PROVINCE OF BRITISH COLUMBIA

Department of Industrial Development, Trade, and Commerce

REPORT

for the

YEAR ENDED DECEMBER 31

1963

To Major-General the Honourable GEORGE RANDOLPH PEARKES,
V.C., P.C., C.B., D.S.O., M.C.,
Lieutenant-Governor of British Columbia.

MAY IT PLEASE YOUR HONOUR:

I beg to submit herewith the Report of the Department of Industrial Development, Trade, and Commerce for the year ended December 31, 1963.

ROBERT W. BONNER, Q.C.,
Minister of Industrial Development, Trade,
and Commerce.

The Honourable Robert W. Bonner, Q.C.,
Minister of Industrial Development, Trade, and Commerce,
Victoria, B.C.

SIR,—I have the honour to submit herewith the Report of the Department of Industrial Development, Trade, and Commerce for the year ended December 31, 1963.

THOMAS L. STURGESS,
Deputy Minister of Industrial Development,
Trade, and Commerce.

Report of the Department of Industrial Development, Trade, and Commerce

For the Year Ended December 31, 1963

FOREWORD

The improvement in economic conditions which developed during the latter part of 1961, and continued in 1962, was maintained throughout 1963. Almost every level of economic activity registered gains in 1963. The forest-based industries, mineral industries, and construction industries made the most outstanding progress.

Favourable conditions in such export markets as the United States, the United Kingdom, the Common Market, and Japan led to larger sales for most resource-based industries, which in turn stimulated increased activity in tertiary industries, such as transportation, finance, service, and retail and wholesale trade. The large volume of wheat and other prairie grains shipped to Japan and mainland China during 1963 made significant contributions to business activity in Vancouver, New Westminster, and other British Columbia ports.

Prices at the consumer and wholesale level showed only moderate gains in relation to the expansion of business activity and consumer income and expenditure during the year. The labour force of the Province increased in 1963 by almost 3 per cent over 1962, while the numbers of employed persons grew slightly more than 3 per cent. The proportion of the labour force unemployed averaged 6.3 per cent in 1963, compared with 6.8 per cent in 1962. Labour income is estimated at $2,300,000,000 for 1963, compared with $2,100,000,000 in the year previous, indicating that wage-earners shared in the gains made in the Provincial economy. Retail sales figures show that consumer expenditure was well above 1962 levels in 1963. The 1963 value of retail sales is expected to reach $1,900,000,000, compared with $1,800,000,000 in 1962.

Capital investment reflecting the purchases of new machinery and equipment, the construction and repair of buildings, and the major repair of machinery and equipment amounted to $1,400,000,000, a gain of 8 per cent over 1962. Major areas of expenditure in 1963 were expansion of plant and equipment by the pulp and paper industry, construction of the massive hydro-electric installation on the Peace River, and a very high level of construction in housing, particularly apartment blocks.

Agricultural conditions were favourable in 1963, with the largest and best apple crop since 1956. Gains were also registered in the production and sale of eggs, poultry, and small fruits.

The value of production of the Province's manufacturing plants in 1963 was $2,200,000,000, a gain of 4 per cent over 1962. The forest industries provided the major impetus, with lumber shipments up 7 per cent, plywood production up 6 per cent, and a general gain in pulp and paper production of about 3 per cent.

The mining industry made outstanding gains in 1963, with crude-petroleum production increasing 44 per cent over 1962 and copper production up 14 per cent, and most other sectors recording increases to bring the total value of mineral production 9 per cent higher than in 1962.

Fishing, while down from the near-record year of 1962, enjoyed an above-average year in 1963. It is believed the final wholesale marketed value of fish products will be close to $80,000,000 despite the loss of an important part of the sockeye run during a strike in July.

Exports through British Columbia customs ports will exceed $1,300,000,000 in 1963, compared with $1,245,000,000 in 1962. This increase reflected gains in almost every class of export, but particularly in forest, mineral, and grain products. While all markets were good, a significant factor was the expanding Far Eastern markets in Japan and mainland China.

The outlook for 1964 is excellent, with every indication of favourable export markets and a high level of investment in the Province's forest, mining, and electric-power generation industries. The Bureau of Economics and Statistics executive opinion poll substantiates the good prospects for 1964, and indicates most business activity sectors should show gains in the coming year.

Following in this Report are summaries of the activities of the various divisions of this Department—namely, the Bureau of Economics and Statistics; the Industrial and Trade Office; the Data Processing Division; British Columbia House, London, England; and British Columbia House, San Francisco, Calif. The objectives and organization of the British Columbia Research Council are recorded likewise.

BUREAU OF ECONOMICS AND STATISTICS

Before proceeding to review the work accomplished by the Bureau of Economics and Statistics during 1963, it may be useful to explain that the Bureau is 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.

To ensure technical proficiency, the Bureau has endeavoured to follow the policy of building up a small corps of professionally trained persons who can 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. A description follows of the various services performed during the year.

ECONOMIC RESEARCH

One of the Bureau's functions is to provide economic counsel to the Government. Supplementary to this function is the preparation of a weekly report to the Premier and to the Minister of each department. This report reviews and summarizes significant events and developments, in the field of economics, considered of importance to British Columbia. As well, from time to time, technical assistance is given to the various branches of the Government as it is requested. There are many publications prepared to keep government and industry informed on current business conditions. The two most widely distributed are the Monthly Bulletin of Business Activity, containing a brief description of current changes in monthly business indicators, plus statistical tables and charts, and the Annual Summary of Business Activity, recording the past year's performance and including numerous charts and historical series illustrating the economic position of the Province. In recent years an executive opinion poll has been conducted at the end of each year to gauge the outlook of the industry for the coming year.

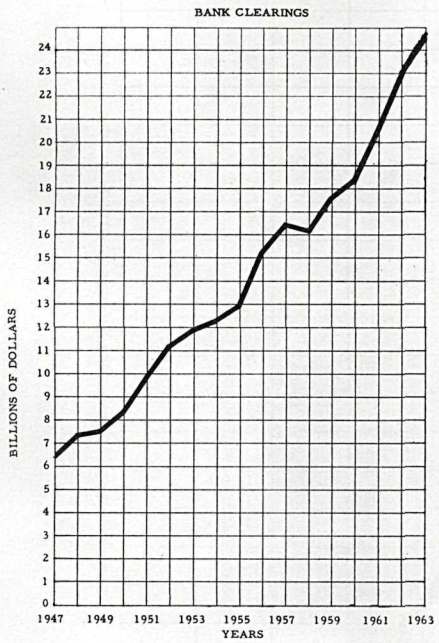
Many requests are received for information dealing with the Provincial economy from private individuals, corporations, trade-unions, newspapers, business publications, and Boards of Trade. The Bureau's files and library contain much of the information requested, but often special surveys and considerable research are necessary.

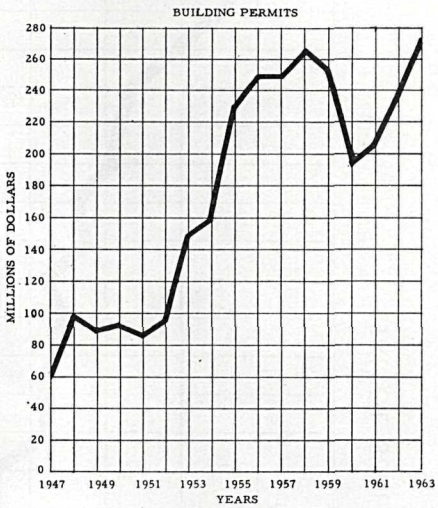
The annual study of wage rates for selected occupations in the metropolitan areas of Vancouver and Victoria and centres in northern and southern areas of the Province was again prepared and published. The Civil Service Commission, as well as other Government agencies and the public, was provided with these comparative wage rates.

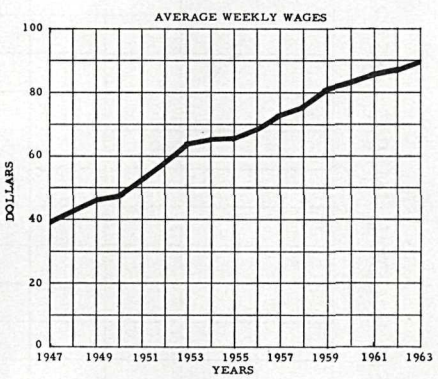
Economic Activity in British Columbia, 1961, 1962, and 1963

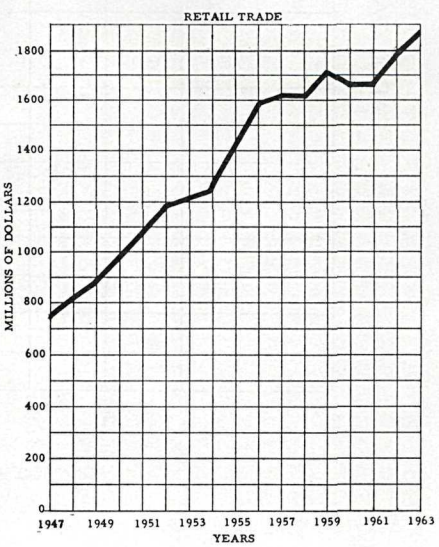
	Unit or Base Period	1961	1962	1963 Preliminary Estimates
Mining—				
Total value of production	$000	179,786	229,276	250,600
Zinc	$000	45,371	51,356	51,800
Copper	$000	8,965	33,209	37,900
Lead	$000	42,314	34,537	36,000
Iron concentrates	$000	12,082	18,327	19,000
Industrial minerals	$000	12,927	14,283	16,200
Structural materials	$000	19,878	21,366	22,400
Petroleum, crude	$000	2,711	17,617	25,400
Natural gas	$000	8,901	10,323	11,200
Forestry—				
Total value of production	$000	688,000	800,000	850,000
Timber scaled	M f.b.m.	6,875,000	7,918,000	8,600,000
Lumber production	M f.b.m.	5,620,000	6,254,000	6,700,000
Pulp production	Tons	2,256,000	2,410,000	2,450,000
Paper production	Tons	1,136,000	1,200,000	1,250,000
Fisheries—				
Wholesale marketed value of production	$000	78,758	94,700	80,000
Pack of canned salmon	Cases	1,405,159	1,816,600	1,200,000
Agriculture—Farm cash income	$000	137,204	151,087	154,000
Manufacturing—Factory shipments	$000	1,967,091	2,182,374	2,335,000
External trade—				
Exports through B.C. customs ports	$000	1,080,751	1,244,712	1,300,000
Imports through B.C. customs ports	$000	421,885	477,037	430,000
Internal trade—				
Gasoline consumed	Gallons	336,808,000	359,403,000	381,000,000
Electric power generated	000 kwh.	13,180,000	14,570,000	15,200,000
Railway freight loaded and received in British Columbia	Tons	13,072,665	13,858,657	14,600,000
Sales of life insurance	$000	395,040	404,520	450,000
Total retail sales	$000	1,665,229	1,784,086	1,875,000
Motor-vehicle dealers	$000	257,387	307,899	340,000
Department stores	$000	249,034	264,042	279,000
Capital investment—				
Capital and repair expenditure	$000	1,240,900	1,271,800	1,400,000
Building permits issued	$000	207,558	237,124	270,000
New residential units completed	Units	11,167	11,920	14,000
Finance—Cheques cashed	$000	20,433,555	23,089,746	24,700,000
Employment (June)—				
Labour force	Number	588,000	613,000	623,000
Employed	Number	544,000	580,000	591,000
Unemployed	Number	44,000	33,000	32,000
Employment indices (based on firms with 15 or more employees)—				
All employment	1949=100	112.3	115.7	120.0
Manufacturing	1949=100	116.8	121.1	124.5
Iron and steel products	1949=100	102.1	113.0	125.0
Lumber and plywood	1949=100	118.6	122.6	128.0
Pulp and paper	1949=100	188.0	198.3	208.0
Mining	1949=100	71.1	76.6	83.2
Logging	1949=100	71.1	76.3	81.0
Transportation, storage, and communication	1949=100	113.4	114.2	114.4
Service	1949=100	129.5	136.7	141.6
Construction	1949=100	97.0	100.9	103.0
Labour income	$000	1,999,000	2,131,000	2,300,000

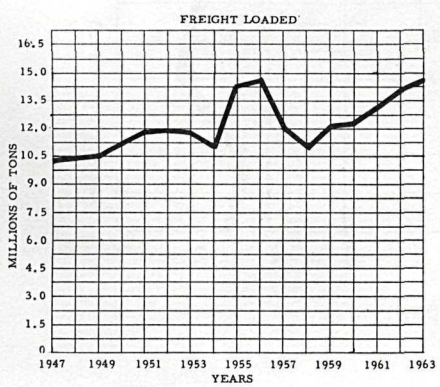
Economic Indicators in British Columbia

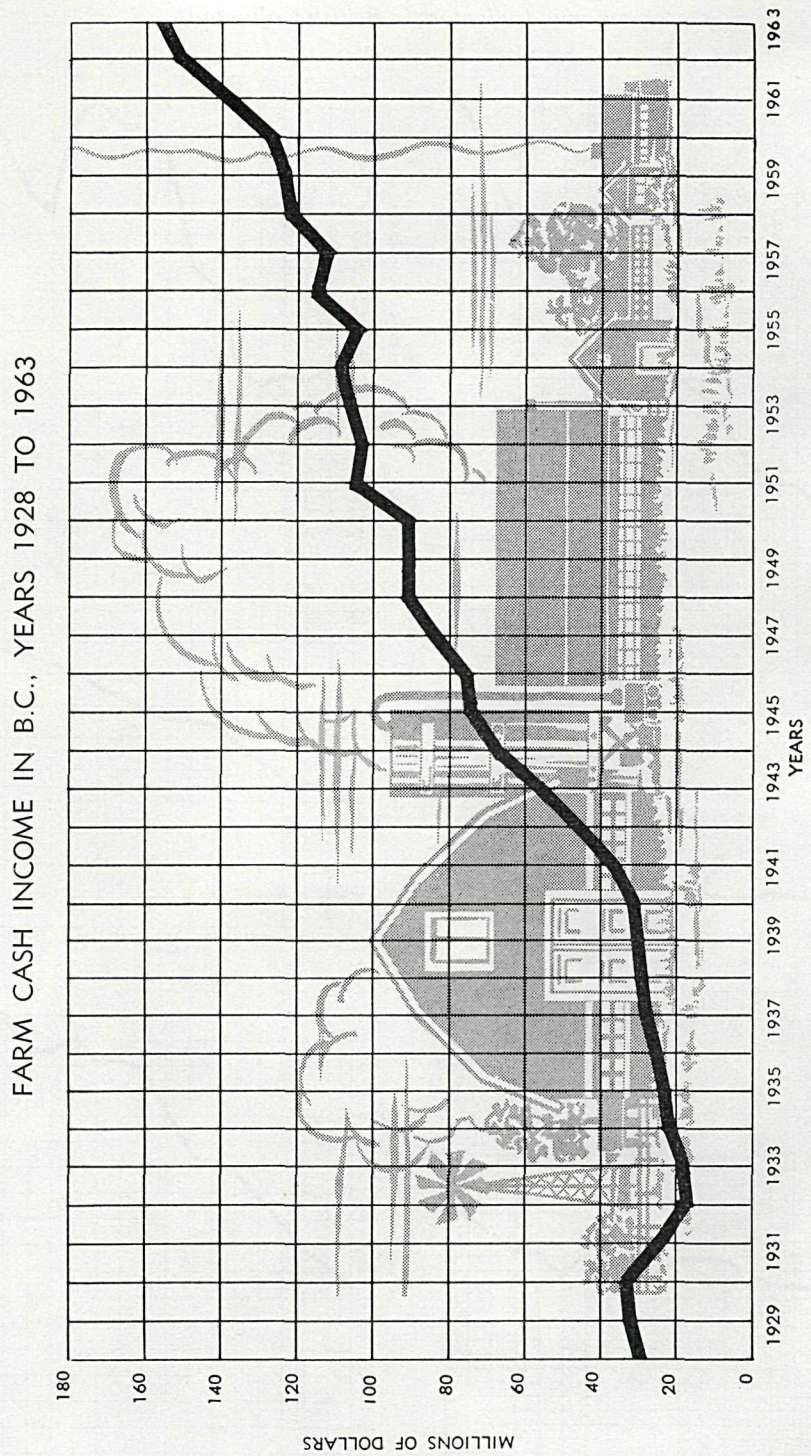


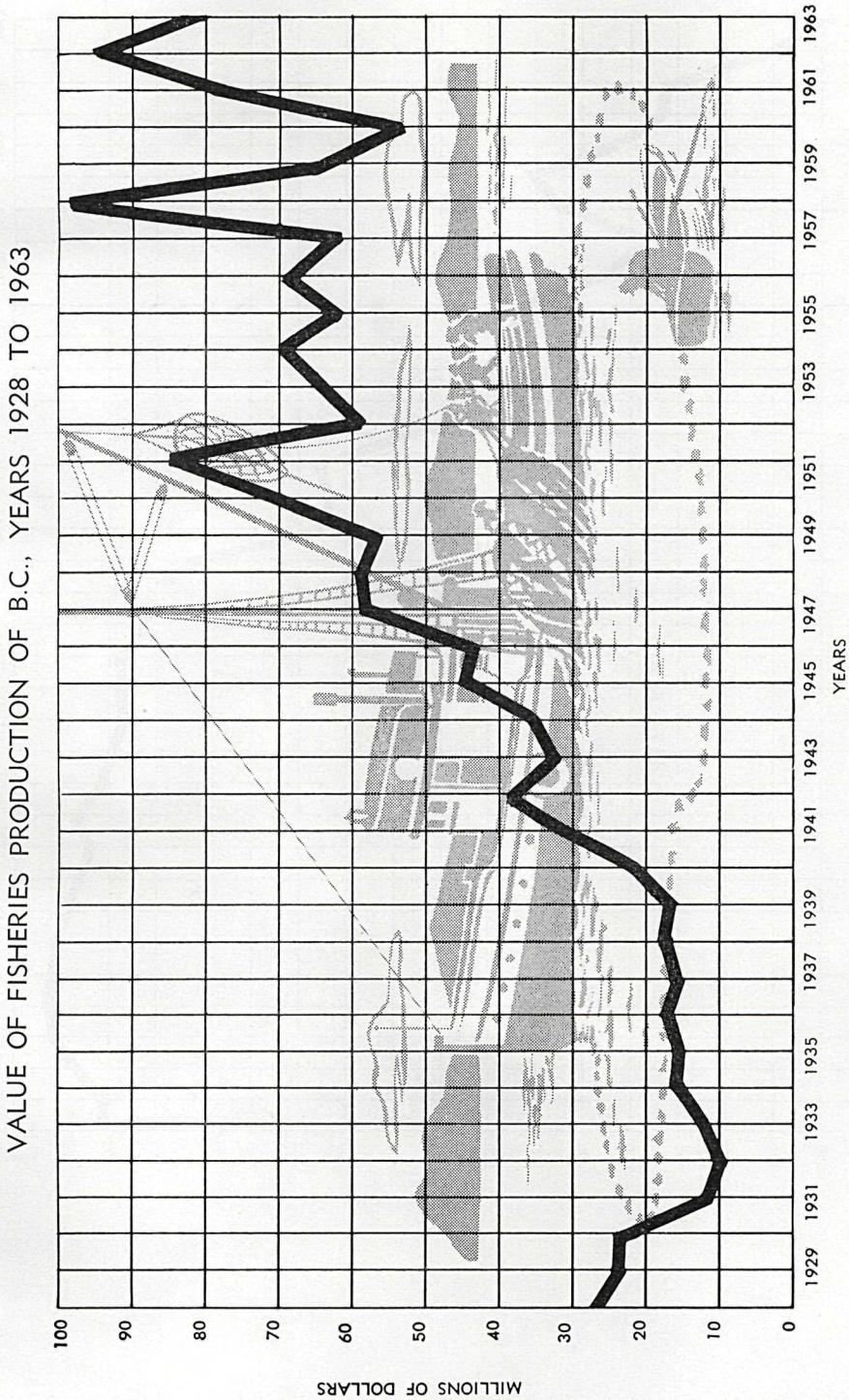


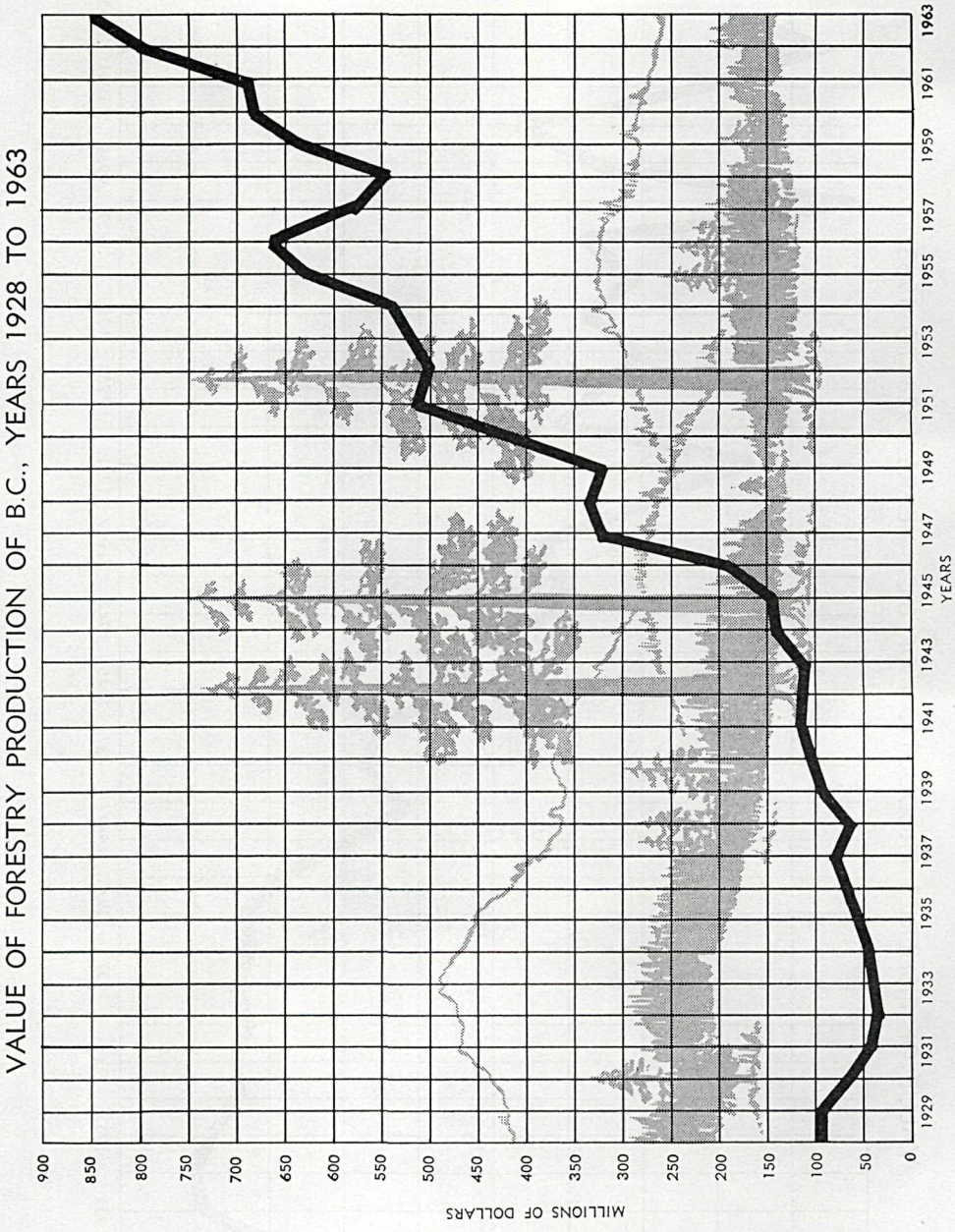







FARM CASH INCOME IN B.C., YEARS 1928 TO 1963
MILLIONS OF DOLLARS
180
160
140
120
100
80
60
40
20
0
1929
1931
1933
1935
1937
1939
1941
1943
1945
1947
1949
1951
1953
1955
1957
1959
1961
1963
YEARS


VALUE OF FISHERIES PRODUCTION OF B.C., YEARS 1928 TO 1963
MILLIONS OF DOLLARS
100
90
80
70
60
50
40
30
20
10
0
1929
1931
1933
1935
1937
1939
1941
1943
1945
1947
1949
1951
1953
1955
1957
1959
1961
1963
YEARS


VALUE OF FORESTRY PRODUCTION OF B.C., YEARS 1928 TO 1963
MILLIONS OF DOLLARS
900
850
800
750
700
650
600
550
500
450
400
350
300
250
200
150
100
50
0
1929
1931
1933
1935
1937
1939
1941
1943
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1947
1949
1951
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1955
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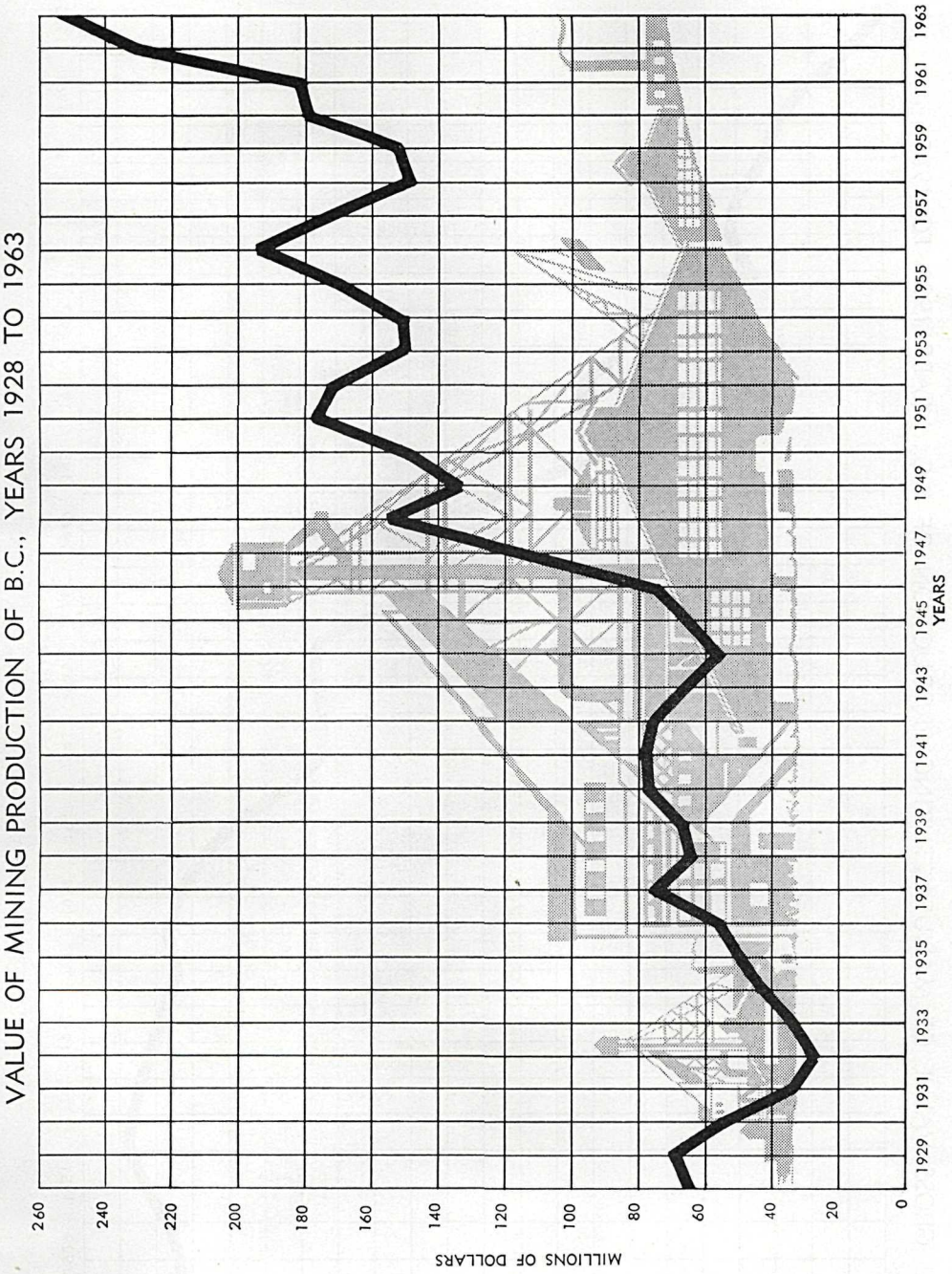
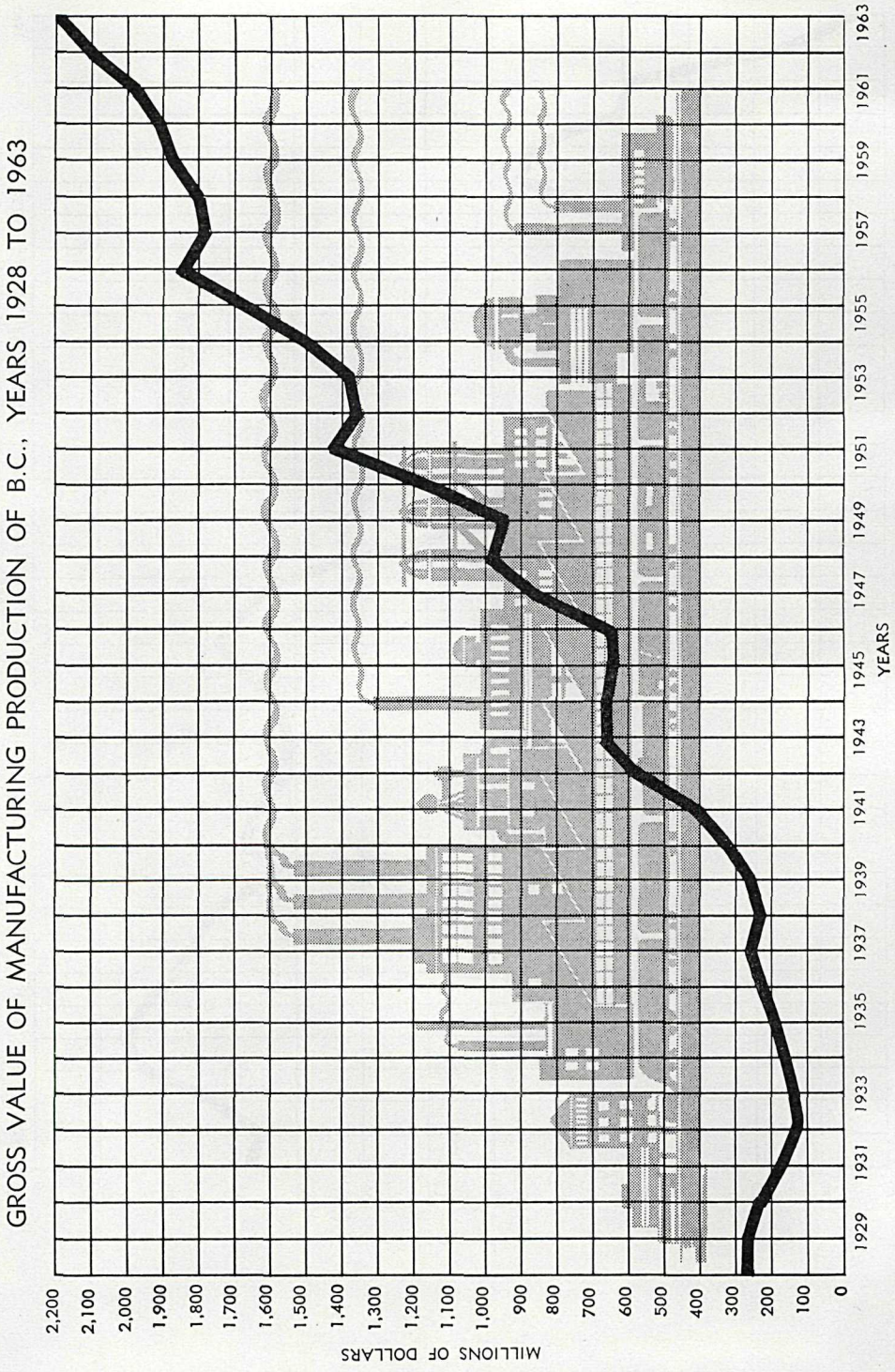
1959
1961
1963
YEARS


VALUE OF MINING PRODUCTION OF B.C., YEARS 1928 TO 1963
MILLIONS OF DOLLARS
0
20
40
60
80
100
120
140
160
180
200
220
240
260
YEARS
1929
1931
1933
1935
1937
1939
1941
1943
1945
1947
1949
1951
1953
1955
1957
1959
1961
1963


GROSS VALUE OF MANUFACTURING PRODUCTION OF B.C., YEARS 1928 TO 1963
MILLIONS OF DOLLARS
2,200
2,100
2,000
1,900
1,800
1,700
1,600
1,500
1,400
1,300
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
1929
1931
1933
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1937
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1945
1947
1949
1951
1953
1955
1957
1959
1961
1963
YEARS

TRANSPORTATION

During 1963 the transportation section of the Bureau of Economics and Statistics prepared a number of reports and submissions that affected the transportation industry of the Province. One of the foremost reports dealt with the economic research undertaken on the proposed $18 million extension of the Pacific Great Eastern Railway. The findings of this report were considered in the decision to build the branch line from Summit Lake, on the main line, 100 miles north-west to Fort St. James.

The Bureau maintained a watching brief and assisted Provincial counsel at hearings held by the Board of Transport Commissioners for Canada on the application of the Canadian Pacific Railway Company to discontinue its passenger service on the Kettle Valley line between Spences Bridge, B.C., and Lethbridge, Alta. Hearings were held in Fernie, Nelson, and Penticton, with the Provincial statement being presented at Penticton.

The Bureau also attended a number of local meetings held by the Board's field officer regarding the application of either the Canadian National or the Canadian Pacific to remove its station agent at various locations throughout the Province. Not all applications were accepted; for example, in the case of Falkland, B.C., the Board recommended the retention of the agent.

Throughout the year the transportation section of the Bureau has been actively preparing a submission to the Parliamentary Standing Committee on Railways, Canals, and Telegraph Lines regarding the anticipated legislation arising out of the recommendations of the MacPherson Royal Commission on Transportation. While the content of the actual legislation has not been revealed as yet, the original recommendations, which formed the basis of the legislation, were not entirely favourable to British Columbia. The new year should bring the long-awaited legislation and one of the major transport hearings for Canada.

Finally, in 1963 the Bureau continued to provide its usual service to other Government departments, business, and industry in rate and developmental matters.

EXTERNAL TRADE

In addition to regular tabulation and presentation of import and export statistics, three special studies in a series covering trade with the Pacific rim were released. " Canada's Trade with Countries of the Pacific," a summary volume, was released in January, followed by " The Pacific Rim of Latin America " and " Canada's Exports to Southeast Asia—A Trade and Transportation Study." The latter was prepared by Dr. W. Hughes, Chairman of the Transportation and Utilities Division, Faculty of Commerce and Business Administration, University of British Columbia. Dr. Hughes is presently a visiting professor at the University of Malaya. Two further publications in this series will be released early in 1964. In addition, the annual " Preliminary Statement of External Trade through British Columbia Custom Ports —1962 " was distributed to over 600 interested parties.

Numerous requests regarding imports and exports of specific commodities were received. Other activities included preparation of statistical and written material for use in monthly and annual reports. Special studies were prepared for the members of trade missions to Latin America, Great Britain, and Japan.

The table of exports for British Columbia products was revised in 1962 to conform with the export classification system established by the Dominion Bureau of Statistics, Ottawa, in January, 1961. It should be noted that these export figures differ from the regularly published figures since they include exports of products considered to be principally of British Columbia origin shipped through all Canadian

ports and exclude products originating in other Provinces exported through British Columbia customs ports.

The import table shows imports through British Columbia customs ports and includes products which are transhipped to other Provinces. These figures are similar to regularly published figures but are the final revised values.

British Columbia Product Exports to Commonwealth and Foreign Countries by Commodity Group for the Years 1952 to 1962, Inclusive[1] (Excluding Gold and Non-trade Items)

Commodity Group	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962[2]
Fish and marine animals and products	$28,023,281	$31,242,356	$41,960,644	$31,730,198	$31,983,642	$27,803,601	$50,335,166	$42,758,907	$29,379,902	$31,961,848	$37,471,076
Crude wood materials (logs, chips, etc.)	10,433,914	9,414,066	10,916,799	10,515,893	9,155,802	9,859,585	6,863,776	6,055,084	9,604,885	16,387,040	16,304,036
Wood fabricated materials (lumber, plywood, etc.)	201,537,696	254,487,451	283,077,289	311,488,221	258,541,162	222,657,415	236,960,869	225,924,828	276,529,965	311,756,977	347,611,489
Wood pulp and similar pulp	35,919,635	29,147,419	42,115,831	75,843,970	113,575,468	69,404,860	67,672,862	96,290,271	98,960,386	109,591,148	123,564,507
Paper and paper board	42,970,021	54,607,634	56,918,872	62,557,454	65,075,308	70,525,783	76,596,267	97,567,644	109,114,306	107,966,190	114,939,592
Metals in ores, concentrates, and scrap	26,777,237	52,390,324	41,739,268	43,613,433	46,003,784	36,930,071	26,112,447	35,188,064	43,125,151	37,137,644	48,165,158
Non-ferrous metals	69,950,097	49,755,581	50,556,600	70,419,164	71,765,726	88,026,216	72,939,990	93,213,888	118,855,993	107,168,746	109,038,130
Crude non-metallic minerals (except coal and petroleum)	681,833	704,903	1,095,356	3,600,446	5,205,653	7,924,363	7,772,483	9,959,788	13,370,165	11,851,738	13,702,267
Coal, crude petroleum, and natural gas	2,290,751	1,245,145	1,235,979	1,532,717	1,432,460	2,716,486	17,812,110	16,524,814	14,469,769	20,242,686	23,557,194
All other products	67,279,159	69,853,458	76,268,211	95,484,590	85,594,776	107,226,196	86,269,290	86,518,223	91,673,579	87,230,120	97,363,190
Totals, all products	$485,863,624	$552,848,337	$605,884,849	$706,786,086	$688,333,781	$643,074,576	$649,335,260	$710,001,511	$805,084,101	$841,294,137	$931,716,639

[1] These figures include exports through all Canadian customs ports for selected products considered to be of British Columbia origin. It should be noted that these statistics have been revised to conform to the new export classification system established in January of 1961 by the Dominion Bureau of Statistics in Ottawa.

[2] Preliminary, subject to revision.

Imports through British Columbia Customs Ports from Commonwealth and Foreign Countries by Commodity Group for the Years 1952 to 1962, Inclusive[1] (Excluding Gold and Non-trade Items)

Commodity Group	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962[2]
Agricultural and vegetable products—											
For food	$62,314,674	$60,456,867	$69,022,030	$69,898,724	$74,308,061	$77,750,172	$74,179,542	$72,212,304	$73,079,726	$71,075,927	$73,559,778
Not for food	6,603,404	7,043,492	7,194,135	8,352,456	10,334,615	10,293,544	10,828,888	13,811,686	14,263,459	15,540,890	14,556,187
Animals and animal products	6,635,216	7,173,994	8,615,554	9,462,960	15,909,756	14,883,520	13,743,314	14,422,938	14,837,487	16,104,554	15,813,187
Fibres, textiles, and products	17,032,702	18,166,450	18,788,847	21,273,732	22,262,710	22,076,450	22,672,145	27,307,700	27,289,204	28,166,935	27,020,472
Wood, wood products, and paper	10,157,690	12,411,633	13,361,922	19,328,125	21,900,332	23,025,102	22,862,085	25,463,044	22,015,069	22,160,874	25,427,224
Iron and its products	107,147,452	109,040,582	105,357,481	139,811,659	229,023,597	209,271,742	135,609,270	170,812,288	156,814,532	136,738,128	154,342,050
Non-ferrous metals and products	27,222,042	20,320,844	21,158,861	25,269,317	46,101,949	50,936,814	40,885,965	59,019,683	51,110,835	46,779,103	49,267,456
Non-metallic minerals and products	57,281,545	66,486,963	40,963,155	32,471,292	40,815,722	39,845,544	30,456,695	30,159,112	28,575,074	27,954,404	29,762,491
Chemicals and allied products	11,868,645	14,842,710	15,899,759	18,837,648	19,766,755	18,538,605	16,339,856	18,047,781	18,507,071	19,293,783	21,241,006
Miscellaneous products	19,712,917	25,422,504	21,022,864	26,278,511	27,940,662	32,211,134	31,379,877	39,701,272	33,829,030	38,070,834	66,046,878
Totals, all products	$325,976,287	$341,366,039	$321,384,608	$370,984,424	$508,364,159	$498,832,627	$398,957,637	$470,957,808	$440,321,487	$421,885,432	$477,036,729

[1] Imports include only items entering Canada through British Columbia customs ports but do not include non-trade items and gold. Many of the commodities imported are shipped to other Provinces. These statistics have been revised from 1952 to date to conform with the changes in Canadian trade statistics instituted by the Dominion Bureau of Statistics, Ottawa, in 1960 and 1961.

[2] Preliminary, subject to revision.

STATISTICS

The Bureau is responsible for the collection, analysis, interpretation, and publication of statistical information. In addition, it assists other departments in the compilation of statistical information and in establishing uniform statistical methods throughout the service. Following is a brief outline of the Bureau's activities in these fields.

Co-operative Statistical Agreements

Since other Government 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 and Petroleum Resources, Labour, Provincial Secretary, Health Services and Hospital Insurance, and Social Welfare. During 1963 the essential statistical services performed for the other Provincial departments as well as for the Department of Industrial Development, Trade, and Commerce were maintained. Conferences between the Provincial and Federal statistical bureaux are now held on a regular basis.

Forestry

The Bureau continued to collect, analyse, and disseminate information relating to the economic aspects of the primary and particularly the secondary phases of the forest-based industries of the Province. During the year a large number of requests were received from industry, trade and other publications, labour organizations, industry associations, and individuals. In addition, assistance was rendered to other Government departments. Study of several forest industries and potential was undertaken for internal use, for other Government departments, and in response to other requests. Early in the year a publication summarizing statistics relating to the forest industries of the Province was produced. The Bureau participated in the first Dominion-Provincial Conference on Forestry and Forest Products Statistics, held at Ottawa in March of 1963.

The forest industries comprise the most important industrial group in the Province and, with a net value of production estimated to exceed $850,000,000 in 1963, accounted for about 35 per cent of the net value of all commodity-producing industries and employed over 75,000 persons. In 1963 the British Columbia forest industries accounted for over 65 per cent of the lumber produced in Canada, nearly 85 per cent of the plywood, 20 per cent of the pulp, and nearly 15 per cent of the paper produced in Canada.

The British Columbia logging industry, the Province's most important primary industry, cut 8.6 billion board-feet of timber in 1963, an increase of 9 per cent over 1962. From figures available to the end of October, log production on the Coast was up by 5 per cent and log production in the Interior by 17 per cent.

Production of lumber up to the end of September, 1963, was 6.6 per cent above 1962. Lumber production for the year was estimated at 6.7 billion board-feet, 7 per cent above 1962 production. A regional breakdown for 1963 shows that Interior sawmills now produce just over 50 per cent of the lumber sawn in British Columbia.

Lumber shipments by British Columbia sawmills were maintained at levels 10 to 12 per cent above 1962 throughout most of the year.

Plywood production for 1963 was estimated at 1.8 billion board-feet and showed steady growth throughout the year.

Output in the pulp and paper industry was up in 1963, though not by as much as in previous years. Pulp production for 1963 was estimated at 2,450 thousand

tons, between 1 and 2 per cent above the previous year. The utilization of waste wood by the pulp industry increased during the year, with further introduction of barking and chipping equipment, especially in the Interior, and expansion of the output of wood chips from sawmills and veneer-mills. In 1963 chips from waste wood accounted for over 45 per cent of the wood consumption of the pulp industry. Roughly half of the pulp produced in British Columbia was used within the Province in the production of paper. Paper production in 1963 was estimated at 1,250 thousand tons, close to 3 per cent above 1962. The remainder of pulp production was sold in Canada and on world markets. Pulp sales were maintained at levels approximately 5 per cent above 1962 throughout most of the year.

At the beginning of 1963 capital investment intentions by the British Columbia forest industries were estimated at $217 million, substantially above 1962. While capital investments by all of the forest industries were up, the most impressive programme was that of the pulp and paper industry, which was estimated at $117 million. On the basis of expansion plans announced and under way, this level of investment should continue through 1964 and 1965.

Mining

It is the responsibility of the Bureau to collect and compile the production statistics on all minerals, with the exception of coal, natural gas, and petroleum. These statistics are subsequently published in detail in the Annual Report of the Minister of Mines and Petroleum Resources.

The value of mineral production in 1963 is likely to set a new all-time record. The preliminary estimate indicates that it will be approximately $250,600,000, roughly 9 per cent higher than 1962. The outstanding increases are for crude petroleum, with an increase of 44 per cent, and copper, with an increase of 14 per cent over 1962. Nearly all minerals, except gold, are expected to have some increase in value. The principal metals consisting of gold, silver, copper, lead, and zinc together contribute roughly 56 per cent of the total value of mineral production.

Zinc continues to be the outstanding contributor to the total value, being roughly $51,800,000, followed by copper, valued at $37,900,000, and then lead at $36,000,000. Crude petroleum, with its value of $25,400,000, is followed by iron concentrates, $19,000,000; asbestos, $11,400,000; natural gas, $11,200,000; silver, $8,600,000; coal, $6,000,000; and gold, $5,700,000. Structural materials, consisting of cement, clay products, lime and limestone, rock, sand and gravel, and stone will equal $22,400,000.

The devalued Canadian dollar continued to assist the mining industry of British Columbia as the prices received for B.C. metals are nearly all based on U.S. prices.

Labour

Periodic surveys relating to occupational wage and salary rates have in recent years become increasingly valuable, to both employers and employees, as a source of information to be used in labour negotiations and collective bargaining.

During 1963 a considerable amount of exploratory work was accomplished in the labour section with a view to expanding the occupational coverage of the existing surveys, and also to increase the accuracy of the job classifications used in the questionnaires. It was found that a wide variation in salary rates often occurred in the survey results due to inconsistencies in the classification of workers, or inadequate definitions or job descriptions used in the inquiry. Considerable progress was achieved by direct approach to the employer in many

instances where it was felt that information obtained from the questionnaires was inconsistent with previous returns.

In this work, as in the field of organized-labour statistics, the close association of Provincial and Federal departments has been of great assistance in the provision of reference sources necessary to the advancement of the survey methods.

As in previous years, the Bureau of Economics and Statistics again completed the statistical sections of the Annual Report of the Department of Labour, this material appearing under the heading of "Statistical Report on Trades and Industries" in the Annual Report of the Department of Labour for the current year.

In conjunction with the Federal Government survey of labour organizations in British Columbia, the Bureau completed a follow-up survey of non-responding locals, and provided a complementary service in this regard to the Federal offices. On the basis of information obtained jointly by both authorities, a current 1963 Directory of Trade-union Organizations in British Columbia was provided for the British Columbia Department of Labour.

Projects completed during the year in the labour section included the following:—

(1) The 1963 survey of British Columbia salary and wage rates.
(2) Statistical sections for the 1963 Annual Report of the British Columbia Department of Labour.
(3) A survey of organized labour in British Columbia completed, together with a directory of trade-unions and labour organizations, for the Department of Labour.
(4) A survey of clerical salary rates in the Vancouver area, tabulated for the Vancouver Board of Trade.
(5) A survey of working conditions in collective agreements, British Columbia, 1963, completed for the British Columbia Department of Labour.
(6) Preliminary tabulations and test runs relating to a study of wage and salary rates in selected occupations for the Civil Service Commission.

And continuing maintenance of current labour statistics in use by the Bureau.

Recently revised totals shown in the following table represent the estimated annual labour income in British Columbia for the years 1947 to 1963:—

Estimated Annual Labour Income in British Columbia

Year	Annual Income	Year	Annual Income
1947	$641,000,000	1956	$1,649,000,000
1948	794,000,000	1957	1,765,000,000
1949	825,000,000	1958	1,763,000,000
1950	915,000,000	1959	1,873,000,000
1951	1,072,000,000	1960	1,959,000,000
1952	1,214,000,000	1961	1,999,000,000
1953	1,279,000,000	1962	2,131,000,000
1954	1,302,000,000	1963	2,300,000,000[1]
1955	1,426,000,000		

[1] Preliminary estimate.
Source: Estimates of Labour Income, Dominion Bureau of Statistics, Ottawa.

MARKET RESEARCH

Keen interest is being shown by business and industry in the market potential of the Province, and a large and varied number of requests is received for market data and assessments of industrial and commercial opportunities.

The Bureau of Economics and Statistics is continually on the alert to detect products which present a good opportunity for local manufacture, and in this connection has prepared several industry studies. A systematic search and analysis of the Bureau's extensive manufacturing data is currently under way to assist in locating new opportunities.

Another aspect of market research which has continued to receive attention relates to the study of specific areas of the Province. (*See under* Publications.)

PUBLICATIONS

Periodical

Monthly Bulletin of Business Activity.—This publication contains special articles of current interest and also incorporates a monthly review of current changes in the principal segments of the Provincial economy.

Summary of Business Activity in British Columbia.—This publication is a companion to the Monthly Bulletin, and is issued at the end of the current year. It summarizes the current year's economic picture and presents historical series relating to business activity in the Province.

Business Outlook.—This publication is issued at the end of the current year and indicates business conditions during the past year and the outlook for the coming year. It is based on a survey of 300 of the major companies in British Columbia.

External Trade.—Statistics covering in detail all commodities imported or exported through British Columbia customs ports having an aggregate value of $50,000 and over.

British Columbia Facts and Statistics.—Portrays graphically some of the salient features of British Columbia's economy and describes its geography, government, and judiciary and educational systems.

Salary and Wage Rate Survey.—This annual publication summarizes salary and wage rates in selected clerical, professional, and trade occupations, in business and industrial establishments for metropolitan Vancouver and Victoria, Southern Interior Centres, and Northern Centres.

Establishing a Business in British Columbia.—This publication gives to prospective investors information relating to the establishment of a business in British Columbia. A new issue was released in 1963.

British Columbia Regional Index.—This index contains available statistics on a wide range of subjects covering all areas of the Province. It is in the course of revision, and pending completion of the project as a whole, sections will be released individually. The East and West Kootenay section was released in 1963.

Special

British Columbia Forest Industries Statistics.—This publication was released early in the year. It contains pertinent statistics of the forest-based industries of British Columbia.

A List of Manufacturing Firms in British Columbia Segregated in Size Groups According to Employment.—This publication was released in April, 1963. It is

supplementary to the British Columbia Trade Index. Only firms having 15 or more employees are listed.

Population Maps of Census Divisions.—Published during 1963, these maps show the 1961 population by enumeration areas, cities, towns, district municipalities, villages, and certain communities. There are 10 maps making up the series, and they are sold for $1 per map or $10 for the series.

Age Group Distribution of British Columbia's Population by School Districts.—Published in July, 1963, this publication shows in summary and detail the age make-up of the population as of June, 1961.

A Manual of Resources and Development.—This publication was released in March, 1963. It contains up-to-date information about the location and development of British Columbia's resources and is well documented with maps and diagrams.

Materials and Components Used by British Columbia Manufacturers during 1958.—This publication was released in August, 1963, and lists many of the commodities used by the principal manufacturing industries in the year 1958.

Area Surveys.—These surveys place special emphasis on the present state of commercial and industrial development, and on the favourable opportunities for further expansion in the area. The following have been released to date: Hope and District in 1959, Chilliwack and District in 1960, Kamloops and District in 1961, Kelowna in 1962, and Fernie and District in October, 1963. Both the Kelowna and Hope surveys were reprinted in 1963 at the request of local authorities.

Trade Studies.—These studies are designed to encourage British Columbia exporters and producers to examine more intensively the possibilities for expanding and diversifying exports to the countries bordering the Pacific Ocean. The following have been released to date: Canada's Trade with Countries of the Pacific in 1962, United States Market Opportunities for British Columbia Businessmen in 1962, Export Opportunities in the Far East in 1962, The Pacific Rim of Latin America in 1963, and Canada's Exports to South-east Asia—A Trade and Transportation Study in 1963.

The Commercial Fisheries of British Columbia.—An industry study, the report relates the industry to the Provincial economy and outlines how it functions as an economic unit.

(NOTE.—A complete listing of Bureau publications is contained in the Department's List of Publications, obtainable free of charge.)

INDUSTRIAL AND TRADE OFFICE

The main function of this office is to promote new industrial and commercial enterprises throughout the Province, provide assistance when necessary to established businesses, and develop the domestic and export trade. The office also provides industry with data on location-sites, land-use maps, availability of raw materials, and information on the services offered by the British Columbia Research Council on matters concerning industrial and scientific research.

This work is carried out in co-operation with other Provincial Government departments, Federal Government departments, Boards of Trade, Chambers of Commerce, the British Columbia Division of the Canadian Manufacturers' Association, industrial commissions, railway industrial agents, and foreign trade representatives in Canada and overseas.

BRANCH PLANT AND MANUFACTURING UNDER LICENCE INQUIRIES

Many of the inquiries received during the year under review were the result of our direct mailing campaign to selected firms. Several firms indicated that they would be establishing branch plants in British Columbia in the future, and, at the present time, firms in the chemical field, research, paper-manufacturing, and products for the pulp industry are actively engaged in completing their plans for branch plants.

Numerous licence manufacturing proposals from the United Kingdom and the Continent, United States, and Eastern Canada were handled by the Department during the year. Some of the items examined by British Columbia firms included a ski lock which enables skis to be quickly folded for storage, a pile-driving apparatus adaptable to any standard pile-driver for driving batter piles at selected acute angles, an unsinkable circular life-saving raft, material-handling equipment, diaphragm valves, pressure-packaged fire-tube boilers, exterior-wall panels of asbestos cement-wood wool, corrugated boxes for display of perishable fruits, folding garage, small industrial machine tools, building-walls construction, and illuminated safety cane for the blind and handicapped.

COMPOSITE INDUSTRIAL MAPS OF THE FRASER VALLEY AREA AND METROPOLITAN LOWER MAINLAND

The heavy demand for these maps from individuals, real-estate and business firms continued during the year. Seven hundred and fifty copies of the Metropolitan Vancouver map were used by the British Columbia Hydro and Power Authority for inclusion in its special deep-sea potential industrial-site study. A special order for 300 copies of the same map was also received from the New Westminster National Harbour Board.

The two maps cover an area extending from Burarrd Inlet and the mouth of the Fraser River to Hope and indicate the zoned and potential heavy and light industrial areas, main highways, railway lines, natural-gas line, oil pipe-line, and other facilities serving the area. Each of these maps may be purchased for $1 per copy, which includes the 5-per-cent social services tax.

HANDICRAFT DIRECTORY

Copies of the 12th edition of this directory were distributed during the year to retail and wholesale firms, to British Columbia Houses in San Francisco and London,

to resorts and other outlets. The usual contact was made with Eastern Canadian Provinces interested in handicraft development. The directory lists producers in British Columbia who are interested in finding a market and who are in a position to supply reasonable demands.

Show-cases of British Columbia handicrafts are still on display in the Empress Hotel in Victoria, and a continuing series of regional displays was exhibited at the Government Information Centre, 787 Hornby Street, Vancouver. Items exhibited during the year included weaving, carving, ceramics, silver jewellery, copperwork, and Indian crafts.

REGIONAL INVESTMENT OPPORTUNITIES

Demands for this survey were again so heavy that it was necessary to print a revised edition during the year under review. The survey lists many investment opportunities in the fields of hotel and motel requirements, housing developments, warehousing, and wholesale and retail outlets. The suggestions were submitted by Chambers of Commerce throughout British Columbia and have resulted in encouraging capital investment in many commercial enterprises.

CANADA-UNITED STATES DEFENCE PRODUCTION SHARING

During the year numerous British Columbia firms were contacted and provided with information on how to bid on United States defence contracts. Mr. F. C. MacKay, Commercial Representative for the Department in San Francisco, continued to work closely with Mr. R. Robinson, the Federal Government representative in Los Angeles, on developing this programme.

BRITISH COLUMBIA INDUSTRIAL DESIGN COMMITTEE

Some of the activities of this Committee during the year included:—

(1) Revised and located the B.C.I.D.C. industrial design exhibition in a permanent location adjacent to the Department of Industrial Development, Trade, and Commerce exhibit in the British Columbia Building at the Pacific National Exhibition.

(2) Organized and held the second British Columbia schools industrial design competition in the auditorium of the T. Eaton Co. store. Followed up the exhibition with the publication of 3,000 copies of the booklet "Design-62" and widely distributed same. Had a new 1962 student industrial design award certificate designed and presented to award winners.

(3) Planned and proceeded with the preliminary work aimed at the production of a B.C.I.D.C. photographic exhibition of well-designed B.C.-manufactured articles.

(4) Sponsored the second industrial arts teachers in training industrial design competition, adjudicated same, and presented awards.

The Committee includes representation from the Federal Department of Trade and Commerce; Provincial Department of Industrial Development, Trade, and Commerce; Department of Education; University of British Columbia; Canadian Manufacturers' Association; Vancouver Board of Trade; Vancouver School of Art; British Columbia Research Council; Association of Professional Engineers of British Columbia; Canadian Association of Consumers; Architectural Institute of British Columbia; and Community Arts Council of Vancouver.

PROVINCIAL GOVERNMENTS' TRADE AND INDUSTRY COUNCIL

The Council members are official representatives of all the Provincial Governments' departments concerned with the development of trade and industry in Canada.

The aims of the Council are: To provide interprovincial consultation and cooperation on matters of trade and industrial development; to supply traders and manufacturers from Canada and abroad with a nation-wide Provincial service in these fields; and to promote greater understanding throughout Canada of the economic conditions affecting the development of each of the Provinces and all of Canada.

The 15th annual conference was held in Banff, Alta., where the delegates heard an address by the Honourable Charles M. Drury, Minister of Industry, who outlined the formation and function of the new Department of Industry to be established in Ottawa.

Other topics discussed at the conference included: Foreign Investment in Canadian Industry; The Canadian Economic Situation; New Provincial Policies and Programmes; National Economic Council and Provincial Economic Councils; Small Business Management Programme; and Canadian World Exhibition at Montreal.

BRITISH COLUMBIA INTERNATIONAL TRADE FAIR

The third British Columbia International Trade Fair will be held at Exhibition Park in Vancouver from May 13 to 23, 1964.

Already the largest event of its kind on this continent west of Chicago, the 1964 British Columbia International Trade Fair will be almost 50 per cent bigger than the previous Trade Fairs.

The great majority of governments and companies who exhibited in 1958 and 1961 are returning in 1964, many with increased display areas, proving the importance and value placed on these successful trading events by those wishing to do business throughout the entire Pacific Northwest.

The British Columbia International Trade Fair is sponsored by the Department of Industrial Development, Trade, and Commerce, and administered by a capable volunteer group of leaders of British Columbia business and industry. President and chairman of this board of directors is Mr. W. J. Borrie, chairman of Pemberton Securities and a past president of the Canadian Chamber of Commerce and the Vancouver Board of Trade. On loan from this Department, Mr. D. H. Mollison will again manage the British Columbia International Trade Fair from a Vancouver office.

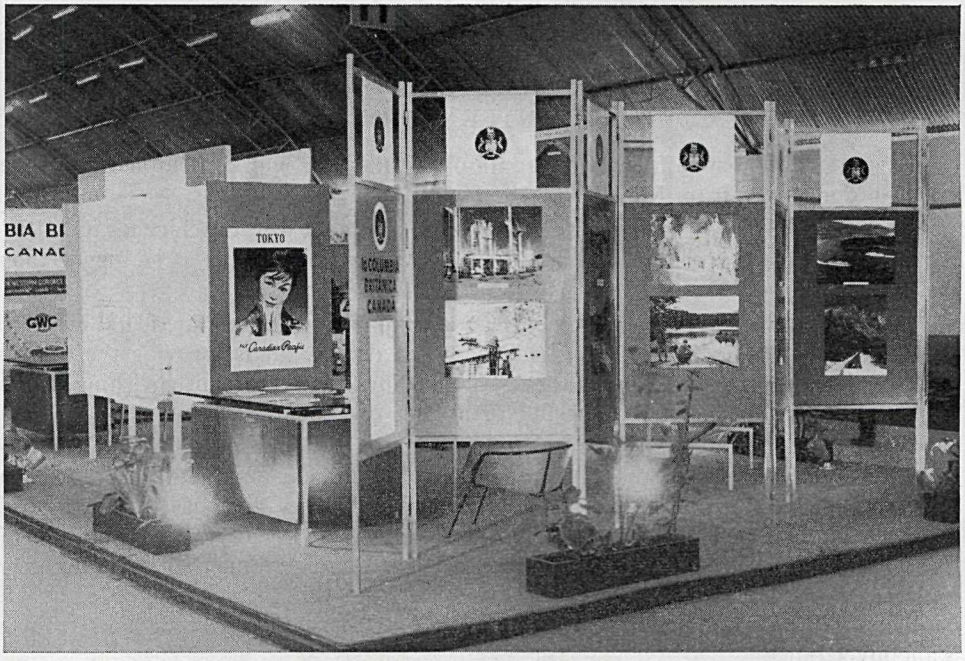
During the year under review the president and general manager of the British Columbia International Trade Fair separately visited some 20 different countries, talking with government trade offices, Chambers of Commerce, and manufacturers. To date the following countries have contracted for exhibition space: Australia, Belgium, Bulgaria, Canada, France, India, Italy, Japan, The Netherlands, New Zealand, Republic of China, United Kingdom, and West Germany.

Negotiations are in an advanced stage with several other governments. Manufactured goods from many other countries will also be displayed in the Halls of Industry, Commerce, and Machinery.

The British Columbia International Trade Fair, in addition to expanding British Columbia's import and export trade, also widely publicizes the growth and potential for industrial development in this Province.

PACIFIC INTERNATIONAL TRADE FAIR IN LIMA, PERU

The Department, in co-operation with the British Columbia International Trade Fair management, organized and participated in a composite exhibit of government and industry displayed in Lima, Peru, from October 26th to November 10th. The British Columbia Government exhibit featured a pictorial and statistical display (*see* illustration) and emphasized foreign participation in the British Columbia International Trade Fair. British Columbia firms located in the composite exhibit space were Boyles Brothers Drilling Company Limited, Canada Western Cordage Company, Scott Plastics Limited, and Western Canada Steel Limited. Ekolite Limited and Canadian Pacific Air Lines also exhibited but were located in separate booths. As a growing and promising market exists in Peru and other South American countries, it is hoped that through participation in this trade fair the exhibitors will be successful in developing new export markets.



REGIONAL DEVELOPMENT

As in the past years, the regional development work of the Department was carried on extensively during 1963. This office continues to work closely with industrial establishments, Boards of Trade and Chambers of Commerce, research organizations, Federal Government officials, and all other groups interested in or actively engaged in the industrial development of the Province of British Columbia. The continued close co-operation between these groups and the Department is a vital factor in the continued expansion of our existing industries and the promotion of new industries.

Various Boards of Trade and Chambers of Commerce were visited by members of the Department and assisted in their effort to locate new industries and commercial enterprises for their respective areas. Periodic field trips were made by the Industrial Commissioner and the Public Information Officer, in the course of which they maintained the close liaison of past years with all regional groups, including transportation and utility companies, bank branches and departments, and municipal officials.

Many inquiries received from companies and individuals were dealt with by this office, and a great deal of general and specific information about the industrial opportunities in British Columbia was forwarded to them. Close contact was maintained with the British Columbia Research Council, and numerous inquiries and problems were referred to that organization.

BRITISH COLUMBIA HOUSING MISSION TO THE UNITED KINGDOM, OCTOBER 26 TO NOVEMBER 16, 1963

A Government-sponsored Housing Mission, led by the Honourable R. W. Bonner, Q.C., recently returned from the United Kingdom after a three-week informative visit with housing and building officials both in England and in Scotland.

The delegation, composed of leading commercial and technical representatives of our timber and housing industries, was a fact-finding team whose role was part of a continuing programme to expand opportunities for increasing our trade in timber and plywood through the medium of timber-frame housing. It also afforded an opportunity of renewing acquaintanceships established during the recent tour of Canada this summer by a United Kingdom Housing Mission.

During its tour of the United Kingdom, the Mission visited London, Leeds, Manchester, and Glasgow to talk with importers, shippers, builders, engineers, architects, officials of local councils and mortgage and insurance firms. Leaders of the building industry there were extremely open minded on the prospects of adopting Canada-style frame construction methods, with some firms already actively experimenting in the Canadian system.

As a result of this mission, it is anticipated that export of British Columbia lumber and plywood to the United Kingdom will increase materially in the near future.

DEVELOPMENT OF EXTERNAL TRADE

The Trade Office continues its close co-operation with the regional offices of the Department of Trade and Commerce in Vancouver, the B.C. Products Bureau of the Vancouver Board of Trade, members of the Vancouver consular corps, and other organizations interested in the development of British Columbia's external trade. Officials of this Department have continued their visits to secondary industries of the Province to ascertain what products could be exported to foreign markets, and this programme will be accelerated in the coming year. New overseas markets for numerous products have been found, and many additional firms have been included in the Canadian Exporters Directory. In co-operation with the Canadian Trade Commissioners Service, this office was visited by groups of Assistant Trade Commissioners prior to their postings to various foreign countries. Detailed information was given as to British Columbia's products and export potential, also the various services offered by this Department.

In September, during New Zealand's first major trade mission to North America, this Department tendered a reception in honour of the group, which included prominent businessmen from New Zealand. This reception was attended by leading British Columbia industrial and commercial representatives.

TRADE AND INDUSTRY BULLETIN

During 1963 the Bulletin completed 14 years of continuous publication, listing trade inquiries, export opportunities, manufacture under licence agreements available to British Columbia firms, notices of tenders, and news of general commercial interest. The increased use of the Bulletin by the trade representatives of other nations bears out the importance of this publication to the commercial and industrial organizations in Western Canada. The circulation of the Bulletin has increased to 1,000 copies per month.

OFFICE OF THE AGENT-GENERAL FOR BRITISH COLUMBIA, BRITISH COLUMBIA HOUSE, LONDON, ENGLAND

GENERAL

Liaison with banking, trust investment, mercantile, and general investment organizations in the United Kingdom and Continental Europe was broadened greatly, and, as a result, interest in capital or development ventures in British Columbia has increased appreciably. This interest is reflected by many millions of dollars worth of risk capital which has been diverted into a new or profit-participating investment in industrial ventures within the Province.

Large pools of equity and profit-sharing capital are available for imaginative, progressive, and responsible ventures, regardless of size and character. Investor interest has been stimulated by impressive Provincial economic growth, economic trends and achievements, enviable economic potentials, as well as strategic geographic advantages.

A survey of trade relations between British Columbia and the United Kingdom reveals a disturbing imbalance. British Columbia enjoys a heavy trade surplus, and British exporters complain bitterly that a number of trade barriers make Canada the most difficult Commonwealth market in which to trade. These conditions were drawn to the attention of the Honourable the Premier and the Honourable the Minister of Industrial Development, Trade, and Commerce during their visits to London.

The purchasing power of European countries is increasing steadily, and trade potentials are improving constantly. We again urge strongly more intensified and aggressive salesmanship in Continental Europe by British Columbia producers.

Visits by the Lieutenant-Governor, Maj.-Gen. the Honourable George R. Pearkes, V.C., P.C., C.B., D.S.O., M.C.; by the British Columbia Housing Mission (under the general leadership of the Honourable R. W. Bonner, C.D., Q.C., and Maj.-Gen. B. M. Hoffmeister, C.B., C.B.E., D.S.O., E.D., president of the council of the Forest Industries of British Columbia); as well as by members of the Vancouver Board of Trade on their 11th Annual Trade and Goodwill Mission, assisted greatly in promotion of trade, the sale of British Columbia products, and a better understanding between Commonwealth people affected. As a timely interjection, it should be noted that responsible technical authorities in Great Britain hope sincerely that as a vigorous follow-up to the British Columbia Housing Mission's efforts in Great Britain positive action will be taken to ensure the training of the local labour force in mass-production methods or automation, and that appropriate stockpiling will be provided to facilitate timber house construction throughout Great Britain. New houses, renewals, and housing improvements in vast numbers are essential to public welfare, and the opportunity for the use of British Columbia timber products is considered immense.

During the year constant efforts were made further to improve public, economic, and cultural relations, and high commendation repeatedly has been had concerning our success in efforts of this nature.

SETTLEMENT

Inquiry respecting settlement in the Province has decreased since last year, although general inquiry has considerably increased. The staff attended to some 560 pure immigration inquiries, exclusive of teachers, and in addition some 990 general inquiries were made, including tourist and educational.

SCHOOL-TEACHERS

The facilities of the office were again placed at the disposal of the Department of Education during the spring months in the recruitment of school-teachers. Some 212 requests for application forms were received as a result of the advertisements placed by that Department.

STAFF

The staff situation remains static, except for one resignation. Although additional responsibilities have been allotted, it is hoped to carry the work without a replacement.

VISITORS

Some 3,640 visitors from British Columbia registered at British Columbia House, and at the same time some 17,000 pieces of mail were handled on their behalf. A healthy desire for young people to see the world was evidenced by the large proportion of younger-aged visitors using our facilities.

FILMS AND PUBLICITY

The number of film screenings and the size of audiences have declined in the year ended December, 1963. This year 315 films were sent out and catered to an audience totalling 20,657. This is a highly popular form of learning about distant lands and is becoming increasingly competitive. With the opening of the Canadian Government Travel Bureau in London this year, no doubt some " siphoning off " has affected our own inquiries. This is all in the general good, as a fair proportion of films distributed by the Canadian Government Travel Bureau contains British Columbia material in company with the other Provinces. We have managed to obtain some new films and continue to press forward with this form of publicity.

The News Letter continues to disseminate business, economic, and cultural information about the Province. From reports received, the information given continues to be read and appreciated. Our attempt to enter Continental countries, however, was not too successful, no doubt because the News Letter was printed in English and not in foreign languages. To print foreign-language editions for Germany, France, and Italy, however, would be far more costly than the English edition, and involve a substantially larger appropriation.

RENOVATIONS

It was pointed out in our last year's Report that certain renovations had been effected to provide a large exhibition hall to be placed at the disposal of British Columbia industry, free of charge. It was hoped that many firms would take the opportunity of displaying their goods in this room in the heart of London, but, although the fact of its availability was promulgated throughout the Province, the response has been most disappointing. The room is still available, and it is hoped that industry will take this matter seriously. Other Provinces are making concerted efforts to enter the selling market in the United Kingdom, and doing this, in some instances, quite successfully.

Mention was made in last year's Report that plans were being drawn to modernize and improve the front entrance hall of British Columbia House, incorporating a mezzanine floor. Work is now completed, and arrangements are being made to move part of the staff to the ground floor, where they will be more readily available to answer queries and give help to the public. This will obviate the necessity of people having to make their way to the first-floor offices, and it is felt that consider-

able improvement may be effected in our services to the public thereby. This change includes a Regent Street window, enabling us to display suitable British Columbia themes in the interest of general publicity.

TOURISM

There is a growing interest in travel to North America, and every effort is made to ensure that British Columbia be included in itineraries, but much more could be done in this field. Both the United States and Canadian Government Travel Bureaux report increasing inquiry, which, when backed by cheaper air fares, must result in a continually increasing flow of tourists to North America. Our new premises on the ground floor should give us a greater opportunity of selling British Columbia as a good place in which to live, work, and play.

ADMINISTRATION

We are pleased to report that certain leases have been renewed and new tenants have taken space during the year, resulting in quite substantial increases in rental fees. It is considered that these new leases have been effected at the highest level of rents to be obtained anywhere in London. There is no doubt that many people find British Columbia House a good address and seem willing to pay top prices for their office space.

INDUSTRIAL AND TRADE OFFICE

During 1963 Canadian exports to the United Kingdom increased by $100 million. Trade with the countries of Western Europe also increased considerably. All indications are that Canada's trade with Great Britain and Europe will continue to expand in 1964.

The number of inquiries from British Columbia manufacturers and producers showed a slight increase. These inquiries concerned the prospects of selling in the United Kingdom and Europe.

The Canadian Government sponsored a number of selling missions, some of which included British Columbia members. The main bulk of inquiries, however, came directly to this office.

We feel strongly that a more determined effort should be made to sell British Columbia goods abroad by manufacturers and producers. Sales representatives should be appointed, both in the United Kingdom and Western Europe, and in many cases business prospects would warrant the establishment of a permanent sales office.

TRADE FROM BRITISH COLUMBIA

During the first 11 months of 1963, 80 companies made inquiries through this office. In most instances this office was able to assist by initial publicity and suggesting sales prospects. Where catalogues, brochures, and sales literature were received, these were sent out to what were considered to be the best contacts.

TRADE INQUIRIES FROM EUROPE

During the first 11 months of 1963 the following number of inquiries were received from the United Kingdom and Western Europe:—

United Kingdom	267
Austria	3
Belgium	13
France	19

Germany	53
Italy	14
The Netherlands	15
Portugal	4
Scandinavia	34
Spain	3
Switzerland	14
Other countries	9
Total	448

These inquiries included a wide variety of products, and firms wishing to sell in Western Canada, establish branches, or import from British Columbia producers.

As a result of these inquiries during the year, 11 United Kingdom firms appointed agents in British Columbia, as did two from Norway and one each from Denmark, Sweden, and Germany.

BRITISH COLUMBIA COMPANIES ESTABLISHING IN EUROPE

Six British Columbia companies established agencies or sales offices in the British Isles and on the continent of Europe.

LICENCE MANUFACTURE

European and British firms are still making inquiries about the prospects of having their products manufactured under licence, partially manufactured, or assembled in British Columbia. This would seem to be an excellent method of taking up the spare plant capacity in the Province and, at the same time, bring into being secondary industries. This office, therefore, is interested in hearing from factories, machine-shops, and machinery depots of the details of what surplus plant capacity is available and what type of products they would be interested in manufacturing and distributing.

INVESTMENT

The most significant development of the year regarding investment in British Columbia was the announcement by the Reed Paper Group of London that, in conjunction with Canadian Forest Products Limited, a new pulp and paper mill would be established near Prince George. Twenty-five million dollars is to be Reed's share in this investment.

Considerable funds are available, both from British and European sources, for investment in British Columbia. The office finds itself in the peculiar position of having very few definite proposals from British Columbia about new industries that could be established and require capital. Groups or individuals in the Province who wish to avail themselves of such capital in the development of primary or secondary industries are therefore urged to send to this office complete details, which must include not only a prospectus of the new industry or business, but also a market survey, details of finance, expected profits, location of the new enterprise, etc., so that a complete brief can be presented to the financial houses and merchant banks with which this office is in contact.

BUSINESS EMIGRATION

Inquiries continued from businessmen, both small and large, who contemplated establishment in the Province. The majority of these inquirers are from the United

Kingdom, but there is also a good number now from parts of Africa. Some of these inquirers have considerable capital which they wish to transfer; others have limited funds. However, they all bring with them their skills and experience into the Province, and, therefore, introductions are arranged so that their advent into the business life of the Province can be facilitated.

GROUP VISITS TO THE UNITED KINGDOM AND EUROPE

During the year the following groups visited Europe: Vancouver Board of Trade Mission, April and May, 1963; Okanagan Fruit Growers' Delegation, April, 1963; City of Vancouver Mission (Mayor Rathie and Mr. G. Sutton Brown), June, 1963; British Columbia Housing Mission, October and November, 1963. This last-mentioned mission was of special importance, being led by the Honourable R. W. Bonner, Q.C., Minister of Industrial Development, Trade, and Commerce. The success of the mission is now being shown by the number of inquiries being received concerning timber homes from all parts of the British Isles.

1964 BRITISH COLUMBIA INTERNATIONAL TRADE FAIR

Following the Premier's visit to London, special efforts were made by this office to secure British exhibitors at the Trade Fair. Two thousand firms have been contacted by letter, and wherever interest has been shown, this has been followed up by personal visits and the B.C.I.T.F. office in Vancouver so advised. It is to be hoped that in addition to the United Kingdom's exhibit in the Hall of Nations, which is being arranged by the Board of Trade, London, many British firms will exhibit on their own. The response has not been as enthusiastic as we had hoped, but all possible leads are being followed up.

VISIT OF THE INDUSTRIAL AND TRADE COUNSELLOR TO BRITISH COLUMBIA

In April the Industrial and Trade Counsellor paid a short visit to the Province, during which time he made many contacts in the Vancouver and Lower Mainland area, to which this year's visit was confined.

OFFICE OF THE COMMISSIONER FOR TRADE AND TOURISM FOR BRITISH COLUMBIA, BRITISH COLUMBIA HOUSE, SAN FRANCISCO, CALIF.

In 1963, the second full year of operation by British Columbia House, San Francisco, a substantial increase in trade and industrial development activity was recorded. This increase proved to be a two-way increase, with more United States individuals and companies requesting information on the industrial growth and economic expansion taking place in British Columbia, and an even greater increase was noted on the part of British Columbia firms interested in obtaining market information on California, now the most populous State in the United States of America.

Throughout 1963 the Commercial Representative carried out a continuous programme of contacting California and United States companies both by personal calls and by direct mailings. During the year a general questionnaire was mailed to more than 1,500 firms in California. The questionnaire was designed to determine the extent of their interest in locating branch plants in British Columbia, in arranging licence manufacture agreements with British Columbia manufacturers, in establishing sales offices in British Columbia, or in appointing an agent to represent the firm in British Columbia and the Canadian market. While response to this questionnaire was somewhat less than had been anticipated, nevertheless it was again demonstrated that there is a great deal of interest in British Columbia as a future site for profitable expansion into the Canadian market. With every mailing an insert in connection with the 1964 British Columbia International Trade Fair was included.

With the acceleration of industrial development and trade inquiries over the previous year, it was not possible for the Commercial Representative to devote as much time to seeking out suitable items for bid by British Columbia firms under the Canada-United States defence production sharing programme as he had in 1962. However, continuous liaison was maintained with the Canadian Department of Defence Production Liaison Officer stationed in Los Angeles. An additional field representative was appointed to the staff of the Los Angeles office, and consequently British Columbia manufacturers, along with those in other Provinces of Canada, are receiving excellent coverage on invitation to bid and requests for proposals under the defence-sharing programme. British Columbia House co-operated with the Department of Industrial Development, Trade, and Commerce and the Canadian Manufacturers' Association in Vancouver to have the California representative of the Department of Defence Production speak to British Columbia manufacturers on the defence-sharing programme. The Commercial Representative continued to make periodic calls at the procurement offices of the United States Army, Navy, and Air Force in San Francisco, and a number of biddable items were referred to British Columbia companies.

Continued co-operation was enjoyed with other Canadian business development agencies located in California, including the representatives of five Canadian banks, Canadian transportation companies, and the officials of the Federal Department of Trade and Commerce. This type of co-operation lead to the highly successful sample show held in Vancouver in October, 1962. As a result of this show, a number of British Columbia firms were successful in establishing outlets for their products in the California market during the early part of 1963. Products of British Columbia manufacture now established in this market include wearing-apparel, food items, giftwares, hardware, sporting goods, and electronic equipment.

British Columbia House participated in the Los Angeles-Long Beach International Trade Fair during the period from May 17 to May 26, 1963. This Trade Fair was held in the new Long Beach Auditorium and Convention Hall, a part of the

new Long Beach Harbour complex and proposed site of the 1967/68 Long Beach World's Fair. The exhibit consisted of six panels depicting the major industries of British Columbia, their growth and development over the past 10 years, and the general industrial expansion of economic growth of the Province. It was unfortunate that two of the major participants in the Trade Fair withdrew their exhibits just prior to the opening of the fair, thus lowering the over-all calibre of this show. In spite of this setback, over 180,000 persons attended and the British Columbia exhibit received many favourable comments. The Commercial Representative was kept busy replying to inquiries on emigration from the United States to British Columbia, employment opportunities, land settlement, industrial and investment opportunities, and general questions regarding travel in British Columbia and Western Canada. An officer of the Canadian Immigration Service from San Francisco assisted on two occasions at this exhibit and was a great help to the Commercial Representative.

At the end of 1963, plans were being formulated to encourage participation of British Columbia firms in the vertical trade shows to be held in California in 1964. In co-operation with the Federal Department of Trade and Commerce, British Columbia House is working toward increased activity by British Columbia firms in this second-largest United States market. During 1964, space will be available in a giftware show, a metal and machinery show, a lumber show, a fine-food and beverage show, an electronics show, and a sporting-goods exhibition. These shows, open only to the trade, are excellent vehicles for the promotion of the sale of Canadian and British Columbia products, in particular, in California. It is hoped that many British Columbia firms will avail themselves of this opportunity to determine the acceptability of their goods in this region.

Market surveys were carried out by British Columbia House in connection with a wide range of products from British Columbia. These products include electronic communications equipment, minor products of the Province's forest industry, men's and women's apparel, fertilizers and other chemical products, metal and machinery products, and numerous miscellaneous items. In several cases, agents have been appointed to represent the British Columbia manufacturer in the California market.

In the general field of capital investment, a number of individuals and investment companies have contacted British Columbia House requesting information on business opportunities in the Province. Suggestions have been offered, and in a number of cases the investment of substantial amounts has been finalized.

DATA PROCESSING DIVISION

The Data Processing Division is currently going through the process of converting from unit record punched-card equipment to stored programmed systems. With the installation of the computer systems, the Division will be able to fulfil its role as a data-processing centre for the Government service in a much more efficient manner as the new and more powerful equipment will provide faster service and open up many new fields previously beyond the scope of the machines installed.

To meet the diversified needs of the service, an I.B.M. 1401 system has been installed to handle the data-processing applications, and an I.B.M. 1620 computer has replaced the 650 used to handle the computing problems of the engineering type of applications. Both systems are rented on a monthly basis, and although no charge is made to the departments using the systems, accurate job-cost records are maintained through a time-card system, enabling the Division to assess the value of work done for each department, study machine utilization, and check operating efficiency of operators and equipment.

For operating purposes the Division is divided into seven sections, with a senior machine operator in charge of each. These sections have been established according to the volume and nature of work involved. At present the following sections are in operation: General Statistical, Liquor Control Board, Forest Service, Health and Welfare, Semi-annual and Annual Reports, Computing, and Key Punching. In addition to the above sections, the British Columbia Hospital Insurance Service and the British Columbia Forest Service maintain key-punch sections, the output from which is processed in this Division. Similarly, a large volume of punched cards is received from the Dominion Bureau of Statistics, Ottawa, for the preparation of monthly and annual reports on external trade and Provincial employment.

On completion of the change-over, the Division will be equipped with the 1401 and 1620 systems and two alphabetic printers, five sorters, one alphabetic collator, one end printing document originating machine, one reproducer, one alphabetic interpreter, one facsimile poster, eleven key punches, six verifiers, and a forms burster.

To operate the equipment, a well-trained staff has to be maintained. At present the staff consists of a supervisor, an assistant supervisor in charge of the Data Processing Section, and a chief clerk in charge of the Computing Section, six senior machine operators, one console operator, five machine operators, one senior key-punch operator, thirteen key-punch operators, and one senior clerk-stenographer. In addition, three members of the Liquor Control Board staff are attached to the Division to handle clerical functions necessary to the processing of their work.

With the conversion to the new systems, the duties of the senior machine operators have changed considerably as they are now called upon to programme and debug the various jobs in their section, with the result a reclassification of their positions is inevitable.

In preparation of their new duties, a fairly concentrated training programme was undertaken for the staff, and during the year 12 members of our staff and 25 of other departments attended seminars conducted by the manufacturers of the equipment.

Since no charge is made for the work done for the various departments, control is maintained by submitting all requests for new work to the Electronic Data Processing Committee, for approval or rejection.

The preparation of programmes for the data-processing jobs is handled by our staff, while those for the computer are in many cases handled by the engineering staff

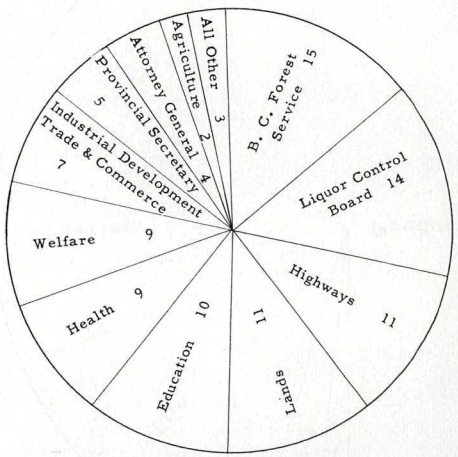
of the departments concerned and are tested and debugged with the assistance of our programming staff.

Details of the work done for each department and by each section are outlined in the following tables. These figures are, of course, for the past year and represent work done on the old system, all of which are being converted to take advantage of the stored programme equipment.

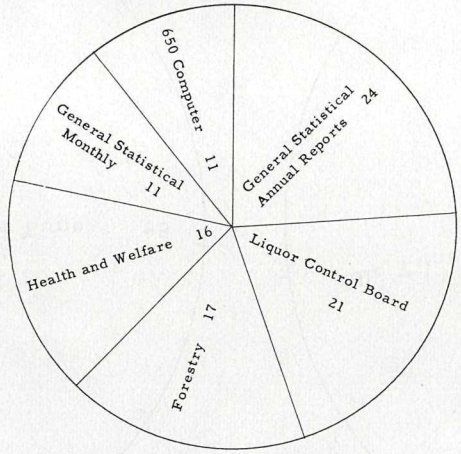
Comparative Cost Statement

Department and Branch	1958/59	1959/60	1960/61	1961/62	1962/63
Agriculture—					
Horticultural Branch	.....	$1,662.62	.....	.....	.....
Herd Improvement Branch	$6,007.51	8,078.91	$3,649.45	$3,948.16	$4,850.32
Totals	$6,007.51	$9,741.53	$3,649.45	$3,948.16	$4,850.32
Attorney-General—					
Credit Union	.....	$553.94	$1,389.90	$1,061.39	$3,030.10
Fire Marshal Act	$1,184.86	851.66	1,249.51	892.07	1,346.05
Official Committee	183.66	327.42	245.31	26.63	19.46
Motor-vehicle Branch	7,338.24	9,740.77	7,712.19	7,288.62	6,635.28
Liquor Control Board	26,748.51	30,269.84	33,025.47	30,414.67	38,487.67
Totals	$35,455.27	$41,743.63	$43,622.38	$39,683.38	$49,518.56
Education—					
General Administration	$1,349.43	$3,672.38	$1,497.93	$1,236.75	$1,901.38
Tests, Standards, and Research	5,035.64	7,378.33	8,199.65	10,914.06	20,244.56
Adult Education	.....	.....	.....	.....	2,221.62
High School Correspondence	1,393.93	1,123.76	1,138.54	1,060.66	1,254.05
Inspector of Schools and School Services	.....	.....	.....	2,942.81	1,525.40
Totals	$7,779.00	$12,174.47	$10,836.12	$16,154.28	$27,147.01
Finance—					
Minister's Office	.....	.....	$1,308.39	.....	.....
Mechanical Tabulation	.....	.....	922.22	.....	.....
Totals	.....	.....	$2,230.61	.....	.....
Forest Service—					
Engineering Service	$117.90	$3,102.63	$3,227.54	$1,479.73	$2,371.63
Forest Surveys	30,804.47	28,632.44	64,380.45	60,932.19	31,903.67
Forest Management	162.10	.....	281.66	1,056.01	4,182.21
Forest Research	.....	.....	.....	685.90	1,442.06
Scaling Fund	.....	.....	.....	.....	660.62
Totals	$31,084.47	$31,735.07	$67,889.65	$64,153.83	$40,560.19
Health Services and Hospital Insurance—					
Vital Statistics	.....	$601.96	$39.06	$8.39	$51.45
Hospital Insurance Service	$23,364.74	21,780.58	19,616.98	22,518.09	24,940.93
Totals	$23,364.74	$22,382.54	$19,656.04	$22,526.48	$24,992.38
Highways—					
Bridge Engineering Branch	.....	.....	$1,638.29	$2,030.14	$14,351.00
Locations Branch	.....	.....	1,577.90	15,103.09	13,491.97
Research and Development	.....	$275.03	137.48	37.12	2,851.34
Totals	.....	$275.03	$3,353.67	$17,170.35	$30,694.31
Industrial Development, Trade, and Commerce—					
Bureau of Economics and Statistics	$14,869.98	$8,153.18	$7,031.32	$7,032.74	$8,214.84
Data Processing Division	.....	.....	.....	.....	12,141.13
Totals	$14,869.98	$8,153.18	$7,031.32	$7,032.74	$20,355.97
Labour—General Administration	$4,016.77	$654.55	$768.59	$452.88	$1,227.51
Lands—					
Surveys and Mapping, Legal Surveys	.....	$25.22	$8,832.13	$16,954.04	$18,698.78
Geographic Division	.....	.....	15.05	.....	12.49
Water Rights Branch Administration	$7,983.75	13,062.73	10,143.23	6,635.54	7,124.68
Hydraulic Investigation	.....	.....	4,154.73	3,427.11	2,890.02
Totals	$7,983.75	$13,087.95	$23,145.14	$27,016.69	$28,725.97
Provincial Secretary—					
Queen's Printer	$10,593.36	$12,050.62	$10,355.73	$8,821.04	$8,674.62
Superannuation Branch	3,049.54	1,649.42	6,787.40	2,513.35	1,779.58
Civil Service Commission	5,797.66	5,634.42	4,048.60	3,452.38	3,608.22
P.S. Medical Plan	.....	.....	.....	10.84	86.47
Totals	$19,440.56	$19,334.46	$21,191.73	$14,797.61	$14,148.89
Recreation and Conservation—					
Fish and Game Branch	.....	.....	.....	.....	$1,802.84
Parks Branch	.....	$464.67	.....	$4,583.06	63.71
Totals	.....	$464.67	.....	$4,583.06	$1,866.55
Social Welfare—Accounts Division	$14,576.99	$19,057.94	$23,948.08	$17,277.51	$24,577.70
Municipal Affairs—Regional Planning	.....	.....	$561.37	.....	.....
Commercial Transport—Industrial Transport	$181.96	.....	.....	.....	.....
Water Resources—Water Rights	.....	.....	.....	.....	$669.90
Other—B.C. Power Commission	.....	$40.03	$1,860.04	$1,012.10	.....
Grand totals	$164,761.00	$178,845.05	$229,744.19	$235,809.07	$269,335.26

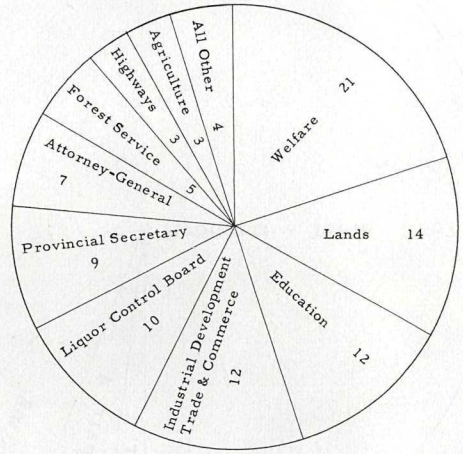
TWELVE-MONTH PERIOD ENDED OCTOBER 31, 1963



PERCENTAGE DISTRIBUTION OF WORK DONE FOR THE VARIOUS DEPARTMENTS OF THE GOVERNMENT (BASED ON DOLLAR VALUE)

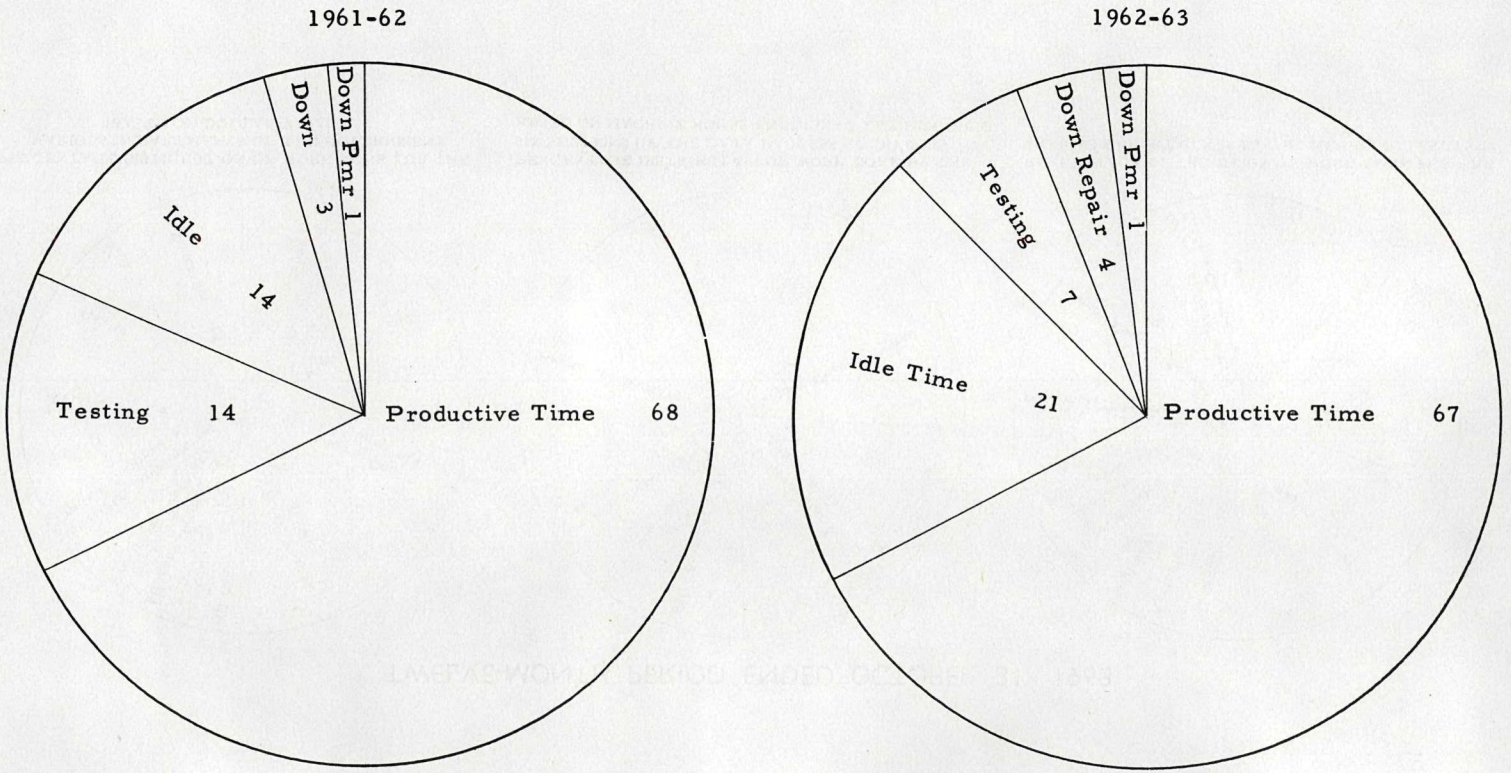


PERCENTAGE DISTRIBUTION OF WORK DONE BY THE SIX SECTIONS OF THE DATA PROCESSING DIVISION BASED ON MACHINE HOURS EXCLUDING KEY PUNCHING



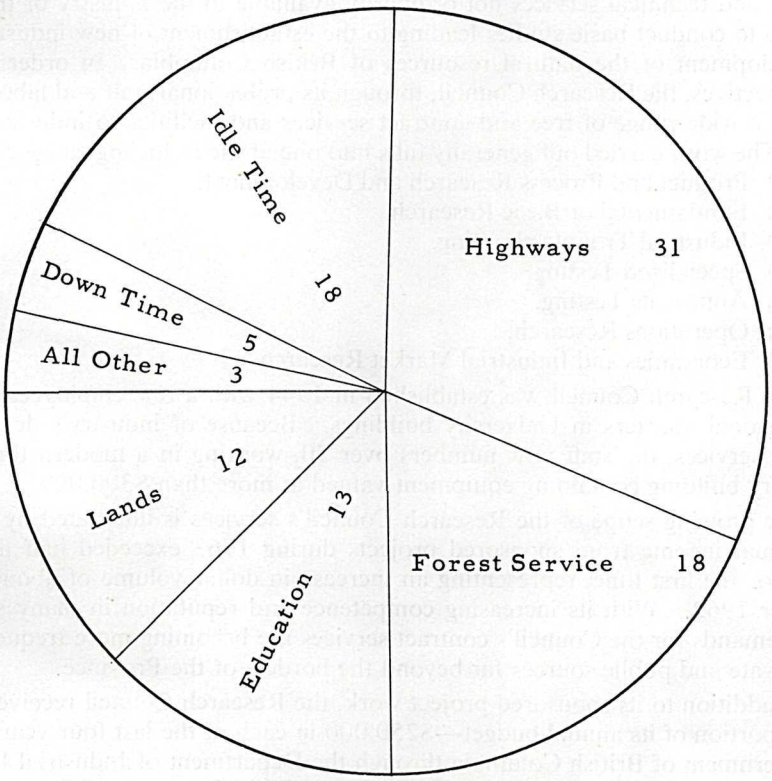
PERCENTAGE DISTRIBUTION OF WORK DONE FOR THE VARIOUS DEPARTMENTS BY THE KEY PUNCH SECTION

650 COMPUTER UTILIZATION



PERCENTAGE OF POSSIBLE TIME

PERCENTAGE DISTRIBUTION OF WORK DONE ON THE 650 COMPUTER FOR THE VARIOUS DEPARMENTS



PERCENTAGE OF POSSIBLE HOURS

BRITISH COLUMBIA RESEARCH COUNCIL

The Minister of Industrial Development, Trade, and Commerce is ex officio chairman of the board of management of the British Columbia Research Council, and presided at regular meetings of the board throughout the year. The laboratories and offices of the Research Council are located on the campus of the University of British Columbia in Vancouver.

The broad objectives of the British Columbia Research Council are to provide scientific and technical services not ordinarily available to the industry of the Province, and to conduct basic studies leading to the establishment of new industries and the development of the natural resources of British Columbia. In order to meet these objectives, the Research Council, through its professional staff and laboratories, provides a wide range of free and contract services and facilities to industries of all types. The work carried out generally falls into one of the following categories:—

(1) Product and Process Research and Development.
(2) Fundamental or Basic Research.
(3) Industrial Trouble-shooting.
(4) Specialized Testing.
(5) Approvals Testing.
(6) Operations Research.
(7) Economics and Industrial Market Research.

The Research Council was established in 1944 with a few employees working in provisional quarters in University buildings. Because of industry's demand for research services, the staff now numbers over 70, working in a modern three-story laboratory building containing equipment valued at more than $300,000.

The growing scope of the Research Council's services is illustrated by the fact that annual income from sponsored projects during 1963 exceeded half a million dollars for the first time, representing an increase in dollar volume of about 30 per cent over 1962. With its increasing competence and reputation in many scientific fields, demands for the Council's contract services are becoming more frequent from both private and public sources far beyond the borders of the Province.

In addition to its sponsored project work, the Research Council receives a substantial portion of its annual budget—$250,000 in each of the last four years—from the Government of British Columbia through the Department of Industrial Development, Trade, and Commerce. It also receives a limited amount of financial assistance from the National Research Council and other organizations. It is thereby possible to extend to industry in the Province many additional services, such as free technical information, and to carry out some investigations of importance to the Provincial economy. Through a continuing programme of contacts throughout British Columbia, the Research Council brings the fruits of research a little closer to industry's door.

During 1963 the board of management of the Research Council consisted of the following:—

The Honourable R. W. Bonner, Q.C., Attorney-General and Minister of Industrial Development, Trade, and Commerce, Parliament Buildings, Victoria, B.C.

F. E. Atkinson, Assistant Director, Canada Agriculture Research Station, Summerland, B.C.

E. W. Bassett, Deputy Minister of Lands, Parliament Buildings, Victoria, B.C.

Dr. J. J. R. Campbell, Department of Dairy Science, University of British Columbia.

Dr. J. A. Gower, District Geologist, Kennco Explorations Western Limited, 1030 West Georgia Street, Vancouver 5, B.C.
E. L. Harrison, Vice-President, B.C. Packers Limited, foot of Campbell Avenue, Vancouver 4, B.C.
G. H. D. Hobbs, President, Western Canada Steel Limited, 450 South-east Marine Drive, Vancouver 15, B.C.
R. M. Hungerford, President, Clayburn-Harbison Limited, 1690 West Broadway, Vancouver 9.
J. E. Liersch, Vice-President, Canadian Forest Products Limited, 999 West Pender Street, Vancouver 1, B.C.
F. D. Mathers, President, Royal City Foods Limited, 12 Front Street, New Westminster, B.C.
Dr. D. M. Morrison, 3666 Marine Drive, West Vancouver, B.C.
P. J. Mulcahy, Deputy Minister of Mines and Petroleum Resources, Parliament Buildings, Victoria, B.C.
Dean D. M. Myers, Faculty of Applied Science, Univeristy of British Columbia.
C. H. McLean, Chairman of the Board, British Columbia Telephone Company, 768 Seymour Street, Vancouver 2, B.C.
Dr. G. L. Pickard, Director, Institute of Oceanography, Vancouver 8, B.C.
H. B. Simpson, President, S. M. Simpson Limited, Kelowna, B.C.
The Honourable J. Sinclair, President, Lafarge Cement of North America Limited, 1051 Main Street, Vancouver 4, B.C.
T. L. Sturgess, Deputy Minister of Industrial Development, Trade, and Commerce, Parliament Buildings, Victoria, B.C.
Dr. J. P. Tully, Scientific Director, Pacific Oceanographic Branch, Fisheries Research Board of Canada, Nanaimo, B.C.
H. Wright, Commissioner, Workmen's Compensation Board, 707 West 37th Avenue, Vancouver 13, B.C.
Dr. P. C. Trussell, Director, British Columbia Research Council, Vancouver 8, B.C.

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1964

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