PROVINCE OF BRITISH COLUMBIA

Department of Trade and Industry

REPORT

For the Year ended December 31st

1948

VICTORIA, B.C.:
Printed by DON MCDIARMID, *Printer to the King's Most Excellent Majesty.*
1949.

To His Honour C. A. BANKS, C.M.G.,
Lieutenant-Governor of the Province of British Columbia.

MAY IT PLEASE YOUR HONOUR:

I beg to submit herewith the Report of the Department of Trade and Industry for the year ended December 31st, 1948.

LESLIE HARVEY EYRES,
Minister of Trade and Industry.

Office of the Minister,
Department of Trade and Industry,
Victoria, British Columbia.

Honourable Leslie Harvey Eyres,
Minister of Trade and Industry, Victoria, B.C.

SIR,—I have the honour to submit herewith the Report of the Department of Trade and Industry for the year ended December 31st, 1948.

I have the honour to be,

Sir,

Your obedient servant,

EDWIN G. ROWEBOTTOM,
Deputy Minister of Trade and Industry.

Report of the Department of Trade and Industry

For the Year ended December 31st, 1948.

The year 1948 was marked by very satisfactory gains in industrial development and by increased business activity in practically all branches of trade. A total of 1,242 new companies were incorporated, with a total capitalization of $67,913,212. Industrial pay-rolls for 1948 are estimated to total $625,000,000, reflecting increased production values. The gross value of manufacturing production is estimated at $832,000,000 for 1948.

The construction industry particularly has been active, and many projects are now at the survey stage, in addition to warehouses, mills, and plants on which construction has started. Contracts granted for new structures are estimated to total $71,000,000 in 1948, setting a new record.

An important contributor to this impressive total is the pulp and paper industry. The growth of this industry indicates a definite trend in the utilization of our natural resources, and it is worthy of note that in addition to mills now in operation, three new pulp and paper mills are assured, with a combined capital investment in plant and equipment of around $65,000,000.

Hydro-power is an important factor in these new developments. Unlike other sections of Canada, handicapped by a shortage of electrical energy, British Columbia has power in abundance for existing industry and ample reserve for new industries. The total potential hydro-power capacity of this Province is estimated at 13,000,000 horsepower. Recent developments at Bridge River by the British Columbia Electric Company, Limited, and at Campbell River and Whatshan Lake by the British Columbia Power Commission will provide ample power for requirements of the immediate future.

This power potential is attracting attention. Recent surveys indicate there is a strong possibility that an aluminium plant will be established in British Columbia. Another large Canadian company is considering the prospects for a chemicals plant.

A number of new manufacturing industries were started during the year, and several new British Columbia products are on the market for the first time. These new enterprises are outlined in more detail in the body of this Report. British Columbia continued to forge ahead in manufacturing, due not only to an abundance of many raw materials and ideal living conditions, but to its strategic position for export trade.

Much interest is being shown in the prospects for steel-manufacture. It is apparent that all the essentials for successful production are at hand in quantities to justify at least a small operation.

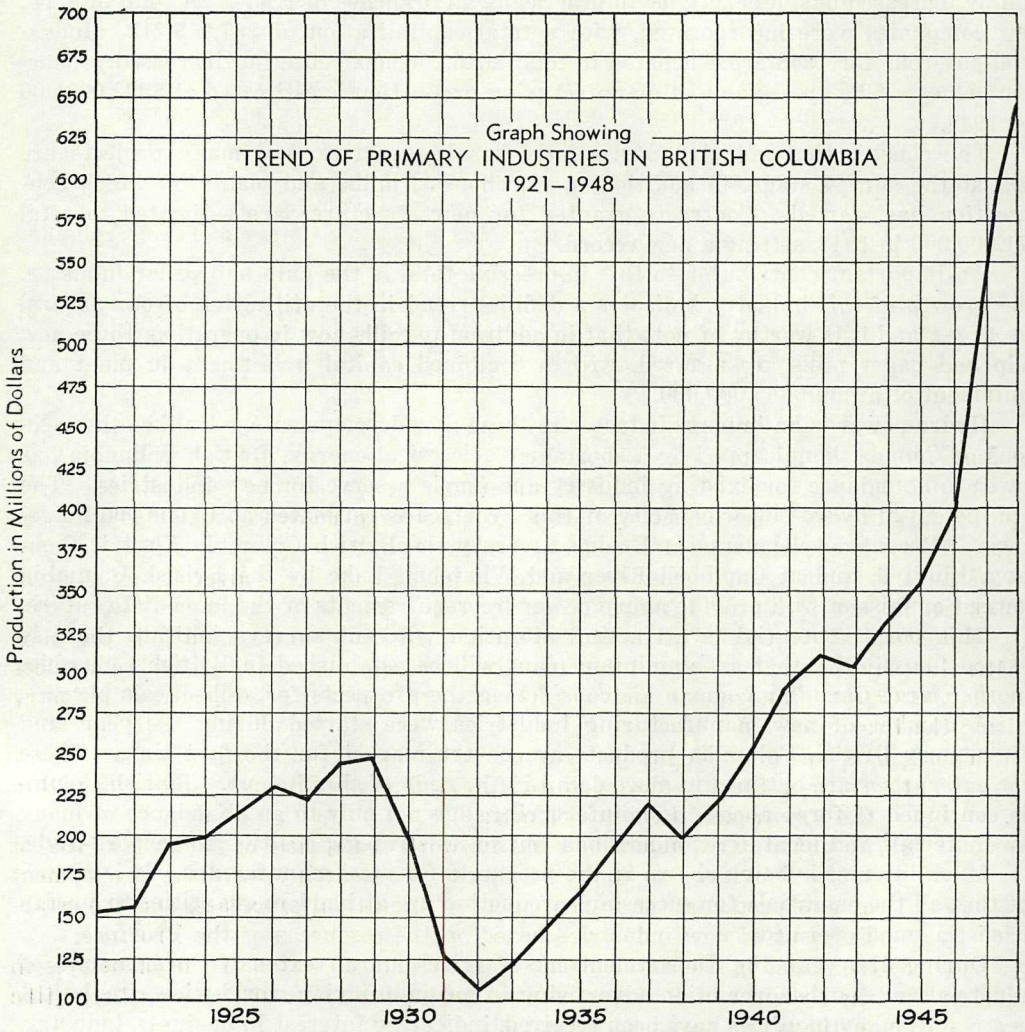
During the year the Department has carried out an extensive programme of industrial and tourist promotion advertising in media enjoying world-wide circulation. As a result, many inquiries have been received, indicating interest in business, industry, travel, and settlement.

In the primary industries—forestry, agriculture, mining, and fishing—substantial gains in production have occurred. Higher prices have contributed in some measure to the increase in dollar values, but actual production has increased, particularly in forestry and mining.

The body of this Report outlines the activities of the various divisions of the Department of Trade and Industry—namely, the Bureau of Economics and Statistics, the Office of Trade Commissioner, the British Columbia Government Travel Bureau, and the Regional Development Division.

Increased activity is noted in all these branches, statistical services have been augmented by the publication of a monthly business activity report, industrial and trade surveys were in demand by interests outside the Province, and important legislation concerning tourist accommodation was implemented.

An index of pertinent information from an industrial, social, and trade point of view was compiled on the more important rural communities throughout British Columbia; this index is now ready for distribution and will be of great assistance to those desiring economic information on the centres concerned.



Prepared by British Columbia Bureau of Economics and Statistics.

SPECIAL ACTIVITIES OF THE DEPARTMENT.

INTERDEPARTMENTAL INDUSTRIAL ADVISORY COMMITTEE.

This Committee meets at the call of the Chair to consider industrial problems which affect various departments of the Government service. The Committee has been extremely helpful in furthering industrial development throughout the Province.

The following is the personnel of this Committee:—

E. G. Rowebottom, Deputy Minister of Trade and Industry (Chairman).

J. V. Fisher, Deputy Minister of Finance (Vice-Chairman).

H. Anderson, Chief Engineer, Public Works Department.
Dr. J. F. Walker, Deputy Minister of Mines.
J. T. Gawthrop, Director, Regional Development Division, Department of Trade and Industry.
C. Hopper, Superintendent of Lands.
R. Bowering, Public Health Engineer, Branch of Public Health.
James Thomson, Deputy Minister of Labour.
J. E. Lane, Deputy Comptroller of Water Rights, Water Rights Branch.
Dr. C. D. Orchard, Deputy Minister of Forests.
G. Melrose, Deputy Minister of Lands.
Dr. J. B. Munro, Deputy Minister of Agriculture.
W. H. Robertson, Provincial Horticulturist, Department of Agriculture.
E. MacGinnis, Marketing Commissioner, Department of Agriculture.
R. S. O'Meara, Trade Commissioner, Department of Trade and Industry.
T. L. Sturgess, Administrative Assistant, Department of Trade and Industry.
W. A. Carrothers, Chairman, Public Utilities Commission.
G. T. Hatcher, Bureau of Economics and Statistics, Department of Trade and Industry.
H. Sargent, Chief Mining Engineer, Department of Mines.
G. Alexander, Deputy Minister of Fisheries.
A. G. Graham, Director, Regional Planning Division.
Col. F. T. Fairey, Deputy Minister of Education.

BRITISH COLUMBIA RESEARCH COUNCIL.

Under the chairmanship of the Minister of Trade and Industry the Research Council held monthly meetings at which were considered many scientific problems of vital interest to industrial advancement within the Province.

Dr. S. E. Maddigan, honour graduate in physics of the University of British Columbia, is Director of the Research Council.

Industrial advancement is contingent upon scientific research, and it is the hope of the Government and the Council that industry will take full advantage of the services which the Council can render and which are available to all branches of industry within the Province.

The Council was organized in order to perform the following functions:—

(1) To co-ordinate the work of existing and prospective research units within the Province of British Columbia.
(2) To initiate and undertake research-work in any field of particular interest to the Province; to apply the results of research toward the development of new products, the improvement of industrial processes, and the establishment of new industries based on the resources of the Province.
(3) To assist in the development of the technical status of the industries in the Province of British Columbia through a fuller utilization of scientific methods and technical personnel.
(4) To provide fellowships, scholarships, bursaries, and rewards and pecuniary and other aids in order to facilitate and encourage original scientific and industrial research.
(5) To provide for the publication of the results of the research-work and to enter into such arrangements as may be necessary with regard to patents arising out of the work done by or for the Council.

The present board of management consists of the following personnel:—

Chairman—Hon. L. H. Eyres, Minister of Railways, Trade and Industry, and Fisheries of the Province of British Columbia.

Provincial Government—
G. Melrose, Deputy Minister of Lands.
E. G. Rowebottom, Deputy Minister of Trade and Industry.
C. D. Orchard, Deputy Minister of Forests.
Dominion Government—
Dr. W. E. Cockfield, Bureau of Geology and Topography.
Dr. Neal Carter, Fisheries Experimental Station, Vancouver, B.C.
National Research Council—Dr. G. M. Shrum, University of British Columbia.
University of British Columbia—
Dr. R. H. Clark, professor and head of Department of Chemistry.
Dr. B. Eagles, head of Department of Dairying.
Prof. F. A. Forward, Department of Metallurgy.
Industry—
G. A. Barrat, British Columbia Fruit Board.
S. H. Hammitt, manager, Morrison Steel & Wire Company, Limited, Vancouver, B.C.
Prentice Bloedel, president, Bloedel, Stewart & Welch, Limited, Vancouver, B.C.
Labour—Birt Showler, president, Vancouver, New Westminster, and District Trades and Labour Council.

BRITISH COLUMBIA BUYERS' DELEGATION TO UNITED KINGDOM, APRIL 27TH TO JUNE 2ND, 1948.

The delegates, comprising twenty-five prominent British Columbia business-men, were most enthusiastic regarding the success of the trip, and actual purchases exceeded all expectations; a check-up has revealed that orders placed in the United Kingdom by members of the delegation totalled the sum of $8,310,000.

The delegation made 763 business contacts, and many of these contacts will produce a large volume of business in the future.

The Minister of Trade and Industry and his deputy were successful in making many valuable contacts with various textile plants, metal-trade industries, leather-tanning plants, carpet-manufacturers, pulp and paper plants, and steel-manufacturers, with a view to establishing branch plants in British Columbia.

Several of these contacts have already been responsible for personal surveys—these include the Birmingham Small Arms, Bradford Woollen and Worsted Mills, Bradford Garment Factory, and Leeds Leather Tannery—and from results of these surveys it is expected that several new industries will be established in the Province in the near future.

The Government representatives were also able to contact a number of British industrialists regarding possibilities of manufacturing British products under "licence" in British Columbia and are pleased to report progress in this connection.

Through contacts made in the United Kingdom, a twelve-man delegation representing United Kingdom engineering groups arrived in British Columbia on September 26th, 1948. Their objective in securing information regarding the development of the engineering trade with Canada in general and the Province of British Columbia in particular was highly successful.

In October, 1948, a seven-man delegation representing the United Kingdom wool industry arrived in British Columbia to study the changing features of the Canadian wool markets. This survey was made following representations made by the Government delegates.

On returning from the United Kingdom, the delegates attended the splendid International Trade Fair in Toronto, and the Government representatives were able

to meet and further negotiations with several firms who were interested in opening manufacturing plants in British Columbia.

Among the many expressions of good-will extended to the delegates was the following statement made by R. F. Hanks, managing director of the Morris Motors, Limited, of Cowley:—

"It is heartening and encouraging to know that your Government saw fit to send a Buyers Mission to this country. We feel that we have a strong bond of affection for you as representatives of British Columbia. It is everybody's sincere wish that your visit will lead not only to increased business between Britain and British Columbia, but will also result in giving a much needed impetus to reciprocal trade between Britain and the whole of Canada, in this way you are making a notable contribution towards Britain's economic recovery and at the same time enhancing your own prosperity."

Every delegate expressed himself with a feeling that, based on the splendid co-operation received from British Government officials, civic bodies, Chambers of Commerce, and industrial leaders throughout the United Kingdom, the British Columbia buyers' mission had been a huge success in actual results and a real effort to increase trade between the United Kingdom and British Columbia.

All members of the buyers' delegation were most appreciative of the excellent co-operation extended to them by W. A. McAdam, C.M.G., Agent-General for British Columbia in London, and his splendid staff.

INDUSTRIAL ADVERTISING.

As in 1947 the Department continued to advertise the opportunities for new industrial enterprise in the Province. This advertising stressed the natural resources of the Province and their relation to secondary production.

The advertisements were placed by our advertising counsellors in selected publications in Britain, Canada, and United States.

This advertising was supported by an industrial brochure illustrating the possibilities for new industries in British Columbia. The results of this campaign have been most gratifying, and from the thousands of inquiries received, it is evident that world-wide attention was drawn to the advantages of British Columbia.

NEW INDUSTRIES.

During 1948 a consistent effort has been made by the Department to encourage and foster new industries in the Province. That this effort has borne fruit is evidenced by the fact that several new industries have been established through the direct assistance of the Department.

Continued effort is being made to increase the range of textile products manufactured in this Province. The manufacture of common glassware is a possibility, in which keen interest is now being shown.

There is definite interest in the possibilities for the expansion of the steel industry in British Columbia, and the Department is co-operating with interests who are now exploring the feasibility of producing iron and steel from British Columbia ores. Adequate supplies of steel would make possible many new items of production and assure prosperity of existing industries now handicapped by the over-all steel shortage.

Among the many important new industries started in British Columbia in the period covered by this Report is the plant of Felt and Textiles of Canada, Limited, at Victoria, manufacturing for the first time in Canada a high-quality all-wool floor-covering.

Another major industry is the plant of the Vancouver Rolling Mills, Ltd., producing rods and bars from scrap. The billets for this mill's operation are supplied by the new Vancouver Steel, Limited, Burnaby.

This year saw the start of construction of the $25,000,000 plant at Port Edward, near Prince Rupert, of the Columbia Cellulose Co., Ltd.; this plant will produce cellulose acetate.

At Duncan Bay, 8 miles north of Campbell River on Vancouver Island, the Canadian Western Timber Co., Ltd., has made definite arrangements for the building of a pulp-mill at a reported cost of $25,000,000. Still another mill, Nanaimo Sulphate Pulp Company, Ltd., is now being erected on Northumberland Strait, a few miles south of Nanaimo, at a cost of $12,000,000. All these are in addition to the pulp and paper mills now operating and the new mill of Bloedel, Stewart & Welch, Ltd., which commenced production this year. A further development in pulp products is the new cellulose-sponge plant in Vancouver producing artificial sponges from first-grade white pulp.

Development is not confined to the Coastal areas, as evidenced by new plywood developments at Quesnel. Dispersal of secondary production from the crowded centres to outlying areas is steadily proceeding.

An encouraging development is the preliminary survey of the Aluminum Company of Canada, Ltd., to determine power potential necessary for the establishment of a $300,000,000 plant for the production of aluminium. Recently two other aluminium companies have signified interest in the facilities for manufacture here. Canadian Industries, Limited, with two producing plants in British Columbia, is considering the value of a third plant to produce chemicals.

Not only Canadian capital is interested in the vast resources of this Province. European interests have recently entered the lumber industry, and others have signified more than passing interest in the possibilities here for textile production in all its branches.

The same is true of United Kingdom industrialists seeking to establish branch factories in the Province. In this category, a factory producing men's outer wear is assured, while production of textile, pulp and paper, leather, and metal manufactures are pending final decisions.

New additions to our range of manufactured articles include hard-board building material, mechanical pencils, and electrical fixtures.

Interest continues to be shown by Eastern Canadian and United Kingdom industrialists in the possibilities for investment in British Columbia.

The Department has revised a condensed pamphlet containing data on the primary and secondary industrial production of British Columbia. This pamphlet points out the advantages of this Province for industrial development.

CO-OPERATIVE CONTACTS.

The Department has consistently co-operated with the Boards of Trade, Chambers of Commerce, and the British Columbia Division of the Canadian Manufacturers' Association, and is grateful for the assistance which these organizations have so willingly and cheerfully provided.

All branches of the Department have continued their constructive contact with the Agent-General for British Columbia in London, England.

INDUSTRIAL AND TRADE REPRESENTATIVE, LONDON.

The Department of Trade and Industry's representative in British Columbia House has interviewed many United Kingdom business-men on the possibility of establishing branch plants in British Columbia during the year.

It is to be borne in mind that the difficulty of sterling transfer and the dollar crisis mitigates against many of the branch-plant inquiries being brought to fruition. However, in some cases exploratory parties have made surveys by visits to the Province. The Department in Victoria rendered every assistance possible to further these surveys.

There have been many inquiries from the smaller type of business-man, tradesman, craftsman, engineer, research chemist, etc. Many of these cases have proceeded beyond the inquiry stage and are either making arrangements to emigrate or have already arrived in the Province.

Many inquiries have been received of a diverse nature, for information on not only trade and industry, but on other aspects of life in British Columbia.

To immigrants or visitors, letters of introduction have been supplied, not only to Department of Trade and Industry officials, but to Boards of Trade, business associations, etc.

It has been found that these introductions are very much appreciated by the recipients and have had the result of saving them time and assuring them of the best possible contacts.

Contact with the commercial counsellors at Canada House, Ontario House, and with other Canadian Government offices in London has been well established.

Relations have been well established with British Government ministeries, and the assistance given by the Export Trade Promotion Department of the Board of Trade is most appreciated.

The co-operation of the London Chamber of Commerce, the Federation of British Industries, the Birmingham Chamber of Commerce, Canadian Trade Commissioners in Liverpool, Glasgow, and Belfast has been a great help in furthering the interests of our Province.

Many exhibitions or fairs held in London or in other centres, such as Birmingham, Manchester, Lincoln, were attended by the Industrial and Trade Representative.

One of the most pleasant duties falling to the lot of the office has been the assistance rendered to British Columbia business-men. Visits to trade fairs, introductions to Canada House and United Kingdom Government departments, itineraries suggested, and in some cases hotel accommodation and transportation space have been secured.

The office is now well organized to cater to the requirements of any British Columbia buyers, salesmen, etc., who might visit Great Britain or the adjacent Continent.

Since many people in this country wish to emigrate, it will be realized that it is comparatively easy to convince them that they should settle in British Columbia. However, the system adopted, not only by the Industrial and Trade Representative, but by others concerned at British Columbia House, is to tell such applicants that they must make up their own minds, and when they do, assistance in the way of advice and letters of introduction will be given to help them become established in their new environment.

It has been established that the majority of business and trade inquiries stem from an individual's desire to emigrate to British Columbia. For this reason the line of demarcation between an emigration inquiry and an industrial or trade inquiry is sometimes hard to define.

This office assisted the Agent-General in arranging the itinerary, accommodation, and transportation for the British Columbia buyers' delegation in the United Kingdom. Many interviews were arranged at British Columbia House during the delegation's stay in London. The Department's representative accompanied the delegation throughout their tour of industrial centres and assisted in every way possible to further their interests.

To sum up, it is the pleasure of the Industrial and Trade Representative to report that this office is now firmly established and is known as an integral part of official Canadian life in the United Kingdom.

The volume of inquiries and the sometimes overwhelming amount of work entailed have fully justified the need for this office.

STATEMENT OF LOANS OUTSTANDING, DECEMBER 31ST, 1948, DEPARTMENT OF TRADE AND INDUSTRY.

	Loans.	Interest.
B.C. Livestock Producers Co-operative Association	$6,000.00	$137.84
Charles Cormack	178.47	13.34

OFFICE OF TRADE COMMISSIONER.

HISTORY OF OFFICE.

This Report covers the third full year of operation of the Office, which was created by amendment to the "Department of Trade and Industry Act," effective April 1st, 1945.

The new unit replaced the Bureau of Industrial and Trade Extension, and is charged with the administrative functions formerly allotted to that Bureau. It carried into a peace-time pattern the Ottawa liaison responsibilities of the war years for effective use of local administrative machinery to serve the industries of the Province.

REGIONAL DEVELOPMENT.

For the outlying areas the industrial development functions of the Office have now been co-ordinated to the work of the Regional Development Division of the Department for surveys and directives to the field representatives in the Interior and northern areas. Increasingly effective use has been made of this liaison for contacts with industry, market problems, import surveys, itineraries, and related public relations endeavours, referred to elsewhere in this report.

PATTERN OF CONTACTS.

The Office continued its direct contact with industrial organizations and production units in the Province. It has been a clearing-house for industrial application of research results.

It co-ordinates the work of the Federal Foreign Trade Service and Federal Trade Commissioners abroad, so that special emphasis can be placed on selected problems affecting British Columbia. To this end it undertakes to collect and present factual data after intimate surveys of the local situation. In this phase of the work, close and effective liaison is maintained with the Vancouver representative of the Foreign Trade Service. His office was established April 1st, 1947.

DOMINION DEPARTMENT OF TRADE AND COMMERCE.

Liaison has been maintained, direct and through the clearing-house of the Vancouver office, Foreign Trade Service, to accomplish these main objectives:—

(1) Local planning in production and industrial surveys.
(2) Surveys of plant capacities.
(3) Surveys of overseas markets, in direct co-operation with the firms or industries concerned and the Federal Trade Commissioner service.
(4) Co-ordinated effort with commodity divisions at Ottawa to indicate sources of supply in British Columbia.
(5) Co-ordinated planning in two-way trade, in co-operation with Import Division, Foreign Trade Service; United Kingdom Trade Commissioner service; consulates; banks; transportation companies; and importers in the Province.
(6) Intimate assistance for procurement and routing problems of the foreign purchasing missions, direct and through the Canadian Commercial Corporation.
(7) Surveys and interpretative assistance to the import control units at Ottawa. Their relation to the Department of Trade and Commerce is referred to elsewhere in this Report.

Other Ottawa Contacts.

Effective liaison has been maintained with:—

(1) Industrial Development Bank, direct and through its regional organization in the Province.
(2) Export Credits Insurance Corporation.
(3) War Assets Corporation.
(4) Canadian Standards Association.
(5) Residual timber and steel controls.
(6) National Research Council and Federal departments concerned with industrial research.
(7) British Food Mission and purchasing agencies of foreign governments, to which reference is made elsewhere in this Report.

The Trade Commissioner has organized and maintained this liaison by personal contacts in Eastern Canada, and by assistance to officials and representatives who have been encouraged to visit the Province.

In visits to Ottawa, March and September, 1948, the Trade Commissioner renewed contacts and established new points of liaison and planned co-operation with the reorganized Department of Trade and Commerce. In particular, he studied the methods under which the residual commodity controls and import controls have been passed to the administrative jurisdiction of Trade and Commerce from Reconstruction and Supply.

Special developments in the United Kingdom are dealt with elsewhere in the report. These have been co-ordinated to over-all planning and policy at Ottawa.

IMPORT RESTRICTIONS.

The last Annual Report noted that the imposition of these controls had placed a new responsibility on the Trade Commissioner's Office. It was felt from the outset that local assistance to Ottawa and local interpretation and help to firms in the Province would be increasingly necessary. That has proved true. The sweeping changes in production and tariff policy have had a serious impact in the Province. The Office of Trade Commissioner has:—

(1) Given assistance to Ottawa in public relations phases.
(2) Helped small firms to secure urgently needed supplies of restricted materials and parts.
(3) Surveyed assembly and new production plans directly related to the new controls.

UNITED KINGDOM SURVEY.

The office of Industrial and Trade Representative was established at British Columbia House in London, February, 1947. The work of the office has fully justified the decision that a liaison would be effective in London to place emphasis on the problems of the Province in its United Kingdom trading structure.

During 1948 effective use was made of this liaison in the troubled trade conditions referred to elsewhere in this Report.

The overseas office has been increasingly useful in planning for itineraries of visitors from British Columbia and in arranging for visits of United Kingdom industrialists and missions.

The Industrial and Trade Representative is attached to the executive staff of the Agent-General. He reports directly to the Trade Commissioner in many phases of his work.

The surveys and contacts in London are co-ordinated to the over-all planning at Canada House. The work of the Trade Commissioner at Victoria is welded to the over-all

planning at Ottawa. Effective plans of co-operation have also been worked out with the Commercial Relations and Exports Department of the British Board of Trade and the United Kingdom Trade Commissioner service in Canada.

Further outline of London activities is contained in the general section of this Report. Following is a summary of those activities directly related to the Office of Trade Commissioner:—

(1) United Kingdom furtherance of production and other surveys initiated in British Columbia under wood products, foodstuffs, metals, and other headings. In particular, this called for active liaison with agricultural and timber specialists at Canada House.
(2) Licence manufacture where contacts are initiated in the United Kingdom, entailing surveys in the engineering industry there and placement surveys in British Columbia.
(3) Licence manufacture in the United Kingdom of British Columbia products.
(4) Furtherance of exports from British Columbia for world markets through United Kingdom export houses.
(5) Itineraries and survey contacts for visiting representatives from British Columbia.
(6) Itineraries, introductions, and survey plans for industrial visitors from the United Kingdom.
(7) Inquiries for export from the United Kingdom.

The directive calls for close association in the related work of transportation companies, Canadian and overseas banks, and trade organizations here and in the United Kingdom. This effective formula has prevented duplication, has resulted in exchange of information, and has strengthened the Department's position with the organizations concerned.

EXPORT SURVEYS.

While there was a decline in total export movement through British Columbia ports in 1948, as compared with the all-time high recorded for the previous year, the charting of the total does not tell the whole story.

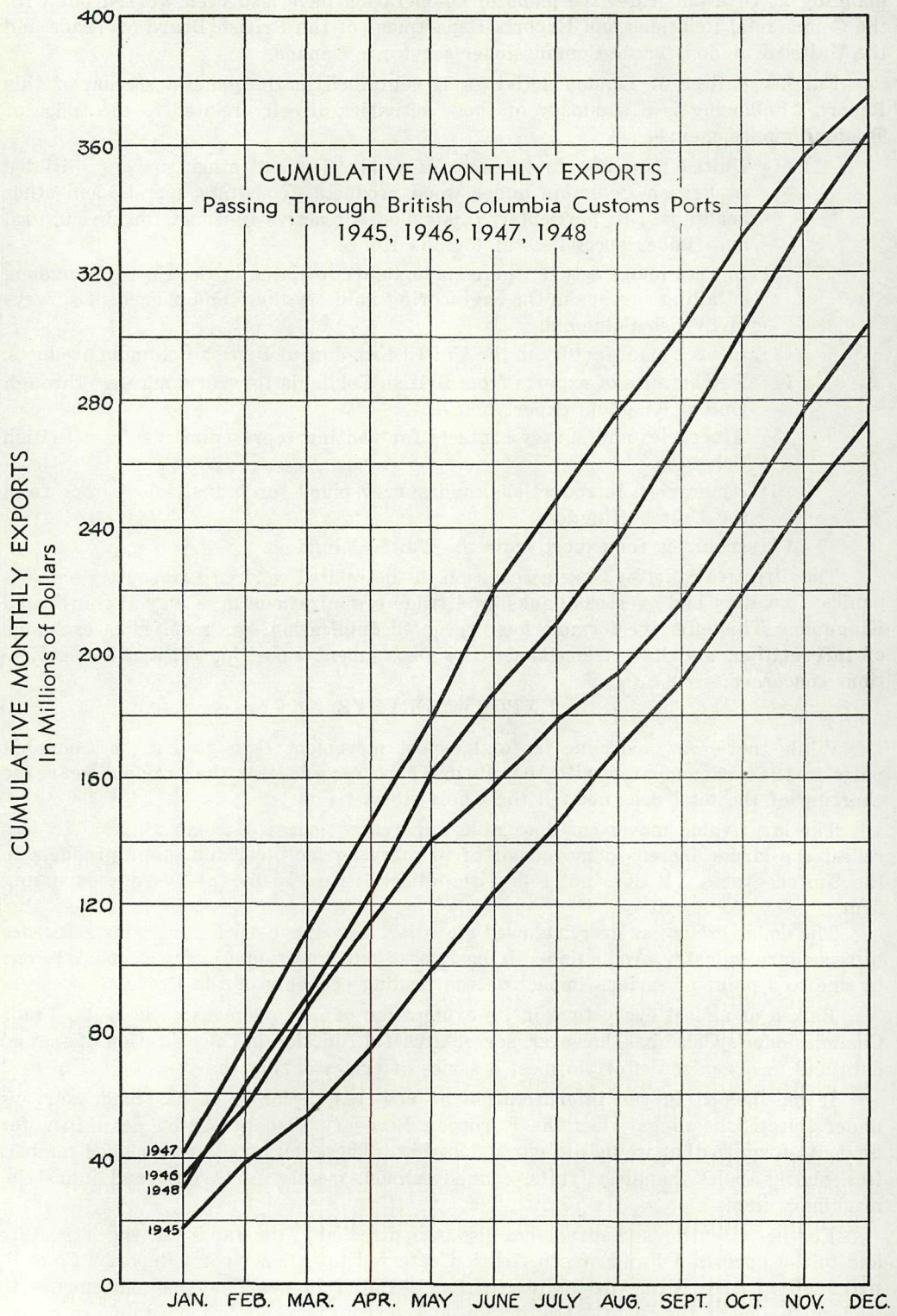
The large-value movement does reflect increased prices of commodities. It does reflect the larger increased movement of primary agricultural and other products to the United States. It does not reflect the difficulties faced by the average exporting firm.

The dollar crisis has overshadowed all export movement, with particular reference to secondary-industry production. It has closed out traditional overseas markets one by one to a point of serious impact on the trading economy of the Province.

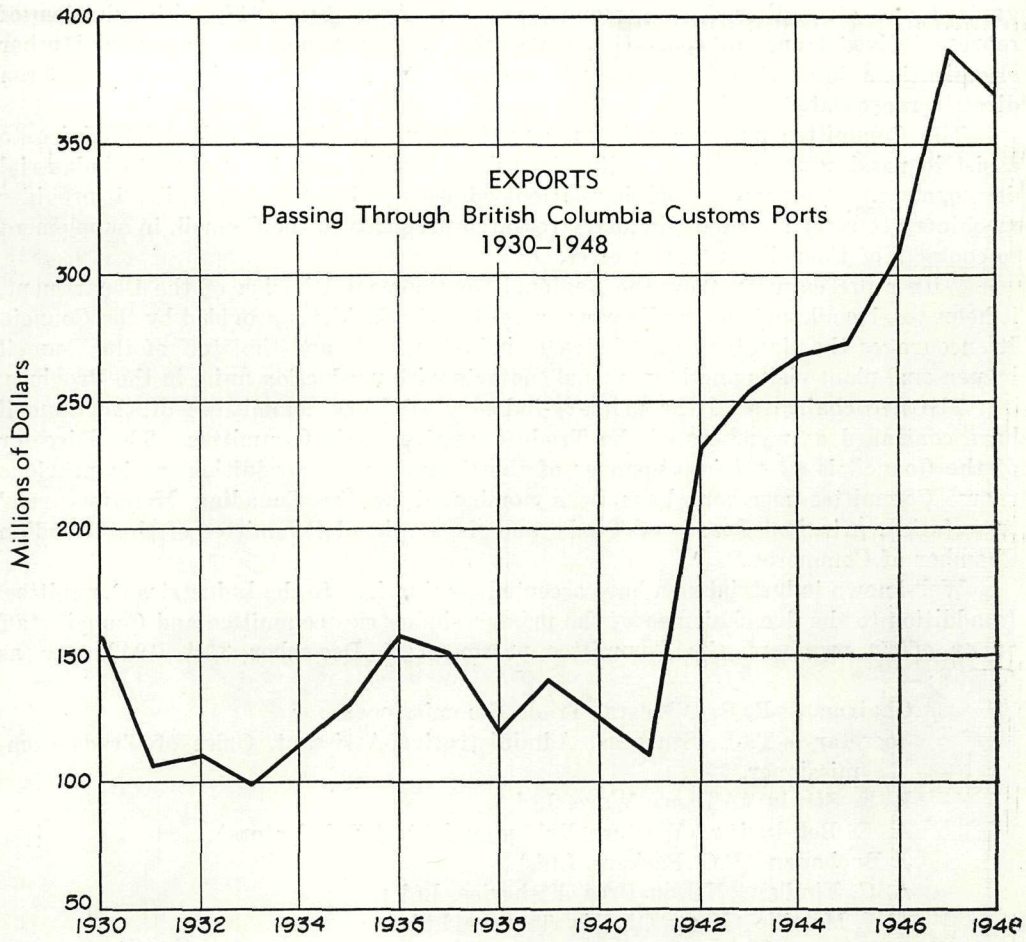
Balked at almost every turn in its exploration of new overseas outlets, the Trade Commissioner's Office has, however, served a useful function in the collection of factual data and in organized effort to meet a series of crises during the year.

It has helped in the interpretation of new restrictions. It has made surveys under selected headings when the European Recovery Plan presented possibility for financial formula that would aid our industries. These surveys have included lumber, ties, shooks, poles, handles, fruits, canned salmon, metals, fertilizers, and industrial machinery items.

Further attention and survey has also been directed to the Japanese trade structure and to the uncertain Far Eastern position referred to in last year's Report. Co-ordinated effort with Vancouver interests has resulted in some volume movements to Venezuela, one of the few Central or South American markets left with dollars to pay for anything but essential items.



Source: British Columbia Bureau of Economics and Statistics.



Source: British Columbia Bureau of Economics and Statistics.

In co-operation with the Canadian Commercial Counsellor in Stockholm, the office was able to secure resumption of import quotas for battery separators to Sweden.

The loss or curtailment of United Kingdom markets has been one of the most serious trading developments in the Province during the year. At Ottawa, and from Victoria, the Trade Commissioner has been intimately concerned in presenting the factual position to the authorities. He has also assisted local organizations and selected industries to prepare material under the same heading.

INDUSTRIAL RESEARCH DEVELOPMENTS.

The Office continued its active association with the work of the British Columbia Research Council, to which reference is made elsewhere in this Report.

The Trade Commissioner has continued as member *ex officio* of the board of management of the Council. He is chairman of the Industries Advisory Committee. The Administrative Assistant, Office of Trade Commissioner, is secretary of the Industries Advisory Committee.

INDUSTRIES ADVISORY COMMITTEE.

Secondary industry has again been provided with clearly defined channels to present its research problems. The Industries Advisory Committee itself was reor-

ganized and strengthened in personnel as from April 1st, 1947, with addition of representatives from transportation companies, power companies, banks, and other organizations interested in industrial development. Heretofore they had not been directly represented in the application phases of the work of the Council.

The Committee now presents an effective cross-section of industrial advice to assist in passing on results of industrial research which can be applied to industrial development. It serves as a public relations advisory unit for the Council. It provides machinery to refer secondary-industry research problems to the Council, in supplement to contacts of Council staff themselves.

With representation from the Regional Development Division of the Department, it helps to give all parts of the Province access to the facilities provided by the Council. It encourages the closest contact between industry itself and the staff of the Council by personal plant visits and by personal contacts with production units in the Province.

The five chairmen of the primary-industry advisory committees of the Council have continued as members of the Trade Commissioner's Committee. The Director of the Council is *ex officio* a member of the Committee. In addition, as in previous years, Committee members have been nominated by the Canadian Manufacturers' Association, principal Boards of Trade, and the Regional Committee of the Canadian Chamber of Commerce.

Well-known industrial men have accepted nominations to the Industries Committee. In addition to the five chairmen of the primary-industries committee and Council staff or *ex officio* members, the Committee personnel at December 31st, 1948, was as follows:—

Chairman—R. S. O'Meara, Trade Commissioner.
Secretary—T. L. Sturgess, Administrative Assistant, Office of Trade Commissioner.
R. E. Strain (Alliance Ware, Ltd.).
A. E. Bell-Irving (Western Bridge and Steel Fabricators).
J. Buchanan (B.C. Packers, Ltd.).
A. C. Findlay (Nelson Bros. Fisheries, Ltd.).
J. K. Melville (Home Oil Distributors, Ltd.).
J. Malkin (W. H. Malkin Co., Ltd.).
L. V. Clegg (Canadian Industries, Ltd., New Westminster).
A. W. McIntyre (B.C. Paint, Ltd., Victoria).
A. Saunders (Sidney Roofing, Ltd., Victoria).
G. F. Harkness (Industrial Agent, Canadian National Railways).
J. E. Underhill (Director of Industrial Development, B.C. Electric, Ltd.).
H. A. Francis (Industrial Agent, Canadian Pacific Railway).
N. C. Tompkins (Industrial Development Bank).
D. F. Manders (National Research Council).
J. T. Gawthrop (Regional Development Division, Department of Trade and Industry).
John Kerr (British Ropes, Ltd.).
W. G. Lambert (Mohawk Handle Co.).
N. Terry (Canadian Sumner Iron Works).
F. W. Smelts (Department of Labour).
Everard Clarke (Shuswap Okanagan Dairy Industries Co-operative Association, Vernon).
Prof. Ellis Morrow (Department of Commerce, University of British Columbia).
E. M. Herb (Westminster Paper Co., New Westminster).
W. M. Sellens (Chairman, Pacific Subsection, Bankers' Association).
Dr. S. E. Maddigan (*ex officio*).

FOREIGN TRADE BUREAU, VANCOUVER BOARD OF TRADE.

The Trade Commissioner is a member of the executive of the Bureau. Co-ordinated effort here has been a feature of the period under review:—

(1) World Trade Week, June, 1948.
(2) Joint efforts in connection with Educational Luncheon Series during the year—documentation, export practice, import and foreign exchange regulations, Geneva Trade Agreements, marine insurance, ships and shipping.
(3) United efforts in particular with Latin-American Committee for surveys of South American trade.
(4) Co-operation with the University in regard to fellowships for foreign students, and arrangement for plant visits, etc., for students from foreign countries.
(5) Co-ordinated efforts in connection with International Trade Fair for 1948 and 1949.
(6) Co-operation in visits of Federal Trade Commissioners, and introductions, surveys, etc., for visiting foreign representatives and buyers.
(7) Leadership by Vancouver Board of Trade, which helped the Department to give outlying areas adequate access to information and regulations.
(8) Co-operation in arrangements for the Canadian Chamber of Commerce Annual Convention, Vancouver, October 26th, 27th, and 28th.

WORLD TRADE WEEK.

The Trade Commissioner was chairman of the Provincial Committee for World Trade Week, May 30th to June 5th, 1948. There was active co-operation from industrial organizations in the Province, with local committees in charge of arrangements in the urban centres. The Regional Development Division assisted in covering the Interior and northern areas for the Province.

With the slogan "More trade, more jobs," World Trade Week was an effort to bring to the attention of every Canadian the necessity of maintaining and increasing our trade with other countries. The Provincial observance was welded to the work of the National Committee in Toronto. Sponsoring organizations included the Canadian Chamber of Commerce, Canadian Manufacturers' Association, Canadian Exporters' Association, Canadian Section of the International Chamber of Commerce, and the Canadian Importers' and Traders' Association.

The Foreign Trade Service at Ottawa co-operated through its Trade Publicity Division. Provincial Department of Trade and Industry assistance included advertising in the daily and weekly papers of the Province.

The British Columbia Committee for World Trade Week is as follows: Chairman, R. S. O'Meara (Trade Commissioner); M. W. Berridge; W. J. Barrie; H. W. Brighton; E. A. G. Colls; F. W. Dodson; J. T. Gawthrop; Roger Hager; H. C. Holmes; F. D. Mathers; H. P. Menzies; A. E. McMaster; R. V. Robinson; R. M. Winslow; L. T. Wood; secretary, T. L. Sturgess; associate secretary, E. T. Orr.

INTERNATIONAL TRADE FAIR.

The Office co-operated effectively with local organizations and with the National Committee in arrangements for the First International Trade Fair at Toronto, June, 1948.

In co-operation with all the plywood manufacturers, arrangements were made to panel the interior of the directors' room at Toronto with material from British Columbia. A plaque suitably inscribed bears witness to the co-operation, and the room is a permanent feature at the Exhibition Grounds.

For 1949 the Trade Commissioner's Office has set up a co-ordinating committee in Vancouver to survey the position for adequate representation of buyers and exhibitors from British Columbia at the Second International Trade Fair scheduled May 30th to June 10th, 1949.

In this the Trade Commissioner is working in direct co-operation with the office of the Foreign Trade Service, Vancouver; the Boards of Trade; and the British Columbia Division of the Canadian Manufacturers' Association.

SPECIAL PRODUCTS BOARD.

The Trade Commissioner has continued as agent of the Special Products Board, Ottawa, for movement of fruit-pulps and SO_2 fruits to the United Kingdom Ministry of Food.

The Office has handled all local procurement, contractual, warehousing, shipping, and payment arrangements covering more than 10,000 net tons of SO_2 fruits and fruit-pulps.

The dollar crisis precluded United Kingdom contracts during the year under review.

A record total of 18,956 barrels was shipped during 1947 in all processed-fruit varieties, compared with 13,512 barrels in 1946, 7,721 barrels in 1945, and 4,050 barrels in 1944.

A comparative net fruit tonnage (short tons, 2,000 lb. net fruit content) for the four years is as follows:—

	1944.	1945.	1946.	1947.
	Tons.	Tons.	Tons.	Tons.
SO_2 raspberries	700	1,345	2,341	2,910
SO_2 strawberries	100	.....	.....	450
Greengage-pulp	.....	205	374	403

SURPLUS INVENTORY.

In spite of flood loss, the suppliers found themselves with surplus small-fruit inventory at the close of the 1948 processing season. Raspberries presented the main problem. The suppliers were warned early in the year that United Kingdom orders might not be forthcoming. There was a move to limit SO_2 stocks by throwing more into custom freezing, in line with the industry's desire to reduce to a minimum the impact effect of losing the United Kingdom market. Unsold frozen stocks have added to the inventory problem.

A very complex position was created for the co-operative managements, their growers, and the banks concerned. Departmental responsibility centered in phases affecting or affected by the United Kingdom contracts.

SPECIAL SO_2 FRUIT SURVEYS.

Unfortunately, the United Kingdom market has presented the main outlet for overseas volume sales of SO_2 fruits. However, the Trade Commissioner has made intensive surveys to find alternate overseas markets. Trial shipment was made to South Africa, and special surveys were made for possibilities in Venezuela, Newfoundland, and Palestine.

At the close of the year a new and promising opportunity was presented in Ireland. It is hoped that European Recovery Plan funds may be made available for considerable tonnage movement to that country. Every effort will be made to direct this business to British Columbia, to ease the present inventory position. A special survey has been

undertaken by the Trade Commissioner's Office in co-operation with the Food Section, Department of Trade and Commerce, Ottawa, and the Canadian Commercial Secretary in Dublin.

OPEN HOUSE WEEK.

A special committee for Open House Week, May 16th to 22nd, was set up in Vancouver under the chairmanship of Alex Eastwood. The Trade Commissioner was Departmental representative on this committee, which arranged Province-wide observance of "open house for industries."

The Vancouver Board of Trade enlisted the co-operation of the Board of Trade movement in British Columbia and of various industrial organizations in the Province.

The Regional Development Division of the Department of Trade and Industry gave effective assistance for the outlying areas. Departmental co-operation included advertising in weekly and daily newspapers throughout the Province.

The immediate objective was a timed observance to give to employees' relatives and interested people an opportunity of viewing the industries in their localities. By conducted tours they were able to obtain an appreciation of what industry is doing in support of the community and living standards in British Columbia. The long-term objective was a principle of public relations to co-ordinate all interests in the operations and problems of industry.

The response from industry was gratifying; this concept and timed planning has roused interest in other parts of Canada and overseas.

TRANSPORTATION.

Mention must be made of the effective basis of co-operation maintained in transportation problems:—

(1) With the Transportation and Customs Bureau of the Vancouver Board of Trade, including financial assistance for Provincial cover in car-loading regulations, rate structures, and other problems.
(2) With industry in the preparation of briefs and data for freight-rate hearings. As in 1947, the main Departmental burden under this heading was carried by the Bureau of Economics and Statistics.
(3) With steamship companies, railroad companies, and air lines on routing and other matters.
(4) With industrial departments of the railways, through head offices and regional organizations.
(5) With the air lines in the development of air cargo movement, domestic and overseas.
(6) With the newly created Canadian Maritime Commission, Ottawa.

PUBLIC RELATIONS, ITINERARIES AND INTRODUCTIONS.

This important field of work has developed greatly during the year. The Trade Commissioner has been able to give assistance under six main headings:—

(1) Itineraries and other arrangements for business visitors from Eastern Canada and overseas.
(2) Arrangements for visits of officials from Ottawa, and for tours of Federal Trade Commissioners.
(3) Co-operation in connection with United Kingdom and other trade missions. Outstanding among these items was the visit during the year of the United Kingdom engineering mission.
(4) Arrangements for visits of diplomatic representatives and High Commissioners of Commonwealth countries.

(5) Co-operation with local consular corps and with offices of commonwealth and foreign governments. Special reference is made to the happy and effective basis of co-operation maintained with the Vancouver office of the United Kingdom Trade Commissioner and the Vancouver office of the Australian Government Trade Commissioner.

(6) Attendance at annual and special meetings of Provincial and National trade organizations.

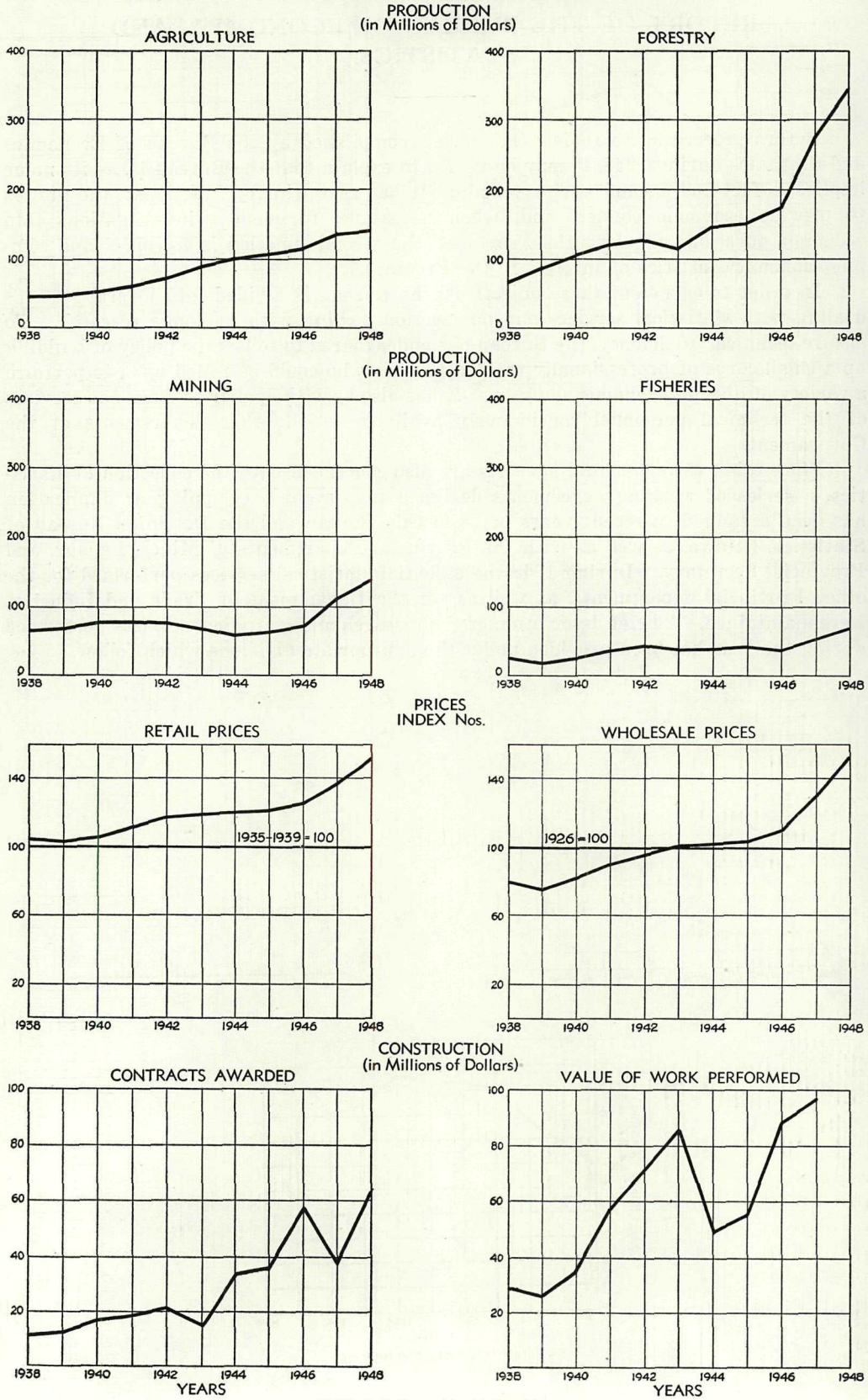
REPORT OF THE BUREAU OF ECONOMICS AND STATISTICS.

Before proceeding to review the work accomplished by the Bureau of Economics and Statistics during 1948, it may be useful to explain that the Bureau is, as its name implies, a fact-finding and advisory body. It has two primary functions: the first is to provide economic counsel and, when necessary, to conduct investigations into economic questions affecting the Province; the second function is to collect and compile economic statistics of interest to the Province.

In order to carry out these objectives, the Bureau is divided into several sections dealing with statistical services and one section dealing with economic research. To ensure technical proficiency, the Bureau has endeavoured to follow the policy of building up a small corps of professionally trained persons who could be relied upon to perform a variety of difficult economic analyses. It has also been the policy to make the services of the technical personnel continuously available to all other departments of the Government.

Since other Governmental agencies are also concerned with the collection of statistics, a series of working agreements designed to prevent overlapping or duplication has been arranged in recent years between this Bureau and the Dominion Bureau of Statistics, Ottawa, as well as with the Provincial Departments of Mines, Labour, and Provincial Secretary. During 1948 the essential statistical services performed for the other Provincial departments, as well as for the Department of Trade and Industry, were maintained. A brief description of the research and statistical services performed during the year has been provided under the appropriate divisions which follow.

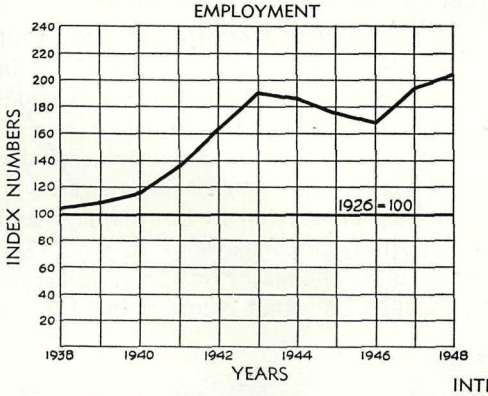
Economic Activity in British Columbia, 1938–48.



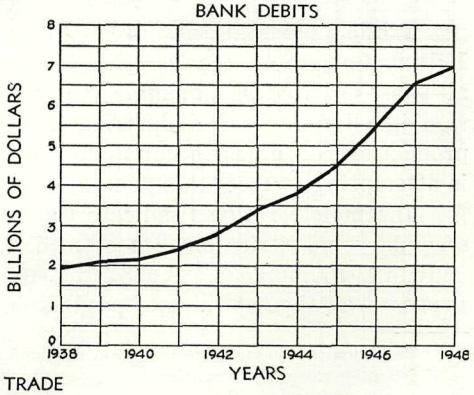
1948 statistics subject to revision.

ECONOMIC ACTIVITY IN BRITISH COLUMBIA, 1938–48—*Continued.*

EMPLOYMENT

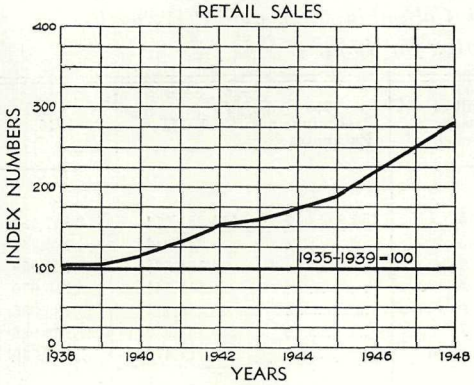


BANK DEBITS

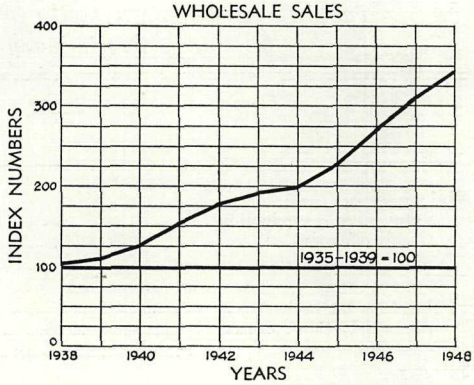


INTERNAL TRADE

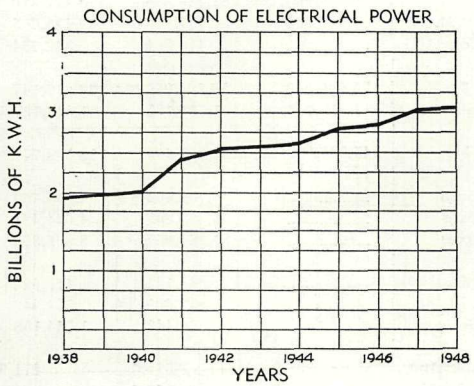
RETAIL SALES



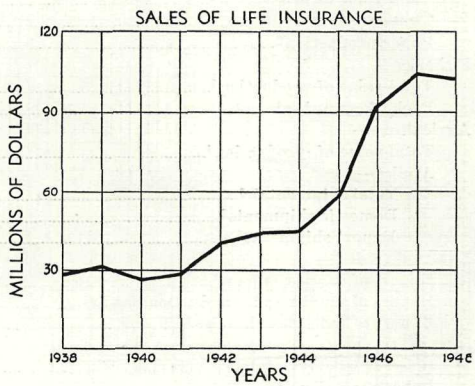
WHOLESALE SALES



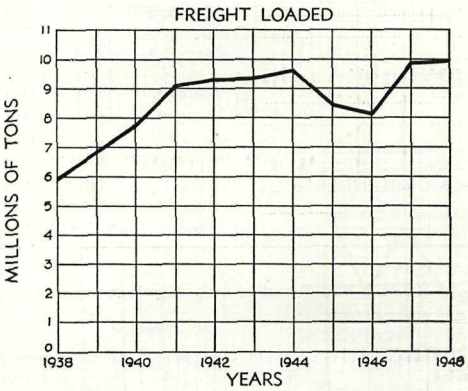
CONSUMPTION OF ELECTRICAL POWER



SALES OF LIFE INSURANCE



FREIGHT LOADED



1948 statistics subject to revision.

REVIEW OF BUSINESS ACTIVITY IN BRITISH COLUMBIA.

While final statistics are not yet available, preliminary statistics indicate that British Columbia's economy is running at a new all-time high. Business activity in all phases of British Columbia industry has shown increases, with the value of production in all four basic industries expected to reach new highs in 1948. Pressure of production continues to dominate the British Columbia scene and productive capacity is attempting to meet this demand occasioned by a high level of purchasing-power.

Incomplete returns indicate that the net value of production in the primary and secondary industries amounted to $785,000,000* in 1947, as compared with $591,475,-855† in 1946 and $535,488,648† in 1945. Practically all of the major business indicators suggest that the net value of production for 1948 will surpass that recorded in 1947.

* Preliminary estimate, Bureau of Economics and Statistics.
† Dominion Bureau of Statistics.

Table 1.—Economic Activity in British Columbia, 1946 and 1947, with Preliminary Estimates for 1948.

	Unit or Base Period.	1948 Preliminary Estimates.[9]	1947.	1946.
Mining—				
Total value of production[1]	$	150,000,000	113,221,254	71,807,951
Go'd production[1]	Fine oz.	.....	249,013	134,747
Silver production[1]	$	.....	4,109,538	5,324,959
Copper production[1]	$	.....	8,519,741	2,240,070
Lead production[1]	$	.....	41,884,977	23,489,335
Zinc production[1]	$	.....	30,147,039	21,143,086
Coal production[1]	Long ton	.....	1,717,476	1,463,640
Forestry—				
Total value of production[2]	$	360,000,000	282,288,388	173,471,370
Timber scaled[2]	M B.M.	4,300,000	4,187,816	3,193,665
Paper production[2]	Ton	.....	410,994	342,754
Fisheries—				
Total value of production[6]	$	70,000,000	58,764,950	43,817,147
Pack of canned salmon[3]	Cases	1,313,909	1,527,135	1,348,137
Agriculture—				
Total value of production[4]	$	145,000,000	134,508,400	118,588,777
Apples—				
Total shipments[5 6]	Boxes	.....	6,792,906	8,500,790
Domestic shipments[5]	Boxes	.....	4,838,249	4,634,424
Export shipments[6]	Boxes	.....	1,954,657	3,866,366
External trade—				
Export of canned salmon[6]	Cwt.	.....	368,143	479,021
Export of planks and boards, Douglas fir[6]	M Ft.	.....	877,600	574,649
Export of red-cedar shing'es[6]	Sq.	.....	2,024,442	1,744,158
Internal trade—				
Index of wholesale sales[6]	1935–39=100	338.0	314.6	271.9
Index of retail sales[6]	1935–39=100	280.0	250.6	221.8
Department stores	1935–39=100	300.0	264.3	228.3
Food-stores	1935–39=100	258.0	229.7	202.8
Fuel-oil consumed[6]	Barrels*	3,765,000	3,389,929	2,863,578
Railway freight loaded in British Columbia[6]	Tons	10,000,000	9,904,060	8,171,456
Consumption of electric power[6]	000 kwh.	3,430,000	3,011,763	2,820,118
Sales of life insurance[6]	000 $	104,200	103,104	92,064
Construction—				
Contracts awarded[6]	000 $	71,000	39,460	58,708
Value of work performed in construction industry[6]	000 $	Not available	148,813	54,211
Building permits issued[6]	000 $	85,000	59,070	61,233
Finance—Bank debits[6]	000 $	7,043,620	6,539,916	5,367,594

1 British Columbia Department of Mines.
2 British Columbia Department of Lands and Forests, Forest Service.
3 British Columbia Department of Fisheries.
4 British Columbia Department of Agriculture.
5 British Columbia Tree Fruit Board.
6 Dominion Bureau of Statistics.
* Thirty-five imperial gallons per barrel.

Table 1.—Economic Activity in British Columbia—Continued.

	Unit or Base Period.	1948 Preliminary Estimates.[9]	1947.	1946.
Tourist trade—				
Automobile entries on sixty-day permits[6]	Number	191,572	205,216	178,595
Estimated expenditure of the United States tourist in British Columbia[7]	$	34,000,000	32,389,000	34,576,000
Employment—[6]				
All employment	1926=100	203.0	193.7	166.6
Manufacturing	1926=100	.....	217.0	195.7
Iron and steel products	1926=100	.....	309.4	338.2
Lumber products	1926=100	.....	172.5	128.5
Pulp and paper	1926=100	.....	202.6	181.0
Textile products	1926=100	.....	231.3	210.6
Other manufacturing	1926=100	.....	233.0	219.0
Mining	1926=100	.....	106.1	89.9
Logging	1926=100	.....	199.1	143.0
Construction	1926=100	.....	168.2	130.7
Communication	1926=100	.....	180.8	161.9
Transportation	1926=100	.....	158.9	139.0
Services	1926=100	.....	247.1	210.9
Trade	1926=100	.....	238.1	209.8
Salaries and wages[8]	$	625,000,000	557,000,000	403,161,610

[6] Dominion Bureau of Statistics.

[7] Bureau of Economics and Statistics, preliminary estimate; 1945, 1946, and 1947, Dominion Bureau of Statistics estimates.

[8] Bureau of Economics and Statistics, Labour Division.

[9] Subject to revision.

THE RESEARCH DIVISION.

External Trade of British Columbia.

The agreement between this Bureau and the External Trade Branch, Dominion Bureau of Statistics, consummated in the fall of 1938, has continued in force. Under this agreement the Bureau receives monthly a duplicate set of punch-cards showing in detail the importation and exportation of every commodity normally listed in the Federal trade reports which has been recorded at customs ports located in this Province. While these records do not distinguish the exported merchandise originating in British Columbia, nor the imports destined for consumption in this Province, from the other goods passing through these customs ports, the records do provide the basis for a very comprehensive annual report on the foreign trade of British Columbia.

Preliminary statements showing the external trade through British Columbia customs ports covering commodities with an aggregate value of $50,000 and over are now published annually. In addition, statements showing the trade through British Columbia customs ports are prepared monthly. These reports cover all exports valued at $25,000 and over and all imports valued at $15,000 and over. A brief insight into the foreign trade of British Columbia for the period 1939 to 1947 can be secured from Tables 2 and 3. Only the main commodity groups have been shown in these tables.

Table 2.—Exports, by Commodity Groups, to the British Empire and Foreign Countries of British Columbia Products, for the Years 1939–47, inclusive (excluding Gold).*

Commodity Groups.	1939.	1940.	1941.	1942.	1943.	1944.	1945.	1946.	1947.
Agricultural and farm products	$7,649,538	$5,507,659	$6,250,457	$5,053,056	$5,650,527	$12,848,393	$19,428,071	$17,248,916	$25,499,726
Fish and fishery products	13,345,446	13,709,207	19,443,919	21,821,813	18,983,186	20,019,322	24,111,478	25,143,476	31,211,168
Fibre and textile products	69,234	61,304	99,396	17,162	2,983	3,209	223,737	144,294	53,799
Wood, wood products, and paper	57,924,968	70,033,016	79,970,695	73,101,882	63,598,853	73,415,257	89,306,769	105,644,664	188,126,627
Iron and its products	392,664	.....	258,805	189,452	29,376	93,477	272,423	55,417	743,002
Non-ferrous metals and products	26,620,036	28,398,195	25,739,720	24,721,731	20,605,359	12,784,917	17,199,483	24,808,660	45,608,183
Non-metallic minerals and products	1,500,717	1,046,159	1,079,876	1,740,118	2,818,156	2,990,976	2,365,593	3,255,992	3,143,373
Chemicals and allied products	4,073,297	4,666,574	4,632,100	4,528,284	9,448,812	11,532,206	17,688,983	16,949,685	21,320,073
Miscellaneous products	419,558	317,387	385,612	89,888,097	78,659,511	45,898,381	34,048,244	12,463,774	3,774,788
Totals, all products	$111,995,458	$123,739,501	$137,860,580	$221,061,595	$199,796,763	$179,586,138	$204,644,781	$205,714,878	$319,480,739

* Includes exports through all Canadian ports in the case of some products that are considered to be of British Columbia origin.

Table 3.—Imports, by Commodity Groups, from the British Empire and Foreign Countries consumed in British Columbia for the Years 1939–47, inclusive (excluding Gold).

Commodity Groups.	1939.	1940.	1941.	1942.	1943.	1944.	1945.	1946.	1947.
Agricultural and vegetable products—									
For food	$12,073,299	$12,410,798	$13,828,596	$12,454,330	$15,535,624	$19,316,897	$21,065,231	$27,268,593	$35,841,871
Not for food	2,402,803	3,637,982	2,939,494	2,218,636	1,787,668	1,884,698	3,001,536	3,413,959	3,985,098
Animals and animal products	1,807,703	1,967,731	2,043,111	1,776,526	2,123,163	1,815,985	1,843,827	3,109,032	3,768,958
Fibres, textiles, and products	4,146,411	5,237,515	7,475,182	7,409,915	9,868,809	6,152,540	5,571,355	8,246,846	16,585,586
Wood, wood products, and paper	2,742,074	2,607,876	1,896,423	1,866,207	1,926,269	2,341,431	3,081,440	4,082,490	6,004,983
Iron and its products	11,392,167	15,899,915	21,977,216	23,165,299	28,718,679	22,927,614	20,390,512	34,756,633	56,726,803
Non-ferrous metals and products	1,557,593	2,036,435	3,364,231	3,324,563	6,506,451	4,620,713	4,031,379	4,907,370	8,434,714
Non-metallic minerals and products	13,472,876	12,964,078	11,955,289	13,986,279	14,521,734	17,318,339	16,745,503	22,938,014	36,474,816
Chemicals and allied products	2,671,722	3,034,223	3,673,680	2,968,606	3,047,826	3,404,160	3,693,899	4,407,765	6,104,626
Miscellaneous products	6,526,451	4,409,056	7,757,778	18,058,296	32,948,473	38,486,268	29,503,525	9,985,390	15,936,547
Totals, all products	$58,793,099	$64,205,609	$76,911,000	$87,228,657	$116,984,696	$118,268,645	$108,928,207	$123,116,092	$189,864,002

From Table 2 it may be seen that exports in 1947 reached an all-time high of $319,480,789, an increase of 185.26 per cent. since 1939. From Table 3 it may be seen that imports also reached a new high of $189,864,002, an increase of 222.94 per cent. since 1939.

British Columbia products were exported to ninety-nine different countries during 1947. The principal markets were United States, $118,462,213; United Kingdom, $93,071,545; Australia, $14,510,895; Union of South Africa, $11,125,521; France, $11,001,157; China, $9,267,046; Netherlands, $9,071,523; and Palestine, $5,827,339.

In point of value the most important British Columbia products exported during 1947 were planks and boards, lead, newsprint paper, fertilizers, red-cedar shingles, plywoods, canned salmon, canned herring, apples, copper, and zinc.

Imports were brought into British Columbia from seventy-four different countries during 1947. The leading sources of supply for British Columbia importers during 1947 were United States, $142,531,526; United Kingdom, $13,413,460; British India, $6,140,042; Philippine Islands, $5,782,529; Fiji Islands, $4,171,881; Colombia, $2,597,-748; Cuba, $2,534,766; and Australia, $1,543,684.

In point of value the most important products imported for consumption in British Columbia during 1947 were gasoline, crude petroleum, sugar, coffee, copra, logging machinery, jute fabrics, gasoline traction engines, tin-coated sheets, and tea.

Preliminary 1948 statistics indicate there will be a decrease in the value of exports, with the value of imports through British Columbia customs ports remaining about the same as 1947.

COST OF LIVING IN BRITISH COLUMBIA.

In August of 1947 the Bureau of Economics and Statistics discontinued the collection of material used in, and the compilation of, the cost-of-living index. It was decided at this time that the cost-of-food index, being a useful measurement, should be maintained.

There were two major reasons for discontinuing the cost-of-living index. Primarily, the index was no longer fulfilling the function for which it was organized—a basis for relief payments. Also, it was being used as a measure of costs in various labour arbitrations and adjustments in salaries and wages, for which it was not designed.

Secondly, the index would not stand up under strong statistical analysis, nor could it be considered to satisfy the standards of economists. The index was based on nutrition standards, which have not a direct relationship to actual expenditures. For its originally designed purpose, the index was adequate. When this purpose no longer existed, it was decided that the measure should be discontinued and the cost-of-living figures published by the Dominion Bureau of Statistics, Ottawa, be the official reference.

The cost-of-food index was continued, and the information is published in the quarterly report on cost of food in British Columbia.

Table 4.—Dominion Bureau of Statistics Index Numbers of the Cost of Living in Canada, 1939–48.

Month.	Adjusted to Base 100.0 for August, 1939.	On Base of Average Prices 1935–39 as 100.						
		Total.	Food.	Rent.	Light and Fuel.	Clothing.	Home Furnishings and Services.	Miscellaneous.
1939, yearly average	.....	101.5	100.6	103.8	101.2	100.7	101.4	101.4
January	100.3	101.1	99.9	103.4	101.0	100.2	101.7	101.1
February	99.9	100.7	98.7	103.4	101.0	100.2	101.7	101.1
March	99.8	100.6	98.5	103.4	100.4	99.9	101.2	101.1
April	99.8	100.6	98.3	103.4	100.4	99.9	101.1	101.4

Table 4.—Dominion Bureau of Statistics Index Numbers of the Cost of Living in Canada, 1939–48—Continued.

Month.	Adjusted to Base 100.0 for August, 1939.	On Base of Average Prices 1935–39 as 100.						
		Total.	Food.	Rent.	Light and Fuel.	Clothing.	Home Furnishings and Services.	Miscellaneous.
1939—*Continued.*								
May	99.8	100.6	98.2	103.8	100.2	99.9	101.1	101.4
June	99.7	100.5	98.1	103.8	99.8	100.1	101.0	101.3
July	100.0	100.8	99.0	103.8	99.3	100.1	100.9	101.3
August	100.0	100.8	99.3	103.8	99.0	100.1	100.9	101.3
September	100.0	100.8	99.4	103.8	98.9	99.6	100.8	101.3
October	102.7	103.5	106.3	104.4	104.4	99.6	101.0	101.7
November	103.0	103.8	107.1	104.4	105.3	99.6	101.0	101.9
December	103.0	103.8	104.7	104.4	105.4	103.3	104.1	102.0
1940, yearly average	.....	105.6	105.6	106.3	107.1	109.2	107.2	102.3
January	103.0	103.8	104.5	104.4	105.5	103.3	104.3	101.8
February	103.0	103.8	104.5	104.4	105.8	103.3	104.3	101.9
March	103.8	104.6	104.8	104.4	105.7	107.8	105.9	101.9
April	103.8	104.6	104.8	104.4	105.9	107.8	106.1	101.8
May	104.1	104.9	104.4	106.9	106.1	107.8	106.2	101.8
June	104.1	104.9	103.8	106.9	106.0	109.1	106.5	101.8
July	104.8	105.6	105.3	106.9	107.9	109.1	106.9	102.2
August	105.1	105.9	105.4	106.9	108.4	109.1	106.9	103.0
September	105.8	106.6	105.4	106.9	108.5	113.1	109.4	102.8
October	106.2	107.0	106.1	107.7	108.0	113.5	109.7	102.8
November	106.9	107.8	108.7	107.7	108.5	113.5	110.0	102.8
December	107.1	108.0	109.1	107.7	108.5	113.5	110.7	102.8
1941, yearly average	.....	111.7	116.1	109.4	110.3	116.1	113.8	105.1
January	107.4	108.3	109.7	107.7	108.6	113.7	110.8	103.1
February	107.3	108.2	108.8	107.7	108.7	114.1	111.5	103.1
March	107.3	108.2	109.0	107.7	108.9	114.2	111.6	102.9
April	107.7	108.6	110.1	107.7	108.9	114.3	111.7	102.9
May	108.5	109.4	109.7	109.7	109.2	114.5	111.8	105.1
June	109.6	110.5	112.5	109.7	110.2	114.9	112.1	105.6
July	111.0	111.9	116.6	109.7	110.5	115.1	113.0	105.6
August	112.8	113.7	121.3	109.7	110.5	115.7	114.3	106.1
September	113.8	114.7	123.3	109.7	110.9	117.4	115.8	106.4
October	114.6	115.5	123.2	111.2	112.1	119.6	117.3	106.5
November	115.4	116.3	125.4	111.2	112.7	120.0	117.9	106.7
December	114.9	115.8	123.8	111.2	112.7	119.9	117.9	106.7
1942, yearly average	.....	117.0	127.2	111.3	112.8	120.0	117.9	107.1
January	114.5	115.4	122.3	111.2	112.9	119.9	118.0	106.8
February	114.8	115.7	123.1	111.2	112.9	119.8	118.0	107.1
March	115.0	115.9	123.7	111.2	112.9	119.8	118.0	107.1
April	115.0	115.9	123.7	111.2	112.9	119.8	118.1	107.1
May	115.2	116.1	124.3	111.3	112.9	119.9	118.0	107.1
June	115.8	116.7	126.2	111.3	112.6	119.9	117.9	107.1
July	117.0	117.9	130.3	111.3	112.5	120.0	117.9	107.1
August	116.8	117.7	129.6	111.3	112.5	120.1	117.8	107.1
September	116.5	117.4	128.5	111.3	112.5	120.1	117.8	107.1
October	116.9	117.8	129.8	111.3	112.8	120.1	117.8	107.1
November	117.7	118.6	132.4	111.3	112.8	120.1	117.8	107.1
December	117.9	118.8	132.8	111.3	112.8	120.2	117.8	107.2
1943, yearly average	.....	118.4	130.7	111.5	112.9	120.5	118.0	108.0
January	116.2	117.1	127.3	111.3	112.8	120.2	117.8	107.5
February	116.0	116.9	126.7	111.3	112.7	120.1	117.8	107.5
March	116.3	117.2	127.7	111.3	112.7	120.1	117.8	107.5
April	116.7	117.6	128.7	111.3	112.7	120.2	117.8	107.7
May	117.2	118.1	129.9	111.5	112.7	120.2	117.8	108.0
June	117.6	118.5	130.9	111.5	113.0	120.4	117.8	108.2
July	117.9	118.8	131.8	111.5	113.4	120.5	117.8	108.2
August	118.3	119.2	133.2	111.5	113.4	120.6	117.9	108.2
September	118.5	119.4	133.5	111.5	113.4	120.6	118.2	108.3
October	118.4	119.3	132.9	111.9	113.3	121.1	118.2	108.3
November	118.5	119.4	133.1	111.9	113.3	121.1	118.2	108.3
December	118.4	119.3	132.7	111.9	111.9	121.1	118.8	108.6

Table 4.—Dominion Bureau of Statistics Index Numbers of the Cost of Living in Canada, 1939–48—Continued.

Month.	Adjusted to Base 100.0 for August, 1939.	On Base of Average Prices 1935–39 as 100.						
		Total.	Food.	Rent.	Light and Fuel.	Clothing.	Home Furnishings and Services.	Miscellaneous.
1944, yearly average	.....	118.9	131.3	111.9	110.6	121.5	118.4	108.9
January	118.1	119.0	131.5	111.9	112.7	121.1	118.4	108.9
February	118.0	118.9	130.9	111.9	113.0	121.3	118.4	109.1
March	118.1	119.0	131.1	111.9	113.0	121.3	118.4	109.0
April	118.2	119.1	131.5	111.9	113.0	121.4	118.4	109.0
May	118.3	119.2	131.7	111.9	112.5	121.5	118.5	109.0
June	118.1	119.0	131.1	111.9	112.5	121.5	118.4	109.0
July	118.1	119.0	132.0	111.9	108.9	121.5	118.3	109.0
August	118.0	118.9	131.5	111.9	108.7	121.5	118.5	109.0
September	117.9	118.8	131.2	111.9	108.7	121.5	118.4	109.0
October	117.7	118.6	130.8	112.0	108.7	121.6	118.4	108.9
November	118.0	118.9	131.6	112.0	108.1	121.6	118.4	108.9
December	117.6	118.5	130.3	112.0	108.1	121.6	118.4	108.9
1945, yearly average	.....	119.5	133.0	112.1	107.0	122.1	119.0	109.4
January	117.7	118.6	130.2	112.0	109.1	121.8	118.3	109.2
February	117.7	118.6	130.6	112.0	107.4	121.7	118.4	109.2
March	117.8	118.7	131.0	112.0	107.3	121.7	118.5	109.2
April	117.8	118.7	131.0	112.0	106.7	121.8	118.5	109.2
May	118.1	119.0	131.7	112.1	106.6	122.0	118.9	109.4
June	118.7	119.6	133.4	112.1	106.6	122.1	118.9	109.4
July	119.3	120.3	135.6	112.1	106.5	122.2	119.2	109.4
August	119.5	120.5	136.2	112.1	106.5	122.1	119.3	109.5
September	118.9	119.9	134.2	112.1	106.7	122.2	119.4	109.5
October	118.8	119.7	133.3	112.3	106.7	122.4	119.4	109.6
November	118.9	119.9	134.0	112.3	106.6	122.5	119.4	109.6
December	119.1	120.1	134.3	112.3	107.1	122.5	119.5	109.6
1946, yearly average	.....	123.6	140.4	112.7	107.4	126.3	124.4	112.6
January	118.9	119.9	132.8	112.3	107.1	122.6	119.5	110.9
February	118.9	119.9	132.5	112.3	107.1	122.7	120.1	110.9
March	119.1	120.1	133.1	112.3	107.2	123.1	120.4	110.9
April	119.8	120.8	135.1	112.3	107.2	123.2	120.7	111.0
May	121.0	122.0	137.7	112.6	107.2	123.7	122.1	111.5
June	122.6	123.6	142.1	112.6	107.2	124.3	122.4	112.1
July	124.1	125.1	144.2	112.6	107.2	126.4	125.1	113.7
August	124.6	125.6	144.7	112.6	107.2	127.6	127.0	113.8
September	124.5	125.5	143.2	112.6	107.2	129.6	128.4	113.9
October	125.8	126.8	146.5	113.4	107.3	130.2	128.8	113.9
November	126.1	127.1	146.6	113.4	108.6	131.1	129.2	114.1
December	126.1	127.1	146.4	113.4	109.2	131.2	129.4	114.1
1947, yearly average	.....	135.5	159.6	116.7	115.9	143.9	141.6	117.0
January	126.0	127.0	145.5	113.4	109.0	131.5	129.8	114.7
February	127.9	128.9	148.7	113.4	109.1	131.9	130.9	115.5
March	127.9	128.9	148.7	113.4	109.1	133.1	133.6	116.0
April	129.6	130.6	151.6	113.4	109.1	136.9	137.2	116.3
May	132.1	133.1	154.9	115.4	116.2	140.0	138.6	116.8
June	133.8	134.9	157.7	117.8	116.7	142.4	139.8	117.1
July	134.8	135.9	159.8	117.8	117.3	143.2	142.5	117.2
August	135.5	136.6	160.6	117.8	118.6	145.5	143.7	117.2
September	138.3	139.4	165.3	117.8	121.1	152.0	147.4	117.5
October	141.1	142.2	171.3	119.9	121.9	154.2	149.9	117.6
November	142.5	143.6	173.6	119.9	122.6	157.0	151.4	118.2
December	144.8	146.0	178.7	119.9	120.3	159.3	154.9	119.8
1948, yearly average	.....	155.0	195.5	120.7	124.8	174.4	162.6	123.4
January	147.1	148.3	182.2	119.9	120.4	161.2	158.4	122.6
February	148.9	150.1	186.1	119.9	120.1	165.1	159.9	122.8
March	149.6	150.8	185.9	119.9	121.0	169.9	161.2	122.8
April	150.4	151.6	186.8	119.9	121.3	172.9	161.9	122.9
May	152.1	153.3	191.2	120.9	122.7	173.6	161.9	122.9
June	153.1	154.3	193.9	120.9	124.3	174.8	162.0	122.7
July	155.7	156.9	201.3	120.9	124.5	175.4	162.8	123.1
August	156.3	157.5	202.6	120.9	127.7	175.9	161.4	123.4
September	157.6	158.9	203.9	121.0	128.5	179.9	164.2	124.4
October	158.3	159.6	205.4	121.0	128.8	181.0	165.1	124.4
November	158.3	159.6	204.7	121.0	129.0	181.5	166.0	124.6
December	157.6	158.9	202.0	121.7	129.1	181.5	166.2	124.6

Table 5.—Comparative Food Indexes.

The Dominion Bureau of Statistics food index is given below, adjusted to the base 1936=100, with comparative figures for British Columbia prepared by the Bureau of Economics and Statistics.

Month.	Canada.*	British Columbia.	Month.	Canada.*	British Columbia.
1939—	First of Month.	Fifteenth of Month.	1944—*Continued.*	First of Month.	Fifteenth of Month.
August	101.53	94.48	April	134.46	.....
September	101.64	103.90	May	134.66	.....
October	108.69	104.38	June	134.05	128.42
November	111.15	104.74	July	134.97	.....
December	111.55	101.51	August	134.46	.....
1940—			September	134.15	128.06
January	106.85	100.43	October	133.74	.....
February	106.85	100.97	November	134.56	.....
March	107.16	101.22	December	133.23	127.95
April	107.16	102.53	1945—		
May	106.75	101.77	January	133.13	.....
June	106.13	101.51	February	133.54	128.82
July	107.67	103.47	March	133.95	.....
August	107.78	103.84	April	133.95	.....
September	107.77	103.33	May	134.66	129.33
October	108.49	104.92	June	136.40	.....
November	111.15	106.30	July	138.65	.....
December	111.55	107.39	August	139.26	130.96
1941—			September	137.22	.....
January	112.17	107.03	October	136.30	.....
February	111.25	108.93	November	137.01	130.17
March	111.45	109.02	December	137.32	.....
April	112.58	111.42	1946—		
May	112.17	111.81	January	135.79	.....
June	115.03	116.09	February	135.48	127.87
July	119.22	117.07	March	136.09	.....
August	124.03	120.55	April	138.14	.....
September	126.07	121.10	May	140.80	134.98
October	125.97	121.24	June	145.30	.....
November	128.22	123.93	July	147.44	.....
December	126.58	121.57	August	147.96	138.43
1942—			September	146.42	.....
January	125.05	120.99	October	149.80	.....
February	125.87	122.55	November	149.90	144.64
March	126.48	123.71	December	144.69	.....
April	126.48	.....	1947—		
May	127.10	125.12	January	148.77	.....
June	129.04	.....	February	150.31	152.43
July	133.23	.....	March	152.04	.....
August	132.52	128.39	April	155.01	.....
September	131.39	.....	May	158.38	159.38
October	132.72	.....	June	161.25	.....
November	135.38	134.63	July	163.39	.....
December	135.79	.....	August	164.21	166.07
1943—			September	169.02	.....
January	130.16	.....	October	175.15	.....
February	129.55	.....	November	177.51	182.36
March	130.57	134.19	December	182.72	.....
April	131.60	.....	1948—		
May	132.82	.....	January	186.30	.....
June	133.84	135.46	February	190.29	189.10
July	134.76	.....	March	190.08	.....
August	136.20	.....	April	191.00	.....
September	136.50	132.45	May	195.50	198.97
October	135.90	.....	June	198.26	.....
November	136.09	.....	July	205.83	.....
December	135.69	132.05	August	207.16	207.49
1944—			September	208.49	.....
January	134.46	.....	October	210.02	.....
February	133.84	.....	November	209.30	.....
March	134.05	128.28	December	206.50	.....

* Adjusted to base 1936=100.

Table 6.—Comparisons of a Minimum Food Budget based on the Respective Average Prices collected in Seattle, Wash., and Vancouver, B.C., November, 1947; May, 1948; and November, 1948.*

Date.	Total Monthly Budget* Cost in Dollars.		Index of Average Prices.†		Comparison of Budget* Costs in Dollars.		Comparison of Budget* Costs by Percentages.	
	Seattle.	Vancouver.	Seattle.	Vancouver.	Seattle.	Vancouver.	Seattle.	Vancouver.
November, 1947.....	$67.42	$50.62	100.00	100.00	+$16.80	.....	+33.19	.....
May, 1948.....	67.67	51.94	100.37	102.61	+15.73	.....	+30.28	.....
November, 1948.....	69.90	62.22	103.68	122.92	+7.68	.....	+12.34	.....

* Budget based on monthly "basket of food" used in British Columbia cost-of-food report.
† November, 1947=100.
Source: Bureau of Economics and Statistics, Victoria, B.C.

THE TOURIST TRADE.

The Dominion Bureau of Statistics, in its publication "Canada's International Tourist Trade, 1946," has presented its latest estimate of the expenditures in Canada of travellers from the United States as follows: 1941, $107,000,000; 1942, $79,000,000; 1943, $87,000,000; 1944, $116,600,000; 1945, $163,300,000; and 1946, $214,200,000. In 1941 this Bureau, after a careful investigation, estimated that United States travellers had expended $12,769,000 in British Columbia, and assuming the all-Canada trend—as shown by the Dominion Bureau figures above—to be also true of British Columbia, purely tentative estimates have been found for 1942, 1943, and 1944 as follows: 1942, $9,430,000; 1943, $10,400,000; 1944, $13,026,000. The International Payments Branch of the Dominion Bureau of Statistics has estimated that United States travellers expended $22,000,000 in British Columbia during 1945, $34,576,000 in 1946, and $32,389,000 in 1947. This Bureau estimates the comparable 1948 figure will be approximately $34,000,000.

It is planned in 1949 that this Bureau, in co-operation with the British Columbia Travel Bureau, and the Department of Trade and Industry, Government of the Province of Alberta, will undertake a study of tourist traffic through British Columbia-Alberta ports where information is not now being collected. It is known that there is a considerable movement of tourist traffic through the British Columbia-Alberta Border, but at present no accurate statistics are available. The measurement of this traffic would, no doubt, add a considerable amount to the tourist expenditures in British Columbia.

Table 7 shows that during 1948 most types of traffic showed declines from 1947, the exception being aeroplane, local and commercial automobile traffic.

Following the practice established in earlier years, American tourists visiting the Province by automobile in 1947, according to their State origin in the United States, have been listed in Chart 1.

Chart 1.—Foreign Automobiles entering Canada from the United States on Sixty-day Tourist Permits, 1947, showing States of Origin.
Number of foreign cars visiting British Columbia and Yukon shown in red. Total foreign cars visiting Canada shown in black.

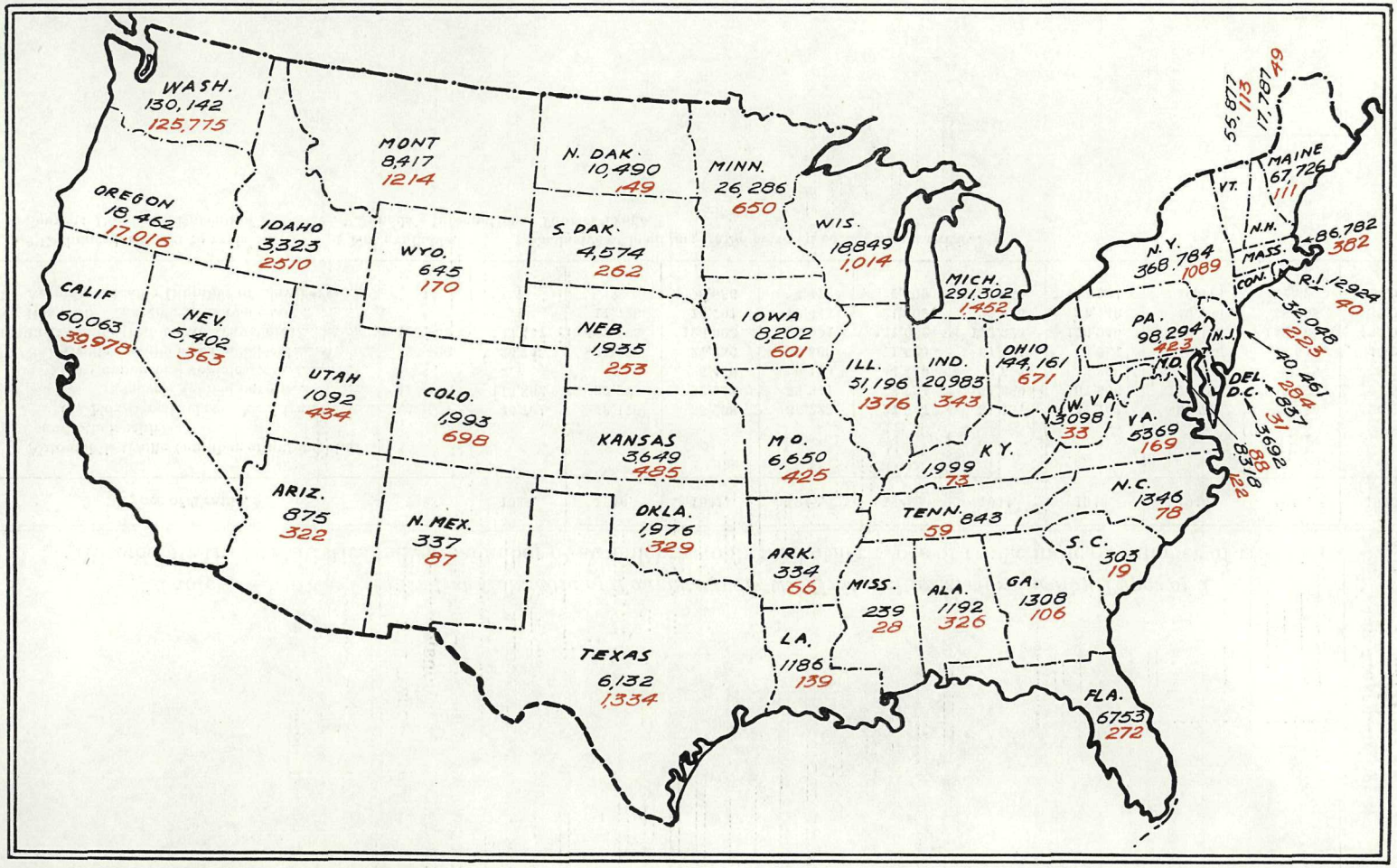


Table 7.—Entries into British Columbia of Tourists from the United States, classified by Types of Traffic.

(Automobile traffic statistics indicate number of automobiles only; all other types of traffic indicate number of travellers.)

Types of Traffic.	1938.	1939.	1940.	1941.	1942.	1943.	1944.	1945.	1946.	1947.	1948.*
I. Automobile traffic (number of automobiles and other vehicles)—											
(1) Non-permit class—local traffic	42,635	46,701	43,179	58,298	36,223	27,547	31,197	41,102	59,776	77,356	90,000
(2) Traveller's vehicle permit	117,869	113,862	92,278	92,048	55,947	38,724	51,280	107,506	178,595	205,216	191,572
(3) Commercial vehicles	†	†	†	5,478	5,179	4,140	3,697	5,298	5,836	6,175	8,300
II. Rail traffic (number of travellers)	35,520	36,743	27,275	27,756	36,360	71,523	67,864	60,987	56,616	49,519	45,000
III. Boat traffic (number of travellers)	102,903	147,417	108,293	128,003	76,091	131,082	173,325	176,949	197,433	142,161	130,000
IV. Bus traffic (number of travellers)‡	†	†	11,728	16,701	18,445	21,202	23,536	31,740	49,760	38,698	37,000
V. Aeroplane traffic (number of travellers)	†	†	†	6,386	4,417	6,309	7,059	12,304	16,513	22,522	24,000

* Estimated, subject to revision. † Not available. ‡ Exclusive of local bus traffic between border communities.

Source: Dominion Bureau of Statistics, "Canada's International Tourist Trade."

RAILWAY FREIGHT INVESTIGATION.

Over the years the mountain differential of Pacific scale of freight rates has been gradually reduced. Prior to 1914 the ratio of rates was as high as 2 miles Prairie for 1 mile Pacific scale. In 1914 this ratio was reduced to 1½ to 1 and in 1922 it was once more reduced to 1¼ to 1. Since then twenty-six years have elapsed, and in spite of tremendous population and economic growth no further reduction in the basic rates has been made. The Provincial Government, therefore, backed by the Boards of Trade and other interested parties, applied to the Board of Transport Commissioners for equalization with the Prairie scale—that is, it applied for the removal of what it felt to be an unjust discrimination against the people and industries of British Columbia.

Consequently, the Board of Transport Commissioners held hearings in Vancouver on November 1st to 5th, in Kelowna on November 8th, and in Nelson on November 10th. As much preparation and organization was necessary, this Bureau was called upon by the Attorney-General and his legal counsel to assist in this work.

In Vancouver the case was directly assisted by the services of the Director, the Assistant Director, a senior research assistant, a research assistant, and a secretary. During the course of the hearings the Director appeared and was cross-examined as a witness. In Kelowna the Assistant Director and in Nelson the research assistant aided materially in the organization and preparation of those areas' submissions. The research assistant accompanied legal counsel in the hearings at Calgary, Edmonton, and Winnipeg. For the final argument in Ottawa the services of the Assistant Director and a secretary were made available to the legal counsel.

The considerable time expended on the mountain differential case has been possible only at the expense of a certain amount of the routine work of the Bureau and through many hours of overtime by the staff.

Following is a list of the briefs and submissions presented in British Columbia:—

Vancouver.

1. Premier's Speech.
2. Historical Submission.
3. Statistical Submission.
4. Vancouver Board of Trade.
5. Associated Boards of Trade.
6. Vancouver Island Boards of Trade.
7. Chilliwack Board of Trade.
8. Paper Industry.
9. Furniture Industry.
10. United Distillers, Ltd.
11. Coast Breweries, Ltd.
12. Petroleum Industry.
13. New Westminster Board of Trade.
14. Wholesale Bureau of Vancouver Board of Trade.
15. Paint Industry.
16. Automobile Dealers' Association.
17. Tariff Analysis. (There were also a number of charts and statistical submissions made.)

Kelowna.

1. Kelowna Board of Trade.
2. Revelstoke Board of Trade.
3. Vernon Board of Trade.
4. Kamloops Board of Trade.
5. Interior Feed Dealers' Association.
6. B.C. Fruit Growers' Association.
7. Interior Canning Industry.
8. Interior Vegetable Marketing Board.
9. B.C. Tree Fruits.

Nelson.

1. Nelson Board of Trade.
2. Associated Boards of Trade.
3. McDonald Jam Co., Ltd.
4. Hardware and Building Supply Dealers.
5. Automobile Dealers' Association.
6. B.C. Chamber of Mines.
7. Trail Board of Trade.
8. Trail Board of Trade, Young Men's Section.
9. Rossland Board of Trade.
10. Creston Board of Trade.
11. Flour and Feed Dealers.
12. Wholesale and Retail Grocers.

NEW PUBLICATIONS.

Business Activity in British Columbia.

In order that business-men would have a comprehensive current report of British Columbia business activity under one cover, the Bureau now issues a monthly publication entitled "Business Activity in British Columbia." The first issue was released in July of 1947. While the first issues have been mostly a tabulation of existing statistics, some articles relating to various phases of business activity have been included. It is planned to include more articles of current general interest.

British Columbia Trade Index.

A revised edition of the British Columbia Trade Index has been in preparation during the last few months, and it is expected that the new edition will be published early in 1949. In addition to providing an alphabetical list of products manufactured in the Province, the new Trade Index will contain an alphabetical list of firm names for cross-reference.

British Columbia Facts and Statistics.

This publication was issued for the first time in 1948 and is to be issued annually henceforth. It provides statistics and facts relating to British Columbia under the following headings: Population, education, government, banking, transportation, communication, agriculture, fisheries, forestry, mining, manufacturing, tourist, and economic activity.

ADVISORY SERVICES.

In addition to the projects previously outlined, the Bureau has prepared numerous reports and memoranda for officials of other Provincial Government departments. Members of the research staff were again loaned to many other branches of the Government, namely: Department of Railways, Freight-rate Mountain Differential Commission, Regional Development Division, Hospital Insurance Service, and Dominion Government Regional Statistics Office.

In addition, numerous tabulations and reports have been prepared for corporations, Boards of Trade, and private individuals, covering a wide range of topics.

CO-OPERATIVE STATISTICAL AGREEMENTS.

The two co-operative statistical agreements negotiated in 1945 are now in operation. The Bureau has received most of the 1947 Census of Industry Schedules from the Dominion Bureau of Statistics. The monthly reports covering sawmills' statistics for the Province are received regularly.

The pay-roll statistics co-operative project is awaiting final arrangements with Ottawa. It is hoped that this project will be well under way in 1949.

LABOUR STATISTICS DIVISION.

The annual collection of labour statistics was again conducted for the Department of Labour by the Labour Division of the Bureau of Economics and Statistics. In conformance with the co-operative agreement concluded some years ago with the Provincial Department of Labour, the annual survey of wage-earners in British Columbia trades and industries was completed and summarized for the year 1947 in the statistical sections of the Annual Report of the Department of Labour for that year.

New projects undertaken by this Division include a series of occupational wage-rate surveys being conducted with the co-operation of the inspection staff of the Department of Labour. Valuable data are in this way regularly obtained, dealing with wage-rates currently in effect in selected occupations in the various industries, and the

results of the surveys made available to the Department of Labour and other Provincial departments requiring this type of information.

Material collected and compiled by the Division continued to prove of valuable assistance to the Bureau in dealing with inquiries relative to labour problems and in the work of maintaining the British Columbia Trade Index. While the greater part of the work in this section concerns the Department of Labour Report, many special compilations are prepared for private industry, Boards of Trade, banking institutions, and various Provincial Government departments.

A regional breakdown of the Provincial industrial pay-roll has again been set out for comparative years in the attached Table 8, which shows the distribution of the Provincial industrial pay-roll through the ten census divisions for the years 1943 to 1947. While the industrial totals serve to show the interesting changes occurring from year to year in the different parts of the Province, as explained in the Department of Labour Report, they do not, however, represent the total of all salaries and wages paid in British Columbia, inasmuch as the industrial survey is not inclusive of such pay-roll sections as Governmental workers, railways, wholesale and retail firms, financial houses, professional and service trades.

Table 8.—British Columbia Industrial Pay-rolls by Statistical Areas for the Comparative Years 1943 to 1947.

Regional Area.	Total Pay-rolls (Salaries and Wages).				
	1943.	1944.	1945.	1946.	1947.
No. 1	$7,151,250	$8,374,558	$8,234,954	$8,792,650	$13,089,910
No. 2	15,561,173	14,346,342	13,664,192	15,409,997	20,065,572
No. 3	6,763,085	7,463,090	8,729,129	11,047,243	15,407,310
No. 4	185,947,943	182,191,571	169,595,070	158,098,206	196,814,172
No. 5	55,800,769	50,899,508	52,450,178	52,609,451	73,305,625
No. 6	2,517,767	2,611,208	2,711,859	4,477,339	7,068,034
No. 7	8,527,530	8,645,994	9,351,432	10,680,963	14,091,695
No. 8	7,453,342	3,297,207	3,128,665	4,132,464	7,287,683
No. 9	12,096,884	10,439,557	7,148,057	5,592,647	8,260,298
No. 10	8,193,263	1,070,361	551,210	1,279,858	8,385,552
Not specified	1,393,314	460,300	772,126	835,686	2,421,303
Totals	$311,406,320	$289,799,678	$276,336,872	$272,956,504	$366,197,154

MINING AND METALLURGICAL DIVISION.

In accordance with the agreement concluded in 1938 between the Provincial Department of Mines, the Dominion Bureau of Statistics, and the Bureau of Economics and Statistics, all mining production statistics, with the exception of coal, are collected and compiled by this Division. Under this agreement, uniform statistics are compiled from the one set of returns prepared by operators, and thereby avoids overlapping or duplication of effort involved on the part of the above-mentioned agencies, which co-operate in the collection and use of mining statistics. The information, when collected, is made available for general use in a form which preserves the confidential aspects of individual company's or operator's returns. Mining statistics in detail will be found in the Annual Report of the Minister of Mines. Numerous special compilations, covering data not readily available in other departmental reports, were compiled during the period under review by this Division for Governmental departments, banking and other institutions. Continued close contact with the Department of Mines has been maintained, and special statistical reports prepared for the internal use of that Department. Because of the continued interest in regional questions, the Division has prepared a tabulation of the value of mine production by census divisions covering

the 1946 and 1947 calendar years (*see* Table 10). In addition, Table 1 of the Annual Report of the Minister of Mines for 1947 is also included in this report (*see* Table 9). This gives the Provincial quantities and value of the various classes of commodities produced by the industry.

It should be kept in mind that this Division, in order to maintain continuity of records in the Department of Mines publications, compiles production statistics according to mining divisions, which in general follow closely the alignment as set forth for census divisions, but there are a few deviations and difficulty is found in accurately placing minor quantities or values in the correct location in the approximate census division; however, no large amount is involved.

Table 9.—British Columbia Mine Production, 1946 and 1947.

	Quantity 1946.	Quantity, 1947.	Value, 1946.	Value, 1947.
METALLICS.			$	$
Antimony	.....	.....	96,322	384,255
Bismuth	.....	.....	327,628	560,183
Cadmium	.....	.....	771,698	941,266
Copper ..... lb.	17,500,538	41,783,921	2,240,070	8,519,741
Gold, lode ..... fine, oz.	117,612	243,282	4,322,241	8,514,870
Gold, placer ..... crude, oz.	15,729	6,969	475,361	200,585
Lead ..... lb.	347,990,146	306,400,709	23,489,335	41,884,977
Platinum	.....	.....	.....	59
Silver ..... oz.	6,365,761	5,707,691	5,324,959	4,109,538
Tin ..... lb.	.....	.....	480,802	517,794
Tungsten concentrates	.....	.....	.....	680,792
Zinc ..... lb.	270,718,128	268,450,926	21,143,086	30,147,039
Totals	.....	.....	58,671,502	96,461,099
FUELS.				
Coal ..... tons	1,463,640	1,717,476	6,220,470	8,587,380
NON-METALLICS.				
Barites, diatomite, and mica	.....	.....	43,447	52,362
Fluxes—limestone, quartz ..... tons	55,372	102,918	71,351	174,655
Granules—slate and rock, talc ..... tons	1,116	1,156	19,917	19,686
Gypsum and gypsum products	.....	.....	318,500	523,298
Iron oxides	.....	.....	2,135	464
Sodium carbonate ..... tons	210	163	2,310	1,793
Sulphur* ..... tons	126,622	157,161	1,258,576	1,503,714
Totals	.....	.....	1,716,416	2,275,972
CLAY PRODUCTS AND OTHER STRUCTURAL MATERIALS.				
Clay Products.				
Brick—				
Common ..... No.	3,300,000	4,318,000	94,000	122,660
Face, paving, sewer-brick ..... No.	2,077,683	1,232,812	84,353	64,849
Fire-bricks, blocks	.....	.....	283,317	389,899
Fire-clay ..... tons	.....	.....	8,241	9,675
Structural tile—hollow blocks	.....	.....	105,194	158,276
Drain-tile, sewer-pipe ..... No.	2,068,424	1,962,583	263,864	361,975
Pottery—glazed or unglazed	.....	.....	2,811	3,476
Other clay products: bentonite	.....	.....	3,611	9,332
Totals	.....	.....	845,391	1,120,142
Other Structural Materials.				
Cement	.....	.....	1,739,966	1,896,772
Lime ..... tons	159,493	151,671	642,912	714,126
Sand and gravel	.....	.....	1,713,138	1,828,919
Stone ..... tons	4,354	19,835	99,710	119,971
Rubble, riprap, crushed rock ..... tons	154,164	222,044	158,446	216,873
Totals	.....	.....	4,354,172	4,776,661
Total value in Canadian funds	.....	.....	71,807,951	113,221,254

* Sulphur content of pyrites shipped, estimated sulphur contained in sulphuric acid made from waste smelter gases, and elemental sulphur.

Table 10.—Value of British Columbia Mine Production by Census Divisions.

Commodity.	Year.	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.	No. 7.	No. 8.	No. 9.	No. 10.	Total.
Gold, placer	1946	$725	$544	$1,239	$574	.....	$2,841	.....	$108,134	$340,390	$20,914	$475,361
	1947	777	115	720	633	.....	4,749	.....	96,709	74,000	22,882	200,585
Gold, lode	1946	.....	315,388	1,095,848	176,400	$98,233	1,371,841	.....	841,208	423,323	.....	4,322,241
	1947	140	347,270	1,850,520	357,035	480,830	2,939,650	.....	1,315,825	1,223,600	.....	8,514,870
Silver	1946	4,770,382	77,192	411,448	22,672	1,259	8,015	.....	1,984	32,007	.....	5,324,959
	1947	3,257,641	176,648	540,594	48,341	15,515	15,197	.....	2,929	52,673	.....	4,109,538
Copper	1946	.....	.....	1,343,740	896,330	.....	.....	.....	.....	.....	.....	2,240,070
	1947	.....	720,345	4,354,661	3,406,458	35,473	2,787	.....	17	.....	.....	8,519,741
Lead	1946	23,303,717	76,195	13,285	17,076	.....	2	.....	.....	79,060	.....	23,489,335
	1947	41,173,597	314,920	40,860	49,554	1,493	1,616	.....	105	302,832	.....	41,884,977
Zinc	1946	20,567,050	556,662	19,373	.....	.....	1	.....	.....	.....	.....	21,143,086
	1947	28,422,964	1,216,387	36,994	407,382	60,305	54	.....	19	2,934	.....	30,147,039
Coal	1946	3,666,343	.....	165,278	.....	2,326,739	6,821	.....	45,501	.....	9,788	6,220,470
	1947	5,812,130	.....	220,195	.....	2,469,990	10,090	.....	48,110	.....	26,865	8,587,380
Structural materials	1946	487,476	137,787	64,330	1,550,830	2,773,730	59,166	$19,007	58,809	41,865	6,563	5,199,563
	1947	117,645	170,558	126,668	2,031,530	3,241,901	62,941	34,324	76,594	14,814	19,828	5,896,803
Miscellaneous metals, minerals, and materials	1946	1,750,450	1,228,000	65,811	32,711	25,637	265,810	.....	24,447	.....	.....	3,392,866
	1947	2,427,379	1,915,691	135,254	272,048	59,146	525,091	.....	25,712	.....	.....	5,360,321
Totals	1946	$54,546,143	$2,391,768	$3,180,352	$2,696,593	$5,225,598	$1,714,497	$19,007	$1,080,083	$916,645	$37,265	$71,807,951
	1947	81,212,273	4,861,934	7,306,466	6,572,981	6,364,653	3,562,175	34,324	1,566,020	1,670,853	69,575	113,221,254

MECHANICAL TABULATION DIVISION.

The year 1948 has been the most progressive year since the establishment of the Mechanical Tabulation Division of the Bureau of Economics and Statistics in 1938.

During this year the staff has been increased from thirteen to ninety-eight, and the number of mechanical units from seventeen to forty-two. This abnormal growth has been mainly due to work undertaken for the British Columbia Hospital Insurance Service, British Columbia Forest Service, Surveyor of Taxes, and Civil Service Commission.

Considerable difficulty is being experienced at present due to the lack of space, but this should be eliminated by the move to the new building early in the new year.

British Columbia Hospital Insurance Service.

The work undertaken for the British Columbia Hospital Insurance Service required the coding and punching of some 475,000 registration forms, representing over 2,000,000 punch-cards in the period from October 1st to December 15th. Once this initial step was completed, 2,000,000 cards had to be processed to print the 475,000 hospital registration cards for issuance to the public. Plans are now progressing to facilitate the mechanical monthly billing of all firms on pay-roll deduction. At the same time, punch-card files are being prepared to cover hospital payments and sundry statistics. To meet our dead-lines on this job, it has been necessary to work the staff in two shifts continuously from October 1st, 1948.

British Columbia Forest Service.

In July, 1948, a plan was put into operation whereby the mechanical equipment in this Division was used to prepare the material for entries in the species and scalers ledgers for the Vancouver Forest District. Approximately 40,000 cards were punched per month from copies of scaling and royalty accounts. From these cards, daily listings were run and supplied to the District Forester in Vancouver. The Vancouver office was equipped with a transfer posting-machine, which permitted the mechanical posting of these entries into species and scalers ledgers. At the end of each month the 40,000 cards were summarized and monthly totals supplied for posting into the ledgers. As the year closes, we are in the process of summarizing these files for the preparation of annual figures.

Surveyor of Taxes.

The 1948 Session of the Legislature passed an amendment to the " Taxation Act " requiring that an assessment notice be issued to the taxpayer prior to the issuance of the tax bill. This billing covers all property taxes levied under the Taxation, Public Schools, and Water Acts, as well as school property taxes in villages and municipalities throughout the Province.

Approximately 150,000 assessment notices and 150,000 taxation notices and summaries are involved. Each procedure requires the processing of about 1,500,000 punched cards.

The initial run of the assessment notices was tabulated during the month of December, and the corresponding tax bills will be prepared during the month of April.

Civil Service Records.

During 1948 the work of placing Civil Service records on punched cards was completed. All notices of appointment and change notices are being prepared mechanically for the Commission from the card files maintained in this office. The cards are also available for any statistical studies required by the Commission. Figures for the Annual Report of the Commission will be tabulated from these files.

In addition to the above new work, our regular jobs for other departments and our own statistical reports were maintained. Included in this work were the Annual Reports for the Departments of Labour and Education, personnel records for the Public Works Department, and monthly motor-accident reports for the Motor-vehicle Branch. For our own Department, work was done on the trade index and import-export statistics.

Training Programme.

To meet these additional commitments taken on during 1948, it was necessary to carry out an extensive training programme. Commencing in July, classes for prospective key-punch operators were established. Due to the lack of available equipment, these classes had to be held at night, and during the three-month period well over fifty key-punch operators were trained.

During the year both supervisors were given a two weeks' training course with the International Business Machines Company at Endicott, New York.

Future Commitments.

The most outstanding future commitment is the preparation of the pay-roll for the Department of Finance. Early in the year a plan was formulated and several test runs made to the satisfaction of the officials of the Finance Department. However, this job has been held in abeyance pending the passing of the peak load created by the new work covered in this report.

Commencing April 1st, we have been requested to prepare the pay-roll for the British Columbia Liquor Control Board; it is proposed to use the same plan as developed for the Civil Service pay-roll.

Also starting in April, we have been asked to present a plan for mechanical purchase-order control for the Purchasing Commission. Discussions are also being held of the possibility of establishing a furniture inventory for the same department.

Preliminary discussions have been held with the officials of the Superannuation Commission, who are interested in utilizing the equipment in this Division for maintaining superannuation records.

In closing, we would like to express our appreciation of the co-operation we have received from the officials of the various departments for which we have undertaken new work. In establishing any new system, there are always many obstacles to be overcome, and due to the patience and perseverance of these officials, we have been able to succeed in establishing a faster and more accurate record system for them.

REPORT OF REGIONAL DEVELOPMENT DIVISION.

The last Annual Report contained a brief announcement of the creation of this new Division established by Order in Council in October, 1947, to take over all those activities of the former Bureau of Reconstruction related to Trade and Industry.

It will be the purpose of this report to cover the activities of the Division during the current year, under the Division's general directive of aiding industrial development and expansion of the Provincial economy, carrying out area surveys, and the preparation of a Regional Industrial Index to record and make available a flow of current and economic information of general use to industry in the Province and elsewhere.

ESTABLISHMENT OF FIELD OFFICES.

Divisional field offices have been established at key points strategically located throughout the Province at the following locations:—

Nelson: Region 1—East Kootenay; Region 2—West Kootenay.

Kelowna: Region 3—Okanagan; Region 6—Kamloops and South Central British Columbia.

Prince George: Region 8—Central British Columbia; Region 9—North Coastal Area (Prince Rupert and Queen Charlottes); Region 10—Peace River.

Victoria: Region 4—Lower Mainland; Region 5—Vancouver Island and Gulf Islands.

Field representatives have been appointed in charge of these field offices, whose duties are to thoroughly familiarize themselves with the industrial requirements of each region, to maintain contacts with industrial concerns in their area (both large and small), to give particular attention to the smaller industrial operations in need of assistance and advice in regard to their specific problems and future expansion, to investigate and report on specific industrial problems of their region, to maintain a close liaison with the Regional Advisory Committees, Boards of Trade, municipal governments, and all other agencies in their territory.

SURVEYS UNDERTAKEN BY FIELD REPRESENTATIVES.

During the current year the following is a summarization, in brief, of special surveys undertaken by the field offices of the Division:—

Region One (East Kootenay) and Region Two (West Kootenay).

A survey of raw materials required for the establishment of a pulp-mill in the Kootenay District.

A survey in connection with the possible establishment of an iron-foundry, utilizing the Sullivan iron-ore residue pile at Kimberley and iron-ore (hematite) deposits in the Creston and Kingsgate areas.

Assisting in the cancellation of a township plan, concerning the acquisition of a townsite for a new mine in the West Kootenay District.

Assistance in obtaining surplus materials, machinery, and equipment through War Assets Corporation for mining companies in the region.

Arranging contacts for local industries with Central Mortgage and Housing Corporation concerning "industrial housing."

Assisting in arranging contacts for several smaller secondary industries with the larger industries in the area.

Providing marketing information for a boat-building industry in West Kootenay.

Numerous other inquiries of a similar nature have been undertaken during the year.

REGION THREE (OKANAGAN).

Under direction of the Regional Advisory Committee, our field representative has been actively engaged in an area survey of the Okanagan District in relation to the increase in population, during and since the war, of this section of the Province.

Chapter One of the regional brief, under the heading of "Population," has been completed. The conclusions reached by the Regional Advisory Committee may be briefly summarized as follows:—

(1) During and since the war the Okanagan region has experienced a considerable influx of new population (stated to be upwards of 17,000 persons) and private capital (approximately $14,000,000).
(2) Employment has so far been at a high level due to the increased construction and industrial development of the region, occasioned by the introduction of this new population and capital into the area.
(3) This period of stimulation is drawing to a close with the completion of the building boom. It is stated that increased farm revenue will not alone take up the slack of reduced building construction.
(4) The existing producing lands (irrigated) within the area show a net increase of only 266 acres for the whole period during and since the war (eight years).
(5) On the basis of the Committee's figures and computations, the development of additional irrigated acreage amounting to at least 8,000 acres is considered a minimum to adequately maintain this population increase in the area.
(6) Such new irrigation-development should be so timed to offset the effect of the decline of private capital expenditure as building-construction levels off.
(7) The alternative is increasing unemployment in the region or the draining-off and dissipation of the new population to more congested areas, particularly to the Coastal regions of the Province.

The next stage of area surveys in Region Three will deal with land use, necessitating personal interviews with farmers, cattlemen, growers, storekeepers, plant managers, irrigation district secretaries and managers, School Inspectors, District Agriculturists, Government Agents, loggers and mill operators, secretaries of Boards of Trade, and Cattle Associations. The whole area of Region Three (Okanagan) will be covered in detail from Salmon River Valley and Grindrod on the north, Granby River and Grand Forks on the east, and to Princeton, including Otter Creek and Aspen Grove, on the west.

For the purpose of this survey the regional area has been divided into four main districts, namely: (*a*) North Okanagan, (*b*) The Tree-fruit Area, (*c*) Grand Forks-Boundary Country, and (*d*) Princeton.

Our field office at Kelowna has rendered assistance to industry as opportunity occurred, and the following items are listed:—

(*a*) Establishment of a bean-sprout operation, Kelowna; now in operation.
(*b*) Assistance given manufacturer of sporting goods in obtaining certain restricted raw material essential to his operation.
(*c*) Assistance in re-establishing and securing raw-material supply for a doughnut-maker, Penticton (veteran).
(*d*) Conjointly with the Government Agent, establishing a box-shook plant in Princeton.
(*e*) Information and data secured for proposed branch of an American non-corrosive pipe manufacturer in Kelowna; sales office now opened.
(*f*) Efforts to establish a cannery in Westbank; operation expected in 1949.

(*g*) Investigation regarding development of clay deposits, Vernon.
(*h*) Investigation regarding development of coal deposits, White Lake, Penticton.
(*i*) Assistance to group interested in establishing a winery and amalgamation with other winery interests; introductions arranged.
(*j*) Surveys concerning a new laundry for the region.
(*k*) Investigation of possibilities for development of the rock-wool industry.
(*l*) Survey concerning "gift containers" for the fruit industry.
(*m*) Various forms of assistance extended to Falkland Brick & Tile Company, Limited, Falkland.

Many inquiries from outside sources have been given attention, covering general data of the region and assistance in providing data concerning a proposed ceramic industry and a housing project for an unincorporated area in this region.

Our field office also arranged itineraries and other details in connection with the visits of Sir Alexander Clutterbuck, British High Commissioner; Peter H. Bennett, Deputy Director, United Kingdom Information Office, Ottawa; Sir Francis Wright, British Columbia Research Council; Dr. R. H. Wright, British Columbia Research Council.

Region Four (Lower Mainland) and Region Five (Vancouver Island and Gulf Islands).

Industrial activity in Regions Four and Five during the current year was highlighted by:—

(1) Commencement of operation of additional generating units of the John Hart Development hydro-electric plant at Campbell River with potential maximum capacity of 168,000 horse-power.
(2) Commencement of construction-work on the $12,000,000 sulphate pulp-mill near Nanaimo.
(3) Completion of surveys and plans, etc., for erection of a $25,000,000 pulp-mill at Duncan Bay, near Campbell River.
(4) Commencement of a rolling-mill, capitalized at $150,000, manufacturing steel bars, rods, etc.
(5) Commencement of a pulp-products operation on Granville Island, capitalized at $100,000, manufacturing artificial sponges.
(6) $500,000 addition to veneer and plywood division of mill at New Westminster, manufacturing hard-boards of walls, etc.
(7) Commencement of a wool-carpet manufacturing plant in Victoria.
(8) Commencement of operation of a match-factory at Mission.

Special Projects.

Completion of an industrial housing project of 100 houses at Lake Cowichan.

Business Inquiries.

Inquiries handled by the regional office were:—

Inquiry from a veteran in Victoria who sold his cleaning and dyeing business and desired to locate a cleaning and dyeing business in the Interior.

Inquiry from the Director of Industrial Development, British Columbia Electric Railway, on economic development of Squamish area.

Inquiry from students at University of British Columbia for assistance in obtaining information on the economic development of regional areas.

Inquiry from a veteran on possibilities of successfully establishing a window-cleaning business in Chilliwack or Mission district.

Potential Industrial Expansion.

Through personal surveys and several interviews with officials of Boards of Trade and other agencies, the following potential industries in the region are indicated, and that such industries are based primarily on the availability of raw material, labour, rail and water sites:—

Vancouver Island.—Raw material available would indicate that a sawmill, rayon, or wood-plastic industry could be successfully operated in the vicinity of Ladysmith. This centre has approximately 40 acres of water-front sites and 10 acres of railway sites to support any efforts of this nature.

Nanaimo, with excellent water and rail sites available and one of the main shipping centres on the Island, is ideally suited to support the establishment of a fish-cannery. Boat-building and a ship-chandler's industry would appear warranted. Due to the abundance of timber in the immediate vicinity of Parksville and the availability of improved rail sites, indications are that a sawmill and furniture-factory could be successfully established.

The excellent water and rail sites in the Port Alberni area, combined with an abundance of raw material, would indicate that a cellulose or newsprint industry would be a successful venture. Cumberland has the necessary raw material for the establishment of a coal-processing plant. Indications are that a dry-kiln and a lumber-finishing plant have potential possibilities.

Lower Fraser Valley.—North Vancouver is an excellent deep-sea shipping centre with a good supply of labour and the necessary machine-shops, welding-shops, etc., to support and service the establishment of new industries. It was indicated, therefore, that an aircraft-manufacturing industry would be warranted. The establishment of a woollen industry was recommended due to the fact that this area has perfect humidity.

Due to its excellent transportation facilities and the Canadian Pacific Railway freight terminal yards, Port Coquitlam would seem ideally located for expansion of secondary industries. Among the potential industries mentioned was a cannery for small fruits.

Chilliwack with its abundance of raw material and very favourable rail and highway facilities, with excellent industrial sites available adjacent to the railway, would indicate the possibility of establishing numerous potential industries. Among those indicated were a box-factory to accommodate the ever-growing fruit industry and a furniture-factory.

Because of the available labour-supply and raw material, Hope appears to be ideally located for the establishment of lath-mills, planer-mills, and lumber-finishing plants. With Hope being a terminus of the newly constructed Hope–Princeton Highway, industrial expansion seems most probable.

In the Mission City area, there are good deposits of clay, which might warrant the establishment of a brick and tile industry. Indications are that a milk-cannery might be successfully operated. There are improved industrial sites paralleling the railway, which would naturally support any industrial expansion.

REGION SIX (KAMLOOPS AND SOUTH CENTRAL BRITISH COLUMBIA).
(Under Kelowna Office.)

Our regional office has been working in conjunction with a special Industries Committee in securing considerable data required by important financial interests looking toward the establishment of a beet-sugar industry in the Kamloops district.

Assistance has also been rendered by our regional office in the establishment of a meat-handling plant in Kamloops.

The Regional Advisory Committee of this area has held frequent meetings throughout the current year and in conjunction with the Industries Committee has submitted reports on the following questions discussed by the Advisory Committee:—

(*a*) Fraser River high-water control.
(*b*) North Thompson Valley—power and dairying industry.
(*c*) Development of Nisconlith Lake and other Veterans' Land Act projects.
(*d*) Pacific Great Eastern Railway extension to the main lines of the Canadian Pacific and Canadian National Railways.
(*e*) Development of South Thompson Valley.
(*f*) Meat-processing plant, Kamloops.
(*g*) Development of sugar-beet industry, Kamloops region.

REGION EIGHT (NORTH CENTRAL BRITISH COLUMBIA).

Extensive surveys have been carried out by our regional office on the subject of mill waste, which have determined that a source of raw waste material, approximating 114 car-loads daily, is available in this area for processing. Utilization of this waste raw material is one of the problems of this region that is being subjected to further intensive investigation through the appropriate departments of the Government and the British Columbia Research Council.

Investigation into the clay deposits of the Prince George area has been undertaken and brought to the attention of European interests who are interested in establishing a ceramic industry in this Province.

Our field office has carried out preliminary investigations for the purpose of interesting industry in the limestone and iron-ore deposits of the region.

Surveys have also been carried out on the possibility of establishing a pyrethrum industry, and these investigations are continuing.

Many industrial inquiries have been handled by our Prince George office during the current year. One of these has resulted in the introduction of considerable new capital in a substantial tourist establishment to be located on the new Hart Highway.

The Advisory Committee in this region has reviewed a number of matters relating to the industrial expansion of the area, particularly in regard to coal deposits, rates of lumber products in transit, land settlement, ferry improvements, and many other matters.

REGION NINE (NORTH COASTAL AREA—PRINCE RUPERT AND QUEEN CHARLOTTES).

The chief development in this region to be reported during the current year is the establishment of a large rayon-pulp industry in the Prince Rupert district, preliminary construction of which is now under way.

Investigations are being carried out by several other large industrial corporations in the Coastal section of the region, and our regional office is keeping in close touch with these developments.

In the Telkwa district, coal production is being substantially stepped up, and discussions have taken place through our regional office regarding increased housing for additional employees required by this industry.

Close liaison has been maintained by our regional office with the colonization and industrial departments of the Canadian National Railways in the region, particularly with regard to increasing land settlement in this section of the Province, which abounds in large tracts of good agricultural land.

Some new land settlement has been noticeable in the area during the year under review, and with the anticipated establishment of substantial industrial operations at key points in Regions Eight and Nine, considerable increase in land settlement can be forecast in this area in the near future.

Region Ten (Peace River Block).

Very little industrial development has been reported from this region during the current year, but it may safely be predicted that large-scale developments will ensue on the completion of the projected road outlet from this section of the Province.

NEW INDUSTRIES.

The following is a partial list of new industrial enterprises which have commenced operations during the year under review and will indicate the steady growth and expansion of industry in the Interior centres of the Province:—

Region One (East Kootenay) and Region Two (West Kootenay).

(*a*) Silver, lead, and zinc mine located on the Pend d'Oreille River, 4½ miles west of Nelway—surface plant constructed; employs 110 men.

(*b*) Gold mine located near Nelson—average of 135 employees in construction stages and now 82 employees.

(*c*) Custom concentrator mill at Whitewater, and an important factor in successful operation of several properties in Slocan District.

(*d*) Work commenced on building of a 50-ton mill at Jack Pine.

(*e*) Gypsum quarry on Windermere Creek; extensive deposits to be opened up.

(*f*) Refrigeration plant constructed at Wynndel—capacity, 36,000 boxes.

(*g*) Sash and door company—installation of new $20,000 green chain in company's yard; capacity (eight hours), 100,000 board-feet; located at Cranbrook.

(*h*) Boat-building concern—employs average of six men; located at Nelson.

(*i*) Freezer locker plant—located at Nelson; capacity, 260 lockers.

Region Three (Okanagan) and Region Six (South Central British Columbia).

(*a*) Construction company—investment, $20,000; ten employees; located at Enderby.

(*b*) Sporting-goods manufacturer and repairs—investment, $10,000; two employees; located at Vernon.

(*c*) Packing-house—six to twelve employees; located at Osoyoos.

(*d*) Furniture-manufacturing concern—investment, $2,000; one employee; located at Osoyoos.

(*e*) Lumber-mill—investment, $15,000; ten employees; located at Keremeos.

(*f*) Coal mine—investment, $100,000; twenty to thirty employees; located at Princeton.

(*g*) Coal-dredging concern—investment, $1,250,000; twenty-five employees; located at Princeton.

(*h*) Sawmill and logging concern—investment, $100,000; twenty-five to fifty employees; located at Princeton.

(*i*) Sawmill and logging concern—investment, $75,000; fifteen to twenty employees; located at Princeton.

(*j*) Box-factory—investment, $25,000; ten employees; located at Princeton.

(*k*) Lumber sawmill—investment, $30,000; fifteen employees; located at Merritt.

(*l*) Two portable mills—investment, $10,000; twenty employees; located at Clearwater.

(*m*) Lime production and lime-products concern—investment, $20,000; located at Clinton; forty-five employees.

(*n*) Manufacturing beverages—investment, $15,000; five employees; located at Penticton.

(*o*) Furniture-manufacturing concern—investment, $10,000; five employees; located at Penticton.

(*p*) Wholesale fruit-shippers—investment, $100,000; total number of employees, 1,500; located at Penticton.

(*q*) Cannery—investment, $200,000; 500 employees; located at Penticton.

(*r*) Furniture-upholstery concern—investment, $1,500; two employees; located at Kelowna.

(*s*) Soft-drink concern—investment, approximately, $60,000; four employees; located at Kelowna.

(*t*) Utility-polishes concern—investment, $500; located at Kelowna.

(*u*) Bean sprouts—investment, $1,500; located at Kelowna.

REGION FOUR (LOWER MAINLAND) AND REGION FIVE (VANCOUVER ISLAND AND GULF ISLANDS).

(*a*) Coal mine developed at Tsable River, near Cumberland.

(*b*) Broom-handle manufacturer at Hope—six employees.

(*c*) Fruit and vegetable cannery at Chilliwack—forty-five employees.

(*d*) Dehydrated-grass production—fifteen employees; located at Chilliwack.

(*e*) Box-factory at Mission—four employees.

(*f*) Manufacturing sand-cinder-concrete building blocks at Port Coquitlam—four employees.

(*g*) Pole-yard at Port Moody—sixteen employees.

(*h*) Manufacture of cement products, tiles, etc., at Haney—five employees.

(*i*) Woodworking and cabinetmaking concern—five employees; located at Haney.

(*j*) Additional plant machinery installed at original cannery to manufacture raspberry purée seedless pulp at Sardis.

(*k*) Sash and door factory at Abbotsford—three employees.

(*l*) Tile-manufacturer at Abbotsford—three employees.

(*m*) Banana-box manufacturer at Langley Prairie—five employees.

(*n*) Boat-building concern at North Vancouver—seven employees.

(*o*) Sash and door company located at North Vancouver—thirteen employees.

(*p*) Machinery-manufacturer at North Vancouver—forty-eight employees.

(*q*) Lumber concern located at North Vancouver—eight employees.

(*r*) Lumber-mill at North Vancouver—eighteen employees.

(*s*) Paint-manufacturer at North Vancouver—eight employees.

(*t*) Paint-manufacturer at North Vancouver—ten employees.

(*u*) Umbrella-manufacturer at North Vancouver—thirty-two employees.

(*v*) Sash and door company at Duncan—three employees.

(*w*) Ice plant at Port Alberni.

(*x*) Sheet-metal works at Courtenay—three employees.

(*y*) Sheet-metal works at Courtenay (stove)—three employees.

REGION EIGHT (NORTH CENTRAL BRITISH COLUMBIA).

(*a*) Cement-block plant at Prince George—equipment includes a Morris block unit; capacity, 800 8- by 8- by 16-inch blocks or 4,800 bricks daily.

(*b*) Steam laundry—new equipment installed at cost of $14,000; eight employees; located at Prince George.

(*c*) Ice-cream-making and pasteurization plant—five employees; located at Prince George.

(*d*) Kiln-drying equipment installed at planing-mills at cost of $250,000; located at Prince George.

(*e*) Dry-kiln addition to mills, 30 miles east of Prince George—capacity (seventy-two hours), three car-loads of lumber.

(*f*) New department store located at Prince George, employing thirty-five persons.

REGION NINE (NORTH CENTRAL AREA).

Rayon-pulp plant located near Prince Rupert.

REGIONAL INDUSTRIAL INDEX OF BRITISH COLUMBIA.

The first annual edition of this publication was issued in December, 1948, and has been distributed to business interests in Canada and abroad, to Boards of Trade, to transportation and banking officials, to Canadian consulates and trade offices throughout the world, to schools and municipalities in the Province, and others. The Index has already created considerable interest in the Interior sections of British Columbia as potential sites for new commercial and industrial enterprises.

The scope of this initial publication has been primarily confined to the non-metropolitan areas of the Province, it being felt that the activities of this Division should be first directed toward the fostering of industry in the outlying areas. It is the intention, however, to provide more comprehensive and broader coverage in subsequent issues.

The Regional Industrial Index has located the natural resources, industrial facilities, and pay-rolls by seventy-three districts. By this means, it is possible for potential industrialists to familiarize themselves with the type and extent of economic activity prevailing in particular regions of the Province and to ascertain, in general terms, the opportunities and facilities that are available for industrial expansion.

ANALYSIS OF INDEX.

It will be the task of the Division during the ensuing year to analyse the data brought to the surface in the Regional Industrial Index as it relates to the respective areas of British Columbia—to extract and brief information for industrialists seeking new sites, to discuss with local Boards of Trade and other interested bodies the remedying of deficiencies in industrial facilities of any given area desiring and seeking industrial expansion.

LIAISON WITH BRITISH COLUMBIA RESEARCH COUNCIL.

The Division has co-operated closely with the Research Council. Through our field representatives, information has been disseminated to outlying areas concerning the Council's services and facilities available to industry. Inquiries have been channelled through our field offices to the Research Council during the year on many diversified industry problems.

PUBLICATIONS.

In addition to the publication of the Regional Industrial Index of British Columbia (1948), the Division, in collaboration with the Departments of Agriculture and Lands, Geographic Branch, has arranged with the Meteorological Division of the Dominion Department of Transport to publish a brochure on frost data, covering all sections of the Province. This publication will be released by the Dominion authorities and distributed by the Division early in 1949, and should be of special interest to fruit, vegetable, and hop growers and the food-processing industries, and fulfills a request received from many industries for up-to-date frost information of British Columbia.

REPORT OF THE BRITISH COLUMBIA GOVERNMENT TRAVEL BUREAU.

GENERAL.

Probably never before in the recorded history of the tourist industry did a year open more inauspiciously than the year 1948.

The motor-vehicle liability insurance card—commonly known as the " pink slip "—had just been introduced, and where it is now widely recognized as a wise and protective measure, there is no doubt that in the initial stages it did give rise to considerable confusion and quite groundless apprehensions.

Then came the flood conditions, when those two great rivers, the Fraser and the Columbia, swept aside all man-made barriers and inundated huge areas of British Columbia, Washington, and Oregon, isolating them, to all intents, for the greater part of May and June.

To add still further to our difficulties was the threatened railway strike, happily averted at the eleventh hour, but which caused a great many of our visitors to make hurried departures.

That this unfortunate combination of circumstances had widespread consequences and brought distress and ruin to many thousands of people throughout the stricken areas is fully recognized and deeply deplored, but we are dealing here exclusively with the tourist industry, and the impact on that industry was heavy indeed.

At the same time the picture is not without its brighter side. Cancellations came thick and fast to all parts of the Interior, but these were to a great extent taken up by increased travel from other parts of Canada and by a great many of our own people who really saw British Columbia for the first time in 1948. On the whole the outcome for the year was substantially better than we had reason to hope.

In 1947, 205,216 cars entered British Columbia through Border customs ports, as against 191,637 in 1948, a shrinkage of 13,579. But here it should be pointed out that, of an estimated expenditure by visitors to Canada in 1947 of $235,000,000, slightly less than half was credited to travellers by automobile. The balance was spent by travellers by rail, steamship, bus, and aeroplane. What applies to Canada as a whole may be taken to apply equally to British Columbia, so that when the final figures are available for 1948, the results may not be so very disappointing.

It must always be remembered when considering the revenue from the tourist industry that only a rough approximation is possible. The estimate of $40,000,000 is based frankly on " rule of thumb." There are too many imponderable factors for even a close appraisal. Were it possible to follow the tourist dollar through all the intricate channels of trade, the actual revenue, we know, would be far in excess of that figure—so far in excess that $75,000,000 would be by no means a fantastic figure to offer.

British Columbia prides itself on what it has to offer, and very properly. Unquestionably it is much the most spectacular of all the Provinces, with an atmosphere peculiarly its own. But, as pointed out, no single country has a monopoly of the things that attract the tourist. Every country has them in greater or less degree, and every country which feels that it has something to offer is out for the tourist dollar, and America's tourist dollar is prized above all. It has a new and vast significance, and the struggle for it will be intense and the competition ruthless. We are repeating ourselves, we know, but we make no apology. We cannot emphasize too strongly that the day is past for casual assumptions that the tourist dollar is " pennies from heaven." If we want that dollar, we must work for it.

The essence of the tourist industry is good roads and comfortable accommodations reasonably priced. Our scenery, our fish and game resources, splendid as they are, cannot be expected to play the sole sustaining roles. With the programme of public works actually in hand and planned for the immediate future, we have every reason to believe that British Columbia will soon have a system of main highways to be counted among the best on the Pacific Coast. As for our accommodations, the efforts being made by the Provincial Government to raise the general standards of comfort, cleanliness, and sanitation have already effected substantial improvements. With the co-operation of the operators, who have shown themselves to be warmly in sympathy with the Government's aims and objects, it is hoped soon to establish a standard of excellence which will place British Columbia in the forefront for its interest in the comfort and convenience of its visitors.

The plan involves the careful inspection of all resorts catering to the tourist, and the awarding of one-, two-, three-, or four-star grades according to the accommodation and service which the resort is able to offer.

The plan has been extremely well received, and is being carried out as rapidly as circumstances will allow. To date, 61 per cent. of the 1,070 resorts in the Province have been inspected and graded.

It will be appreciated that the work of inspecting and grading tourist resorts must go on indefinitely; that there can be no point where it can be said to be finished. Resorts which have been placed in a lower category will naturally wish to improve their accommodations to qualify for a higher rating, and where such improvements are made, it is very necessary that the operator be given his higher rating without avoidable delay. There is also the possibility that operators who are meantime in the higher brackets may allow their accommodations to deteriorate to where a lower bracket would be called for. And, of course, new resorts are continually being established, all of which must be inspected and graded without loss of time.

It is appropriate here to comment upon the excellent co-operation which has been received from the Health Branch of the Department of Health and Welfare.

PUBLICITY.

ADVERTISING.

The Bureau is pleased again to report an expansion of its newspaper and magazine campaign in 1948 over 1947. Where, in 1947, $62,000 was at its disposal, in 1948 the sum was $65,000. As always, the main impact was on the eleven Western States, including again the State of Texas where the activities of our field representative have been distinctly productive. Besides the newspapers, a number of widely read national publications were used.

The policy was continued of placing colourful bulletin-boards at strategic points on the highways of California, Oregon, and Washington. We were able, too, to conduct a modest fall campaign in Eastern Canada, with a view to lengthening the season for our resort-owners.

This year we hope to revert to the practice of direct-mail advertising, with a small specially prepared folder in full colour, extending a cordial invitation to "Visit British Columbia." There is a personal flavour to this type of advertising which we believe has a strong appeal to the recipient, and while the response to our previous efforts was small, we attribute this very largely, if not entirely, to the restrictions which were in force at that time. Now that freedom of movement has been restored, the response, we feel sure, will be commensurate.

FIELD-WORK.

This activity was vigorously maintained by our field representative, who has displayed a marked ability in cultivating the travel market of the Western States.

There is no doubt that his efforts have already been highly fruitful and that they will continue to produce substantial and lasting returns.

Motion Pictures.

The Bureau's Photographic Branch continues to function in a highly satisfactory manner. Its series of travelogues in sound and colour are increasingly popular, notably in the United States, where they are in steady circulation. The series has been augmented by the addition of films on Ernest Manning Park, the East and West Kootenays, and the Lower Fraser Valley. At present in hand are films on the West Coast of Vancouver Island, the Coastal trip from Vancouver to Ketchikan, and the highway from Prince George to Prince Rupert. New projects include a film on British Columbia's Peace River District and a series of industrial "shorts." Already in circulation are films on the mining industry and egg production, on both of which the comments have been highly favourable, and a film on certified seed-potato production will be completed this year. So excellent is the standard, that several of the Bureau's films have been televised by American telecasting companies. The Bureau's library now includes 140 films on a wide variety of subjects and many hundreds of "stills."

Literature.

The production of attractive and informative literature has always been one of the Bureau's main preoccupations, and its booklets and folders are constantly being revised and brought completely up to date.

Co-operative Activities.

The Bureau has several very successful co-operative efforts to record—among them the advertising campaign carried out in partnership with the States of Washington and Oregon for pages in full colour in the popular publication "Holiday." This is a remarkably well-conceived campaign in which the costs are apportioned on a very equitable basis, and where each participant is given precisely the same amount of space. The results accruing from this unique example of international good-fellowship have been highly satisfactory.

The friendly relations between the Bureau and the Vancouver Tourist Association, the Victoria and Island Publicity Bureau, and the Evergreen Playground Association continue to be of the best and a source of keen gratification. Mention must be made, too, of the co-operation given by the Canadian Government Trade Commissioner in Los Angeles and his staff, who have been extremely helpful.

SETTLEMENT.

While this report is essentially on the tourist industry, it would be incomplete without brief mention of the Bureau's Settlers' Information Branch. This is an activity which the Bureau has been at pains to develop over a number of years, to where it has made itself the recognized authority to which all such inquiries are referred, at least in their initial stages, and the channel for the dissemination of information to all parts of the Englsh-speaking world. Unquestionably, of the many thousands of visitors who enter British Columbia annually, a substantial number come with the idea of making their homes here and remaining to take part in the development of a country whose youth and vigour and abundant potentialities have a strong appeal. There is no thought that its settlement activities will ever claim the leading place, but the Bureau is so deeply involved in settlement and its competence so widely acknowledged that it must continue to take a keen and growing interest. Settlement is irrevocably associated with the British Columbia Government Travel Bureau.

VICTORIA, B.C.:
Printed by DON MCDIARMID, Printer to the King's Most Excellent Majesty.
1949.

1,795-349-8237