limited, The.
Seaborne's, Limited.
Security Underwriters, Limited.
Shale Products, Limited.
Sombrio Gold Mining Company, Limited (N.P.L.)
Spillman and MacEwan, Limited.
S. Santikian, Limited.
Standard Coal Company, Limited, The.
Standard Rubber Company, Limited.
St. George Townsite, Limited.
Stone Lumber & Shingle Company, Limited.
Strathcona Club Co., Limited, The.
Sun Kwok Min, Limited.
Thacker-Thornton Securities Corporation, Limited.
Thurston-Heath Lumber Company, Limited.
Title Guarantee and Investment Company, Limited.
T. Napier Hibben, Limited.
Trites, Limited.
20th Century Transfer and Storage Company, Limited, The.
Union Engineering Company, Limited.
United Bonanza Mines, Limited (N.P.L.)
United Empire Mortgage and Investment Company, Limited.
United Restaurants, Limited, The.
Vacuum Inventions, Limited.
Vancouver Sand and Gravel Company, Limited.
Victoria Gardens, Limited, The.

H. BELL-IRVING & CO. LTD.

(Insurance Department)

INSURANCE

AND

Financial Agents

Represent The Caledonia and British Columbia
Mortgage Co., Ltd., of Glasgow, Scotland

322 RICHARDS STREET

VANCOUVER, B. C.

This Spring

Arrange your Life Insurance. Every year you delay means added cost. Every year means the added possibility of being unable to get insurance. It is well to remember that 80% of all applicants are refused for ill-health and other considerations.

Obtain particulars of the Great West Life Policies. They are well worth investigating. And so many people have thought them well worth applying for that the Company has now over \$180,000,000 of Insurance in force.

Your request for rates will imply no obligation to insure. The Company is pleased to give the fullest information and advice by mail—and will, if desired, send specimen Policies.

The Great-West Life Assurance Co.

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Head Office—Winnipeg

Ask for a pocket Memo-Book—useful and convenient.

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Oldest Insurance Company in the World

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PACIFIC BUILDING
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THE GLOBE INDEMNITY COMPANY OF CANADA

FIRE, ACCIDENT, SICKNESS, AUTOMOBILE, BURGLARY

Elevator and Fidelity Guarantees

GENERAL AGENTS

Ceperley, Rounsefell & Co.,

WINCH BUILDING

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All Claims Settled Promptly

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Provincial Agents:

The PROVIDENCE WASHINGTON INSURANCE Co. (Inc. 1799)

BRITISH EMPIRE UNDERWRITERS' AGENCY

QUEENSLAND INSURANCE COMPANY LIMITED

Losses adjusted and paid in Vancouver.

Active Agents wanted in unrepresented territory.

728-729 ROGERS BUILDING, VANCOUVER, B. C.

And at Victoria, B. C.

"A CANADIAN COMPANY FOR CANADIANS"

The British Colonial Fire Insurance Co.

Head Office, Montreal

AGENTS FOR B. C.

Agents wanted in unrepresented districts.

Royal Financial Corporation, Limited

Seymour 4630

Vancouver, B. C.

Waldo Ranch and Grain Company, Limited, The.
Wales, Limited.

Western Canada Hotel Company, Limited, The.

Western Industrial Company, Limited, The.

Western Land and Dairy Company, Limited.

Western Terminus Investors Corporation, Limited.

Woodward's Meat Department, Limited.

Your Co-operative Investment Company, Limited.

MUNICIPAL NOTES AND SALES

The Municipality of Summerland sold \$25,000 of an authorized issue of \$35,000 irrigation bonds to the National Bond Corporation, Vancouver.

The City of Port Coquitlam sold \$30,000 debentures secured by arrears of taxes to the National Bond Corporation, Vancouver.

The Grand Forks Council will shortly submit a by-law for an issue of \$75,000 6% twenty-year debentures. The council is endeavouring to have the bonds taken up by the citizens.

The Municipality of Vancouver decided to increase the tax rate on improvements to 50% of the valuation. This is doubling the rate on improvements; since last year it was 25%. It enables the city to strike a tax rate of 24 mills net, or 26.66 mills gross instead of an increase if under old system.

New Westminster struck a tax rate of 32 mills.

The Municipality of Point Grey sold to A. E. Ames & Company of Toronto, through their Vancouver representatives, Messrs. Ceperley, Rounsefell & Company, \$82,500, forty-year 5½% bonds at 94.22 and \$32,000 forty-year 5% bonds at 87.08. In all nine tenders for these issues were received, the A. E. Ames tender being accepted.

BALFOUR, GUTHRIE & Co.

MARINE AND FIRE INSURANCE

Agents—

BRITISH & FOREIGN MARINE INSURANCE CO. LTD.
NORTH CHINA INSURANCE CO. LTD.

Telephone, Seymour 9197. Winch Building, Vancouver, B. C.

R. P. RITHET & CO. LTD.

Established 1871

Wholesale Merchants, Shipping and Insurance Agents

General Agents for British Columbia for Queen Insurance Company

Provincial Agents for National Fire Insurance Company

WHARF STREET

VICTORIA, B. C.

Union Assurance Society, Limited of London, England

Fire Insurance since A.D. 1714.

General Agents

McGregor, Johnston & Thomas, Limited, Vancouver, B. C.

E. M. Johnson, Victoria, B. C.

The British Crown Assurance Corporation, Limited

Security Exceeds \$65,000,000

A. S. MATTHEW & CO, 509-511 Richards St., Vancouver

General Agents, Province of British Columbia

FACILITIES UNEXCELLED

OFFICIAL ORGAN OF THE INSURANCE FEDERATION OF BRITISH COLUMBIA**LIFE UNDERWRITERS' PRESIDENT ADDRESSES
VANCOUVER MEN.**

Mr. P. A. Wintemute, president of the Life Underwriters' Association of Canada and provincial manager of the Manufacturers' Life at Calgary, addressed the Vancouver Life Underwriters' Association in the Hudson's Bay dining-room on May 27th. It is the custom of the Life Underwriters' Association for the president of the Association to tour Canada with a view to stimulating interest in the local associations and creating interest in the annual conventions of the Canadian association, which this year will be held at Calgary.

A large and representative gathering of insurance men were pleased to hear Mr. Wintemute. Mr. J. F. Fahay, manager of the Metropolitan Life, was in the chair in the absence of Mr. F. M. Marsh, president. Mr. Wintemute spoke of the large place which the insurance agent occupied in the life insurance business and emphasized the important public service which he renders to the community. He spoke of the value of the Association to the insurance agent and the companies and the increasingly higher plane which the agency representatives of the companies were constantly attaining. He spoke of the increasing influence which insurance men were taking in regard to insurance legislation and stated that, as a result of this interest, group insurance might soon become a legitimate business in Canada. The president also spoke of the formation of a legislative committee whose purpose it was to present to the various legislatures the interests of insurance in order to thwart ill-advised bills and proposed legislation that would be inimical to its own best interests and to keep ever present before legislators the large service which life insurance renders the public. His remarks were greeted with enthusiasm and many indicated that they would avail themselves of the opportunity to take part in the forthcoming convention at Calgary. Mr. Wintemute proceeded to Victoria where he addressed the Victoria Association at the Brentwood Hotel and returned east after having completed his tour of Canada.

J. B. LAIDLAW ON INSPECTION TRIP

Mr. J. B. Laidlaw, general manager for Canada of the Norwich-Union Insurance Society, arrived in Vancouver looking over the British Columbia field. He was accompanied across the continent by Assistant General Manager Sketch, of head office, Norwich, England. Mr. Sketch is on a trip visiting Norwich-Union branches throughout the world and on his return he will assume the position of general manager in charge of the Society's affairs throughout the world. Mr. Laidlaw was well pleased with the business being done in the province by his companies, and was very hopeful of the outlook. While in Vancouver he made his headquarters with his general agents, Messrs. Banfield, Gunther & Black.

INSURANCE OFFICIAL ON INSPECTION TRIP

Mr. A. A. Clothier, of Minneapolis, Minnesota, Western Canadian representative of the Firemen's Insurance Company of Newark, and the Girard Fire and Marine Insurance Company of Philadelphia, was in Vancouver last week on a trip of inspection. The Girard Fire and Marine has recently taken out a Dominion license and it is expected will enter the British Columbia field shortly. Dow Fraser Trust Company, Vancouver, are the general agents of the Firemen's of Newark.

Mr. Thomas F. Dobbin, general manager for Canada of the Phoenix of Paris, with headquarters at Montreal, made an inspection trip to British Columbia recently.

L'UNION OF PARIS OFFICIAL ON TRIP

Mr. W. A. Wilson, superintendent of the L'Union Insurance Company of Paris, was in British Columbia on his annual inspection trip. While in Vancouver he made his headquarters with his general agents, the Franco-Canadian Trust Company, Limited. Mr. Wilson had occasion to visit a large number of prairie points in connection with his inspectors and he spoke very optimistically of the prospects for large crops on the prairies. Prairie farmers are putting in more acreage than they ever did before and spring conditions are excellent.

ROYAL EXCHANGE OFFICIALS ON VISIT

Mr. Arthur J. Barry, manager for Canada of the Royal Exchange Assurance Company, and the Car and General Insurance Company, was in Vancouver last week on a western Canadian inspection trip. While in Vancouver he met the Royal Exchange's United States manager, Mr. R. D. Harvey, who was making a tour of agencies in the United States. With Mr. Barry was Captain Ferris Danniell, assistant general manager at head office, London, England.

LARGE WRITING OF RIOT INSURANCE

In view of the intention of the labor leaders to call a strike affecting the entire industrial activity of Vancouver, a great deal of riot insurance business was written during the past two weeks. In some cases local agencies did land office business. The premiums were understood to be low and a large number of business houses and factories availed themselves of this additional protection.

RECENT FIRE LOSSES

Recent Fire Losses reported to Superintendent of Insurance, Victoria:

Vancouver, April 6.—325 Howe Street; owner, Pacific Coast Fire Insurance Co.; occupant, Royal Transfer Co. Seven and ten-story cement and reinforced concrete mercantile block. Value of building, \$18,000; insurance on same, \$6,000; value of contents, \$19,125; insurance on same, \$9,850. Total loss, \$9,399. Cause, spontaneous combustion. Niagara-Detroit Underwriters, Globe and Rutgers.

Chilliwack, April 13.—Lot 279, Sardis; owner, Methodist Church of Canada; occupants, Indian Institute; wooden barn. Value of building, \$1,000; insurance on same, \$600; value of contents, nil; insurance on same, nil. Total loss, \$1,000. Cause, children playing with matches. Mutual Fire of B. C.

Vancouver, April 4.—1265 Parke Street; owner, Hugh Orr; occupants, Orr Foundry Co.; frame foundry. Value of building, \$2,000; insurance on same, \$1,500; value of contents, \$8,000; insurance on same, \$1,000. Total loss, \$75. Cause, defective oven. National Union of Pittsburgh.

Langley, April 15.—Beaver Siding; owners and occupants, Beaver River Lumber Co., Ltd. Wood saw mill and shingle mill; value of building and insurance on same not stated; value of contents, \$19,829.82; insurance on same, \$17,500. Total loss, \$19,829.82. Cause, sparks from burner. British American, Globe & Rutgers, International Insurance Exchange, Niagara, Phoenix of Paris, Royal, St. Lawrence, St. Paul Fire and Marine.

North Cowichan, April 21.—Semenos District; owner and occupant, Richard Nelson; frame dwelling; value of building, \$1,037.70; insurance on same, \$750; value of contents, \$1,031.60; insurance on same, \$750; total loss, \$2,069.30. Cause, possibly sparks set fire to clothing. Phoenix of London, London and Lancashire.

Grand Forks, May 22.—Lot 4, Block 13, in Carrell addition, West Grand Forks; owner and occupant, Henry A. Glaspell; wood dwelling; value of building, \$1,500; insurance on same, \$900; value of contents, \$1,200; insurance on same, \$500. Total loss, \$1,875. Cause, spark on roof. Commercial Union.

Burnaby, May 3.—Moscrop Street; owner and occupant, R. J. Fisher; wood dwelling; value of building, \$1,500; insurance on same, \$700; value of contents, \$900; insurance on same, nil. Total loss, \$150. Cause, sparks from chimney. London Mutual.

Burnaby, May 23.—Silver Avenue; owner and occupant, G. J. White; wood dwelling; value of building, \$1,200; insurance on same, \$800; value of contents, \$1,000; insurance on same, \$500. Total loss, \$1,475. Cause, defective chimney. Caledonian.

LONDON GUARANTEE AND ACCIDENT COY., LIMITED

WRITE
FIRE INSURANCE

FIDELITY GUARANTEE
ACCIDENT and SICKNESS
PUBLIC LIABILITY
AUTOMOBILE
TEAMS
ELEVATOR
COURT and CONTRACT BONDS

BRANCH OFFICES IN ALL PROVINCES

Head Office for Canada : TORONTO
General Manager for Canada : GEO. WEIR
BRITISH COLUMBIA LOSSES SETTLED IN VANCOUVER
B.C. Rep.—J. H. WATSON, Ins. Agencies, Vancouver
303-306 ROGERS BUILDING, 470 GRANVILLE STREET
VANCOUVER, B. C.

BRITISH-AMERICAN TRUST APPLICATION GRANTED

Mr. Justice Murphy has granted the request of the British-American Trust Company for the relinquishment of its trust powers. The Company has had very little trust business and has been generally unwilling to increase this phase of its activities, restricting itself to realty agency and brokerage business. The Company has applied for change of name to British-American Bond Corporation, but could not be granted this change nor its withdrawal from under the British Columbia Trust Companies Act until its trust powers had been abrogated.

Mr. S. J. R. Remnant, who has recently been discharged from the army, has been appointed to the position of secretary of the Public Utilities Commission, under the chairmanship of Major Rettalack.

FOUNDED 1797

NORWICH UNION

Fire Insurance Society Limited

FIRE INSURANCE

Accident and Sickness Employers' Liability
Plate Glass Automobile Insurance

BANFIELD, GUNTHER AND BLACK, LIMITED

327 Seymour Street British Columbia
Vancouver GENERAL AGENTS

MARINE INSURANCE

AETNA INSURANCE COMPANY of Hartford, Connecticut

Cash Capital\$5,000,000.00
Total Assets 29,852,185.82
Surplus to Policyholders 13,561,967.69

VANCOUVER INSURANCE AND VESSEL AGENCY, LIMITED

W. A. LAWSON, Managing Director
British Columbia Agents:
Telephone Seymour 7540 Vancouver Block
Vancouver, B. C.

Phoenix Assurance Company Limited

FIRE AND LIFE

General Agents :

CEPERLEY, ROUNSEFELL & CO.

Winch Building, Vancouver, B. C.

Losses Adjusted and Paid in Vancouver

Montreal Halifax Toronto Winnipeg Vancouver

DALE & CO. LIMITED

Marine and Fire Underwriters

107-110 Pacific Building, 744 Hastings St. W.

Telephone Seymour 3252 VANCOUVER, B. C.

Ocean Marine Insurance Company Limited

MARINE DEPARTMENT

Insurance effected on Cargoes, etc, at current rates.

R. V. WINCH & CO., LIMITED

General Agents for B. C.

VANCOUVER, B. C. VICTORIA, B. C.

UNION INSURANCE SOCIETY OF CANTON, LIMITED

Established 1835

FIRE MARINE AUTOMOBILE

WESTERN CANADA BRANCH OFFICE,
309-313 Yorkshire Building, Vancouver, B. C.
Telephone Seymour 616. C. R. Elderton, Branch Manager

PHASES OF TAXATION—PROFESSOR HAIG'S REPORT

(Continued from page 6)

of "any interest on borrowed capital from which the income is derived if such interest is paid to a lender who is not a resident of the province or to a company as lenders of which company does not transact business in the province and which does not pay taxes thereon in the province." This Act has been on the statute book for many years but until recently no effort has been made to put it in force. It would seem that the old adage that the best way to get rid of a bad law is to enforce it, has much to commend itself, and perhaps this is the motive back of the Government's attitude in making some effort toward bringing this phase of the Act into operation. This part of the Act is certainly unjustified and should be no longer tolerated than it takes to be wiped off the statute book. When a country is to be developed by borrowed money from extra provincial sources then such a deterrent influence to the borrowing of money outside of the province should not be permitted. Professor Haig makes this point quite clear. A similar situation arises with regard to the present Act which does not allow management and directors fees to non-residents to be exempted from deduction from operating revenue. Professor Haig takes up the question of deduction from income of taxes paid to the Federal Government, of local taxes on business buildings occupied by owners and of deductions for bad debts. He then goes into a discussion of the income tax rates as now enforced and comments unfavourably on the present existence of irregularities in applications of the Act involving in some cases exemption from income tax and in other cases involving an income and one specific tax and still in a third classification involving an income and two specific taxes. These irregularities amount to a serious lack of equity. Under the subject of specific taxes generally levied on a royalty basis, Professor Haig discusses canneries, coal and coke taxes, mineral taxes, timber licenses and royalties and on other specific taxes he comments on the tax on unworked crown granted mineral claims, inheritance tax, poll tax, motor vehicle tax and amusement tax.

In commenting on the distribution of the present tax burden, Professor Haig takes up the various economic interests involved, pointing out the exceedingly involved basis for the existing system of taxation and showing that the system needs simplification and equalization. He discusses the distribution of the tax burden between the province and the municipalities and between the province and the school districts. In the administration of the tax system Professor Haig shows that the present system is at fault. He states that the efficiency of the administration organization is to be judged by the fullness and accuracy of assessments and the promptness and completeness of collection. On neither account can the administration in British Columbia be said to have achieved success. The present assessment, need for comprehensive re-organization and the existence of a permanent tax board are waged. As the evidence that the administration of the tax system is not working out properly he shows that of a total tax levy in 1916, \$2,643,204 there existed the same date a total of accumulated arrears of \$3,698,195.

Professor Haig summarizes his conclusions and suggestions as follows:

L'UNION FIRE INSURANCE CO., Limited
 Established 1828 Head Office: PARIS, France
 Capital fully subscribed (25 p.c. paid up) \$2,000,000.00
 Fire and General Reserve Funds..... 5,949,000.00
 Available Balance from Profit and Loss Account... 113,266.84
 Net Premiums in 1917 6,136,055.28
 Total Losses paid to 31 December, 1917.....104,117,000.00
 Manager for Canada: MAURICE FERRAND, Montreal.

FRANCO-CANADIAN TRUST CO., Limited
 General Agents for British Columbia.
 Rogers Building Vancouver, B.C.

The Present Financial Difficulties are not due to a Sudden Break-down in the Tax System.

The stringency now being experienced is due primarily to the forces which have weakened the demand for real estate. The yield of the tax system has declined somewhat, but this is because of the disappearance of the receipts under the "Chinese Restriction Act." The slump in the receipts from land-sales and from fees dependent upon such sales is the fundamental cause of the present embarrassment.

It is unwise to expand Taxation to make good the Entire Differences between the Receipts of the Most Prosperous Years and the Years of Depression.

If the scale of expenditure is maintained on the level of the total receipts of the most prosperous years and taxation depended upon to supply the deficiencies caused by the slump in other sources of revenue, the result will be a strain upon the tax system probably too great to be borne. In the present instance, for example, this policy would involve trebling the tax rates at a time when the taxpayers are least able to assume new burdens. It is essential that a rational control be exercised over expenditure in periods of prosperity which will make unnecessary excessive taxation in times of depression. The adoption of such a policy would prevent the periodical recurrence of the present difficulty.

The Existing Tax System is unequal to the Demands of the Present Situation.

It is unreasonable to expect the tax system in its present form to provide the funds which are necessary by the simple device of increasing rates. The crudeness of the taxes, which passes unnoticed when burdens are small, involves intolerable injustices when the burdens become large. Administrative shortcomings which are insignificant when rates are now become fatal when rates are increased to the levels which obtain as the result of the readjustment of 1917.

(Continued on page 20)

INSURANCE COMPANY OF NORTH AMERICA
 Assets, \$30,863,268

ALLIANCE INSURANCE COMPANY
 Assets \$3,831,945

Splendid facilities for handling excess lines.
 Service open to all general agents in British Columbia.
 Agents wanted in unrepresented districts.

GORDON F. RENNIE
 AGENCY SUPERINTENDENT
 Phone, Sey. 5519 310 Rogers Building,
 VANCOUVER, B. C.

Century Insurance Company, Limited
 OF EDINBURGH, SCOTLAND
 Resources exceed \$25,000,000
 Agencies throughout Canada
 Canadian Head Office: Vancouver, B.C. T. W. GREER, Manager

WESTERN ASSURANCE CO.
 HEAD OFFICE: TORONTO, ONT.
FIRE AND MARINE INSURANCE
 Branch Office for British Columbia:
 727 ROGERS BUILDING, VANCOUVER, B.C.
 RICHARD W. DOUGLAS Active Agents wanted in
 Branch Manager Unrepresented Districts

THE CANADA PERMANENT TRUST COMPANY

which is under the same direction and management as the
CANADA PERMANENT MORTGAGE CORPORATION

will be pleased to serve you in any of the various capacities in which a Trust Company may be of service

IT IS EMPOWERED TO ACT AS

Executor or Trustee of an estate left under Will.
Administrator
Agent for Executors or Administrators.
Trustee under Trust Deeds, Marriage Settlements, Endowments, etc.
Financial Agent for the Management of Property, Collection of Rents, Dividends, Coupons, or other Income, or for the Investment of Moneys, etc.
Guardian or Trustee for the Estates of Minors, etc.
Committee of the Estate of Persons mentally afflicted.
Trustee for Bond Issues.
Transfer Agent and Registrar.

All interviews and correspondence confidential

HEAD OFFICE—TORONTO

BRITISH COLUMBIA BRANCH:

432 Richards Street Vancouver
Manager, GEORGE L. SMELLIE

THE GREAT WEST PERMANENT LOAN COMPANY

Paid-up Capital\$2,426,750.00
Reserves 964,459.39
Assets over 7,000,000.00

4% Paid on Deposits, withdrawable by Cheque

Our Debentures yield investors 5½%.

Head Office: WINNIPEG

Vancouver Branch: ROGERS BUILDING
T. S. ENGLISH, Manager.

The London Assurance Corporation

Paid \$7,600,000.00 gross losses arising from the San Francisco conflagration. This is a much greater amount than paid by any other company operating under a single name in this or any other conflagration and stands without parallel in the history of insurance.

Law Union & Rock Insurance Co. Ltd.

has the largest excess of assets over liabilities IN CANADA of any fire insurance company in the world.

RICHARDS, AKROYD & GALL

AGENTS

Established 1885

325 Homer Street - - Vancouver, B. C.

Vancouver Financial Corporation, Limited

R. Kerr Houlgate, General Manager

Representing—

AETNA Insurance Company, Hartford, Conn.
General Accident, Fire and Life Insurance Corporation Ltd., of Perth, Scotland.
Union Insurance Society of Canton, Limited (Incorporated in Hong Kong).

General Financial Agents

525 Seymour Street - - VANCOUVER, B. C.

Telephone No. Seymour 7370

SIR GEORGE BURY HEADS WHALEN PULP PLANT

Sir George Bury, formerly vice-president of the Canadian Pacific Railway, has been appointed to the position of president and general manager of the Whalen Pulp & Paper Mills, Limited with head office in the Merchants Bank Building, Vancouver. Sir George has been out of active business since retiring from railway affairs about two years ago, and comes to his desk in Vancouver refreshed and determined to throw his energies into the successful prosecution of the affairs of this large concern. The Whalen Pulp & Paper Mills, Limited, has been since its inception in the control of the Whalen brothers of Port Arthur and Vancouver. From small beginning the operations of the Company have grown to very large proportions. Commencing with the British Columbia Sulphite Fibre plant at Mill Creek on Howe Sound the interests of the Whalen people have extended to the Swanson Bay plant and pulp limits at Swanson Bay and the Colonial pulp leases at Quatsino Sound. The timber pulp assets of the Company are the largest of any Company engaged in the paper manufacturing business in the province. In connection with the development of these large resources a great deal of capital has been added to the Company. Considerable Chicago and Montreal interests have become identified with the financial operations of the Company. It has been known for some time that considerable dissatisfaction has existed with the Whalen management and this dissatisfaction has finally consummated in the elimination of the Whalen interests in the Company's properties. Sir George Bury has been long noted as one of the most efficient operating officials in Canada. The best wishes of the public and his large number of friends throughout Canada go with Sir George in his new undertaking.

Mr. Charles Dickens, of Mills, Ross, Limited, general agents of the Insurance Company of North America has been appointed second Vancouver agent of the North American Company. He will continue to have his office with his former employers. Mr. Dickens, before he went with Mills, Ross Limited, was financial editor of the Vancouver "Province."

General Agent wanted for Victoria and Vancouver Island for Tariff Fire Insurance Company just entering field. Apply to Box "D," British Columbia Financial Times, Vancouver.

A. E. AUSTIN & CO.

REAL ESTATE, INSURANCE, PROPERTY MANAGEMENT,
STOCKS AND BONDS, MORTGAGES

Consultations and Correspondence Invited

328 GRANVILLE STREET

VANCOUVER, B. C.

London & British North America Company, Limited

REPRESENTING:

North British & Mercantile Insurance Company
and
Hartford Fire Insurance Company.

LOANS—INSURANCE—ESTATE MANAGEMENT
London Building Vancouver, B. C.

GREAT AMERICAN INSURANCE COMPANY, New York
THE PHOENIX INSURANCE CO'Y of Hartford, Conn.
UNION MARINE INSURANCE CO., LTD., of Liverpool
BOSTON INSURANCE COMPANY

We can write Marine Insurance in any of the above Strong Companies.

MACAULAY & NICOLLS

746 Hastings Street West

Vancouver, B. C.

Telephone, Seymour 8010-8011

IMPERIAL BANK OF CANADA

Forty-Fourth Annual Meeting of the Shareholders Held at the Head Office, Toronto, Wednesday, May 28th, 1919, at 12 Noon

The Forty-fourth Annual General Meeting of the Imperial Bank of Canada was held in pursuance of the terms of the Charter at the Banking House of the Institution, May 28th, 1919.

The Report

The Directors have pleasure in presenting to the Shareholders the Forty-fourth Annual Report and Balance Sheet of the affairs of the Bank Account, showing the result of the operations for the fiscal year.

The balance at credit of Profit and Loss Account carried forward from last year was \$1,204,942.91
The net profits for the year after deducting charges of management, Auditors' fees and interest due depositors, and after making provision for bad and doubtful debts and for rebate on bills under discount, amounted to 1,247,516.75
Making a total at credit of Profit and Loss Account \$2,452,459.66

This amount has been applied as follows:—

Dividends at the rate of 12% per annum	840,000.00
Annual Contributions to Officers' Pension and Guarantee Funds	42,500.00
Special Contribution to Pension Fund	100,000.00
Contributions to Patriotic and other War Funds	34,500.00
War Tax on Bank Note Circulation	70,000.00
Transferred to Reserve Fund	500,000.00
Balance of Account carried forward	865,459.66
	<u>\$2,452,459.66</u>

Branches of the Bank have been opened during the year as follows:

In Alberta:—Bear Lake, Crossfield, Daysland, Edson, Grande Prairie, Greencourt, Rocky Mountain House, Sangudo, Spirit River, Sylvan Lake, Waterhole.

In British Columbia:—Kimberley.

In Manitoba:—Gimli, Riverton.

In Quebec:—St. Jovite Station.

In Ontario:—Toronto—Danforth and Carlaw, Queen and Carlaw, St. Clair and Boon, Leaside; Simpson Street, Fort William; Grand Valley, Glenmorris, Kirkland Lake. Port Robinson, Queens- ton, Richards Landing, Smooth Rock Falls. Welland South, Walde- mar.

In Saskatchewan:—Canwood, Dafoe, Edenwold, Fielding, Hep- burn, Krydor, Lestock, Piapot, Waldheim.

The following branches have been closed:

In Ontario:—Iroquois Falls, Leaside and Mount Dennis.

In Saskatchewan:—Kandahar and Lestock.

Since the close of the fiscal year branches have been opened at Colinton, Rockfort and Whitecourt, Alberta; Westminster and Arlington Streets, Winnipeg, Manitoba; Matheson and Nobleton, Ontario.

The Head Office and branches of the Bank have as usual been carefully inspected during the year and the Auditors appointed by the shareholders have also made their examinations as required by the Bank Act. Their report and certificate will be found at- tached to the Balance Sheet. They offer themselves for re-appoint- ment.

It is with much regret that your Directors have to report the death during the year of Mr. Cawthra Mulock, and Hon. W. J. Hanna, K. C. Their places on the board have been filled by the appointment of Mr. Frank A. Rolph and Mr. Robert S. Waldie.

Owing to ill-health, Mr. Edward Hay was obliged during the year to relinquish his position as General Manager. His place has been filled by the appointment of the Assistant General Man- ager, Mr. William Moffatt, who has been in the service of the Bank since 1881.

The Directors have pleasure in again testifying to the satis- factory manner in which the officers of the Bank have discharged their respective duties.

All of which is respectfully submitted.

PELEG HOWLAND, President.

LIABILITIES

Notes of the Bank in circulation		\$11,870,723.00
Deposits not bearing interest	\$21,486,089.28	
Deposits bearing interest, including interest accrued to date of State- ment	61,712,144.91	83,198,234.19
Balances due to other Banks in Can. \$	792,522.85	
Due to Banks and Banking Corre- spondents in the United Kingdom	595.42	
Deposits by and balances due to banks elsewhere than in Canada and the United Kingdom	609,347.44	
Acceptances under Letters of Credit (as per contra)	139,575.00	
		<u>1,542,040.71</u>
Total Liabilities to the public		\$96,610,997.90

Capital Stock paid in	\$ 7,000,000.00
Reserve Fund Account	\$7,500,000.00
Dividend No. 115 (payable 1st May, 1919) for three months, at the rate of 12% per per annum	210,000.00
Balance of Profit and Loss Account carried forward	865,459.66
	<u>8,575,459.66</u>

ASSETS

Current Coin held by the Bank	\$2,573,248.73	
Dominion Government Notes	9,554,118.00	
		<u>\$12,127,366.73</u>
Deposit in the Central Gold Reserves	6,000,000.00	
Deposit with the Minister for the purposes of the Circulation Fund	389,491.77	
Notes of other Banks	840,795.00	
Cheques on other Banks	4,364,152.52	
Balances due by other Banks in Canada	603,324.47	
Due from Banks and Banking Correspondents in the United Kingdom	323,970.95	
Due from Banks and Banking Correspondents, else- where than in Canada and the United Kingdom	3,008,947.32	
		<u>\$27,658,048.76</u>
Dominion and Provincial Government Securities, not exceeding market value	\$ 5,934,919.21	
Canadian Municipal Securities, and British, Foreign, and Colonial Public Securities other than Canadian	14,702,059.33	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	775,397.91	
		<u>21,412,376.45</u>
Loans to Provincial Governments	\$ 37,000.00	
Loans to Cities, Towns, Municipalities and School Districts	4,610,473.30	
Call and Short Loans (not exceeding thirty days) in Canada on bonds, debentures and stocks	4,866,495.25	
		<u>9,513,968.55</u>
Other Current Loans and Discounts in Canada (less rebate of interest)	48,544,711.12	
Liabilities of Customers under Letters of Credit (as per contra)	139,575.00	
Overdue Debts (estimated loss provided for)	376,949.44	
Real Estate (other than Bank Premises)	548,886.27	
Mortgages on Real Estate sold by the Bank	539,034.48	
Bank Premises, at not more than cost, less amounts written off	3,390,333.92	
Other Assets, not included in the foregoing	62,573.57	
		<u>\$112,186,457.56</u>

AUDITORS' REPORT TO SHAREHOLDERS

We have compared the above Balance Sheet with the books and accounts at the Chief Office of Imperial Bank of Canada and with the certified returns received from its Branches, and after checking the cash and verifying the securities at the Chief Office and certain of the principal Branches on 30th April, 1919, we certify that, in our opinion, such Balance Sheet exhibits a true and correct view of the Bank's affairs according to the best of our information, the explanations given to us and as shown by the books of the Bank.

In addition to the examinations mentioned, the cash and se- curities at the Chief Office and certain of the principal Branches were checked and verified by us during the year and found to be in accord with the books of the Bank.

All information and explanations required have been given to us and all transactions of the Bank which have come under our notice have, in our opinion, been within the powers of the Bank.

G. T. CLARKSON, F.C.A.

R. J. DILWORTH, F.C.A.

of Clarkson, Gordon and Dilworth.

The customary motions were made and carried unanimously. Mr. G. T. Clarkson, F.C.A., Toronto, and Mr. R. J. Dilworth, F.C.A., Toronto, were appointed Auditors of the Bank for the en- suing year.

The Scrutineers appointed at the meeting reported the follow- ing Shareholders duly elected Directors for the ensuing year: Messrs. Peleg Howland, Elias Rogers, William Ramsay (of Bow- land, Stow, Scotland), William Hamilton Merritt, M.D. (St. Catharines), Sir William Gage, Sir James Aikins, K.C. (Winni- peg), John Northway, J. F. Michie, Sir James Woods, E. Hay, Frank A. Rolph, R. S. Waldie.

At a subsequent meeting of the Directors Mr. Peleg Howland was re-elected President and Mr. Elias Rogers Vice-President for the ensuing year.

PELEG HOWLAND, President.

W. MOFFAT, Gen. Manager.

Miscellaneous Insurance in British Columbia in 1918

Abstract of Returns of Companies transacting classes of business specified below in British Columbia during 1918—(Prepared in Advance of the Annual Report and subject to correction). Issued by H. N. Narrett, Superintendent of Insurance.

NAME OF COMPANY	Total Premiums	Total Losses	Unsettled Claims
Aetna Insurance Co.	\$ 47,983.70	\$ 13,729.77	\$ 2,963.42
Alliance Assurance Co.	9,547.34	1,267.65	Nil
Boiler Inspection and Insurance Co. of Canada †.....	1,025.95	.....	Nil
Boston Insurance Co.	24,670.91	13,847.94	Nil
British & Foreign Marine Insurance Co.	25,829.00	Nil	Nil
British America Assurance Co.	2,067.45	Nil	50.00
British Columbia Plate Glass Insurance Co.	12,273.28	7,021.78	Nil
British Crown Assurance Corporation	6,857.22	2,824.82	979.65
British Traders Insurance Co.	6,952.96	.....	.....
Canada Accident Assurance	11,221.10	2,016.11	800.00
Canadian Surety Co.	4,599.73	94.24	125.00
Canton Insurance Office, Ltd.	37,635.01	13,591.51	900.00
Continental Casualty Co.	57,162.43	28,204.43	4,977.52
Dominion of Canada Guarantee & Accident Insurance Co.	67,011.11	15,451.35	Nil
Dominion Gresham Guarantee & Casualty Co.	10,851.70	5,703.05	560.99
Eagle Star & British Dominions Insurance Co. Ltd.....	25,390.25	15,402.30	2,903.00
Employers' Liability Assurance Corporation	19,318.59	21,268.39	4,565.00
Equitable Fire & Marine Insurance Co.	122.18	16.59	Nil
Fidelity & Casualty Co.	5,266.82	669.96	Nil
Fireman's Fund Insurance Co.	41,862.61	10,085.24	2,025.55
General Accident Assurance Co. of Canada	20,710.57	3,750.37	12,559.10
General Animals Insurance Co. of Canada	530.45	Nil	240.00
Globe Indemnity Co. of Canada	42,149.91	16,520.58	16,311.08
Great American Insurance Co.	11,134.49	362.34	614.00
Great North Insurance Co.	32.00	Nil	Nil
Guarantee Co. of North America	8,015.56	Nil	Nil
Guardian Insurance Co. of Canada	3,560.14	1,273.02	4,865.91
Home Insurance Co.	3,217.92	626.11	Nil
Imperial Guarantee & Accident Insurance Co.	17,373.77	7,907.22	13,214.37
Insurance Co. of North America	43,002.67	16,773.25	1,177.00
Law Union & Rock Insurance Co., Ltd.	4,140.76	292.79	360.00
Lloyds Plate Glass Insurance Co.	3,105.24	933.98	112.88
London Assurance Corporation	5,995.70	497.39	Nil
London Guarantee & Accident Co., Ltd.	34,581.05	10,249.20	31,290.00
London & Lancashire Guarantee & Accident Co.	26,583.42	6,890.55	401.00
London & Provincial Marine & General Insurance Co., Ltd.....	3,823.61	1,002.00	Nil
Loyal Protective Insurance Co.	3,439.75	2,333.61	600.00
Marine Insurance Co., Ltd.	6,585.03	2,141.09	574.46
Maritime Insurance Co., Ltd.	233.94	Nil	Nil
Maryland Assurance Corporation, Ltd.	446.75	303.33	748.33
Maryland Casualty Co.	6,302.98	488.43	1,011.00
Merchants Casualty Co.	33,461.71	13,268.24	4,124.60
National Provincial Plate Glass & General Insurance Co., Ltd.....	1,422.03	1,056.35	Nil
National Surety Co.	1,895.05	5,033.80	5,327.30
New York Plate Glass Insurance Co.	3,362.31	1,054.95	352.59
Niagara Fire Insurance Co.	2,887.74	690.56	125.00
North American Accident Insurance Co.	8,876.44	5,187.66	170.00
Norwich Union Fire Insurance Society	19,431.40	2,465.31	951.50
Ocean Accident & Guarantee Corporation, Ltd.	27,574.05	12,034.47	3,915.00
Ocean Marine Insurance Co. Ltd.	2,605.31	2,009.35	Nil
Phoenix Insurance Co.	26,956.18	12,825.85	3,111.00
Protective Association of Canada	8,907.30	5,590.69	Nil
Queen Insurance Co. of America	4,817.73	338.96	150.00
Queensland Insurance Co., Ltd.	3,530.26	Nil	1,434.27
Railway Passengers Assurance Co.	33,519.90	7,683.21	4,945.00
Ridgely Protective Association	1,614.50	743.65	818.65
Reliance Marine Insurance Co. †.....	.....	.....	.....
Royal Exchange Assurance	9,403.11	2,010.76	678.62
Royal Plate Glass Insurance Co.	2,817.43	1,455.26	Nil
St. Paul Fire & Marine Insurance Co.	29,503.64	1,223.49	34.15
Scottish Union & National Insurance Co.	4,685.36	1,035.20	634.00
Standard Marine Insurance Co., Ltd.	29,001.14	23,433.60	.....
Tokio Marine & Fire Insurance Co., Ltd.	8,144.56	Nil	3,340.00
Travelers Indemnity Co.	3,209.03	1,638.57	Nil
Travelers Insurance Co.	5,803.69	259.39	Nil
Union Insurance Society of Canton, Ltd.	39,744.42	1,182.75	.....
Union Marine Insurance Co.	9,821.75	2,412.06	1,400.00
United States Fidelity & Guaranty Co.	15,167.64	2,230.93	8,532.00
Western Assurance Co.	12,942.03	9,428.76	2,500.00
World Marine & General Insurance Co.	11,252.64	4,936.15	146.58
Yang Tsze Insurance Association, Ltd.	11,834.49	2,403.86	1,760.50
Yorkshire Insurance Co., Ltd.	768.30	95.75	75.00
1918	\$1,040,495.73	\$ 347,320.92	\$ 149,955.02
1917	\$ 809,031.00	\$ 461,776.18	\$ 133,244.84
1916	\$ 873,030.03	\$ 459,233.09	\$ 238,663.74

* Accident and sickness. † Figures not yet furnished.

Miscellaneous insurance as transacted in British Columbia during 1913 comprise the following: Accident, premiums \$221,568.38; losses, \$78,622.97; sickness premiums, \$73,523.55; losses, \$41,807.03; Liability, premiums, \$31,339.80; losses, \$14,508.01; Automobile, premiums, \$230,344.54; losses, \$65,287.08; Burglary premiums, \$3,292.61; losses nil; Guarantee, premiums, \$37,302.15; losses, \$4,215.35; Plate Glass, premiums, \$34,289.11; losses, \$17,136.49; Marine, premiums, \$404,094.66; losses, \$125,492.64; Live Stock, premiums, \$737.50; losses, nil; Steam Boiler, premiums, \$566.07; losses, nil; Sprinkler Leakage, premiums, \$465.60; losses, nil; Inland Transportation, premiums, \$888.76; losses, \$251.35; Fly-wheel and Explosion, premiums, \$713.75; losses, nil.



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PHASES OF TAXATION—PROFESSOR HAIG'S REPORT

(Continued from page 15)

The Tax System should be thoroughly re-organized both in relation to Kinds of Taxes imposed and in relation to Administration.

Both equity and financial considerations demand thoroughgoing tax reform in the Province. The taxes now in existence constitute a complicated medley which can scarcely be dignified by the term "system." Certain taxes should be entirely eliminated and the others should be recast and merged into a coherent revenue system.

The administrative machinery, which has stood unaltered for fifteen years, should be modernized and made efficient. The Rates on Wild Lands must be modified if this Tax is to be preserved as a Source of Revenue.

The tax on wild lands, the most important fiscally of the taxes on real estate, appears to be on the verge of collapse, the statistics of arrears revealing a most serious situation. If the Province desires to use this tax as a source of revenue and does not desire to confiscate the lands, the rates must apparently be lowered considerably.

A Thorough Investigation should be made with a View to re-adjusting the Tax Burden on Agriculture and on Mining, Timber and Canning Industries.

Data should be secured which would make it possible to draw sound conclusions regarding the relative burdens now being imposed upon the various industries. The variety and nature of the various charges preclude comparisons, and without an investigation no scientific re-organization is possible. There is ample evidence that such a re-organization is needed.

The Poll-tax, Amusement-tax and the Personal-property Tax should be slated for Repeal at the Earliest Practicable Moment.

These are the least justifiable of the taxes now in force and their elimination would not involve great financial loss.

So soon as it becomes apparent that the yield from these sources can be dispensed with, these taxes should be repealed.

The Income-tax should be reformed by re-defining the Definition of Income and re-arranging the Scale of Rates.

The present income-tax law should be radically amended by redefining income in accordance with the detailed suggestions detailed in the body of the report, and by modifying the rates so as to make them more uniform and, if financially possible, more moderate.

The Various Charges on Motor-vehicles should be consolidated.

At present the variety and number of separate taxes levied on motor-vehicles involve needless expense to the administrator and needless inconvenience to the owner.

Banks, Railways and Service Corporations should be taxed in a Matter which Measures more accurately Relative Tax-paying Ability.

The present levies on these types of property are so undiscriminating as to involve substantial injustices as between different units.

A Permanent Tax Board with Wide Powers should be placed at the Head of the Tax System.

The proper administration of the revenue system demands a more elaborate organization than has been used heretofore. It is recommended that a permanent Board of power, dignity, and responsibility be created to assume direction of the tax machinery. This Board as its first duty should re-organize the assessment districts and build up an efficient force of Assessors.

A Strict Policy with respect to Collections should be adopted.

The present lenient arrears policy has demoralized collections. Until a firm and businesslike stand is taken on this question, a satisfactory solution of the financial problem of the Province cannot be hoped for.

NECESSITY FOR CREATION OF EXPORT TRADE MACHINE.

(Continued from page 4)

they utilize their organization far more economically because they operate for scores of manufacturers in an endless variety of goods in several countries. All of these British agencies, however, differ basically from the export section of an American manufacturers' organization for specific exporting in being absolutely independent of importer or of exporter, and free to take and place in the best markets at choice. They offer to manufacturers the tremendous advantage of relief from the financial responsibilities for any order placed with them under the "indents" they themselves receive from foreign customers.

No consideration of Canada's future overseas trade would be complete which omitted this exporting machinery that must be built up. It is none too soon to take up the commencement now—the building of the machine—when European orders coming in are flashing before the imagination of Canadians the golden possibilities in foreign fields. It is not the purpose of this article to discuss the relative merits of British and American systems, but to point out the opportuneness for careful and perhaps collective thought being given to preparing all things which the Canadian Trade Commission trusts will make out permanent export trade run smoothly.

INDUSTRIAL DISTURBANCES AND PRESENT SITUATION.

(Continued from page 2)

mate good sense of the Canadian people will prevail, but that some preparation along this line should be made is the stern duty of the government and all those business organizations acting in co-operation for the maintenance of their industrial and business life and for the continuance of national industry during the great economic strain which we are sustaining through this trying transition period.

The Vancouver Board of Trade, the British Columbia Manufacturers' Association, the New Westminster Board of Trade, and the British Columbia branch of the Canadian Manufacturers' Association, at a joint meeting held in the Vancouver Board of Trade Rooms, decided to create a joint freight bureau with the appointment of a paid expert secretary to act in the interests of British Columbia shippers, dealers and manufacturers.

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Mining Throughout British Columbia

Receipts at Trail Smelter—Crow's Nest Coal earnings—Belmont-Surf Inlet dividend—The copper outlook—New treatment of Rossland refractory ores—Lucky Jim annual meeting—Dolly Varden opening up.

The following is a list of the ore received at the Trail Smelter during the week ending May 21st:

Mine	Location	Gross Tons
Ben Hur, Republic, Wash.....		53
Bonanza Cu. Co., Clines, Wash.....		6
Centre Star, Rossland.....		1755
Emma, Coltern		698
Galena Farm, Silverton		45
Josie, Rossland		158
North Star, Kimberley		52
Reardon, Clines, Wash.		13
Sullivan (Zinc), Kimberley.....		3281
Sullivan (Lead), Kimberley.....		117
Total.....		6178

The annual report of the Crow's Nest Coal Company shows profits for the year as follows: Lands, timber operations and other sources, \$38,904; coal and coke operations, \$178,079, or a total of \$216,984, compared with the total the previous year of \$57,635.

Coal mined in 1918 amounted to 681,942 tons, as against 504,768 tons in 1917, and 910,839 in 1916. Coke produced was 183,771 tons, against 146,533 in 1917, and 268,989 in 1916.

Last year three dividends of 1½ per cent. each were paid, amounting in all to \$279,499, whereas in the previous year no dividends were paid.

The Belmont-Surf Inlet Mining Company has just declared its second dividend for the year of 5 per cent., payable to shareholders on record as of July 1st next. This company is the operating company of the Surf Inlet gold mines on Princess Royal Island. The Surf Inlet Gold Mining Company has 20 per cent. interest in the Belmont-Surf Inlet Company, and it is expected that shortly directors of this latter company will meet and declare a dividend.

Reports received by the Granby Consolidated from New York, the seat of the metal selling industry, indicate that the sales of copper in that market for last week were the largest in some time. Despite reports from various copper centres that no move would be made for increased production, even with copper selling at a better price than it has at any time since the armistice was signed, every effort is being made to get into full swing at the Granby-Anyox plant. Machine miners have been scarce, as far as labor goes, but conditions are improving every day and it is fully expected that by the first of June or soon thereafter, the Anyox plant will be headed toward capacity business.

Although copper prices have not yet reached a figure to make production appear alluring, and despite a shortage of miners Granby has shipped more than 1,000,000 pounds of blister since the latter part of April and prospects for an increased shipment regularly now are bright.

The report of the Minister of Mines for April showed that the Granby coal production at Cassidy, the new model town of the company of Vancouver Island, has reached 2,804 tons, all of which has been shipped, along with several thousand additional tons of coal held in reserve for the new coke plant at Anyox, which is expected to be placed in operation June 1st. Fires have been burning in the ovens for the past twenty days, warming up, and a full crew of coke handlers, expert chemists and others are about ready to announce the opening of this new industry, the only one of its kind on the Pacific Coast.

Official reports of seventeen of the biggest copper concerns on the continent for April, the figures for which are just now available, show that these mines turned out 87,027,784 pounds of the red metal, of which Granby Consoli-

dated was a contributor, a decrease of 3,000,000 pounds under March total.

Production of these companies for the month of November, 1918, before curtailment policy was inaugurated at the mines, amounted to 135,409,177 pounds, of which Granby had on hand and unshipped, more than 16,000,000 pounds.

A trade estimate puts the surplus of refined copper in the hands of the selling agencies and producers at 1,250,000,000 pounds, with probably another 250,000,000 in process.

The problem of the treatment of the complex silver-lead-zinc ores of the Sullivan mine at Kimberley has been solved by S. G. Blaylock and his metallurgical staff at Trail smelter, according to the announcement of Mr. J. Warren, general manager of the Consolidated Mining & Smelting Company.

It is understood that Mr. Warren's announcement means that the experts at Trail have been successful in evolving a method of treatment which results in the saving of the silver, lead and zinc in the ore from the Sullivan, which has become the largest producer of tonnage on the company's list.

Mr. Warren stated that he believed that the problem of the treatment of the low-grade gold-copper ores of the Rossland mines had also been solved and that within a short time the Rossland properties of the company would be turning out between 2,000 and 5,000 tons of ore daily.

High costs of production and the fact that the price of gold has not risen to meet it forced the company to reduce its operations at Rossland to a minimum. It has since been developing ore ready for shipment and working steadily on the problem of discovering a method by which the ore can be profitably treated.

The stockholders of the Lucky Jim Zinc Mines, Ltd., with properties in the Slocan district, elected the following board of directors at the annual meeting in Victoria held recently: Dr. H. C. Lambach, president; George E. Edmiston, secretary-treasurer; A. W. Allen and J. J. Callison, Victoria; Charles McKinnis, Charles Ehrenberg and Dr. T. A. Russell, Spokane. The new members are McKinnis, Ehrenberg and Russell. The number of shares represented was 3,500,000.

"A majority in the board was selected from the Spokane shareholders to facilitate board meetings and to eliminate expenses," said Mr. Edmiston on his return to Spokane from the meeting. "A greater part of the shares are held on this side of the international line and these chiefly by residents of Spokane. We will be able to hold board meetings here when necessary.

"Talk of a reorganization and foreclosure of the mortgage is based upon false rumors. The mine has ample resources in ore to cancel all indebtedness in a reasonable time if milling facilities are provided. It is believed arrangements can be made to finance the building of a mill when the proper time comes. The metal market is quiet, but an improvement of the condition is expected in the next few weeks.

"The financial statement for the year is about the same as that of the last previous year. The indebtedness is \$65,000 of which \$40,000 is upon the first mortgage of \$32,500 and interest and the remainder a floating indebtedness.

"A. G. Larson, receiver for the Lucky Jim has made arrangements with Clarence Cunningham for the treatment of our ore in the Cunningham mill, the construction of which is nearing completion. When the mill will be ready to dress ore is not known, but it should be in the near future.

"All developed ore reserves of the mine are above the tunnel levels so there is no expense for hoisting or pumping, and there is little need for timbering. The cost of mining is the minimum. The ore developed is a high grade zinc containing 20 to 50 per cent. It lies in several bodies of good size and the property contains large bodies of ore that have not been explored. With further development and good milling facilities we believe the Lucky Jim will take a place among the largest producers of the Slocan district. The

equipment is complete with the exception of a mill and includes ore bins, electric light and water plants, two compressors, assay office and superintendent's dwelling.

"A. W. Allen, re-elected assistant secretary, will spend the next several weeks at the Lucky Jim mine, Zinco, where the office will be maintained during his stay."

Bringing an assurance from Ottawa that the Federal Government will provide \$100,000 this year for an experimental plant for the treatment of complex ores, Hon. William Sloan, Provincial Minister of Mines, returned from the East. Hon. Mr. Sloan announced that the plant would be constructed within the next few months. He had sought a Dominion grant of \$200,000, and while failing to obtain the complete sum this year, is satisfied with the reception which his request received from Hon. Martin Burrell, Federal Minister of Mines.

The Vancouver Province of June 3rd says with regard to the Dolly Varden Mine: A cheque for \$134,500, covering the whole of the wage claims due on the construction of the Dolly Varden Railroad, was paid over Monday afternoon by President A. J. T. Taylor of the Taylor Mining Company and the Taylor Engineering Company to Mr. Hal C. Chiene of this city. The transaction marked the actual taking over of the Dolly Varden mine at Alice Arm by the Taylor Engineering Company, and was followed by the despatch of a party of fifteen officials and workmen to take over the property and commence operations.

The property, which is regarded as one of the richest silver properties in North America, was formerly owned by the Dolly Varden Company of Delaware. Development work to the value of over \$1,200,000 has been done on the property, but the Dolly Varden Mines Company found itself unable to pay a sum of \$462,500 balance due to the Taylor Engineering Company on a contract to construct and equip a line of railway down the Kitsault River, connecting the mines with tidewater at Alice Arm on the Portland Canal.

A legislative committee which dealt with the matter at the request of both parties recommended the renewal of the charter for the railroad, giving the Dolly Varden Mines Co. ten days in which to pay off the wage claims and thirty days after full accounts had been taken in which to pay off the balance of the Taylor Company's claim.

Failing these payments the Taylor Company was given leave to pay off the wage claims for the Dolly Varden Company and take over the property, paying off \$200,000 of floating charges and the creditors of the company out of the proceeds of the mine, and afterwards indemnifying the shareholders of the Dolly Varden Company for their investment out of the net profits. Before the legislative enquiry the property was valued as high as \$3,000,000, there being nearly a million dollars worth of high-grade ore already blocked out and large reserves proved up by diamond drilling.

The Dolly Varden Company simplified matters by admitting the Taylor Company's claim to \$462,500 but defaulted in making the payments. Accordingly the Taylor Mining Company was incorporated and the necessary capital raised to take over the property. The payment of yesterday's cheque accordingly marked the actual taking over of the property.

The money was paid to Mr. Hal C. Chiene of Buttar & Chiene, chartered accountants, because Mr. Chiene was named in the act of the Legislature as the trustee for all the creditors. Mr. Chiene, who gave the Taylor Mining Company his certificate for the amount, will disburse the sum as fast as the wage claims are proved.

Included in the staff who went north on the Grand Trunk flyer last night were Major Angus W. Davis, M.E., who will act as superintendent of mines, and Major D. D. Young, D.S.O., who will act as manager and controller at Alice Arm; Lieut. J. W. Smith, M.C., son of the late Hon. Ralph Smith, is accompanying Major Young as his assistant.

Other members of the party included Mr. H. B. Brown, who will be in charge of the office and stores; Mr. Tom Dalrymple, construction engineer for the railway; an assayer, a location engineer and a mine surveyor. Two complete locomotive crews were also included in the party and workmen to commence work on the aerial tram and bunkers. A consignment of rails to complete the track work and an aerial tram are leaving by freighter today for Alice Arm.

The American Counsel General George N. West, advises us that for the month of April, 1919, there were shipped to the United States from British Columbia, 89,347,000 shingles, valued at \$414,654.

BRITISH COLUMBIA

The Mineral Province of Western Canada

TO END OF DECEMBER, 1917

Has produced Minerals valued as follows: Placer Gold, \$75,116,103; Lode Gold, \$93,717,974; Silver, \$43,623,761; Lead, \$39,366,144; Copper, \$130,597,620; Other Metals (Zinc, Iron, etc.), \$10,933,466; Coal and Coke, \$174,313,658; Building Stone, Brick, Cement, etc., \$27,902,381; making its Mineral Production to the end of 1917 show an

Aggregate Value of \$595,571,107

Production for Year Ending December, 1917, \$37,010,392

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