

One may ask how it is that the province has been able to accomplish the above results, and I would state that the two outstanding reasons are: First, the character and habits of the people. Nova Scotia's most valuable asset is in the character of its population. The standard of intelligence, if I may use the term, in this province is exceptionally high; education is rightly considered of prime importance, and the people are thrifty, frugal and industrious. Second, the resources of the province are extremely varied, and produce year in and year out a steady revenue, sufficient to support a thrifty population in comfort and happiness, and enable the industrious citizen to steadily put by something for a rainy day.

Production of Wealth.

To illustrate the annual production of wealth, I give below a statement published by the Halifax Chronicle, on January 1st last, showing the estimated production of wealth in the province for 1913, and a reference to the New Year numbers of that paper will show that the annual amount fluctuates very little year by year, each one showing a gain on its predecessor:—

Year, 1913. Source.	Amount.
Coal	\$ 22,500,000
Coke	2,600,000
Gold, and other minerals	125,000
Gypsum, limestone, etc.	800,000
Building materials	410,000
Pig iron	2,500,000
Steel, steel rails, rods, etc.	17,550,000
Fisheries	8,000,000
Manufactures, ship and freights	46,250,000
Products of farm	31,100,000
Products of forest	5,000,000
Game and furs	500,000
	\$137,335,000

The population of the province at the time of the last census, 1911, was 492,338, so that the average production per head was approximately \$280, or, taking five members to a family, \$1,400 per home. There are other advantages of great importance; for instance, the resources are concentrated, and navigation is open twelve months of the year. No part of the province is situated more than fifty miles from tide water, so that the matter of expensive transportation can never become so burning a question in Nova Scotia as it has and must be, owing to geographical reasons, in some other parts of Canada.

Have Met Financial Strain.

During a period when other parts of Canada were paying attention particularly to the construction of works yet to become productive, the activities of the residents of Nova Scotia have been devoted largely to the actual production of wealth. The result has been that in Nova Scotia, generally speaking, liabilities are small, and a consultation with bankers will disclose that during the financial strain of the past two years payments in this province have been better met, and there has been less interference with the volume of business there than in any other part of Canada.

When it became apparent some ten or fifteen years ago that not only was outside capital to stop flowing to Nova Scotia, but also that part of the invested capital was to be withdrawn, the situation was met by our people undertaking to supply their own capital. They have succeeded, we must admit, in a marked degree, and the demonstration has been so apparent that the province had, two or three years ago, become a happy hunting ground for the vendor of unproductive real estate and such like.

With Local Capital.

In the finding of money for the enlargement of native industries, errors of judgment have doubtless been made, and such errors will be made so long as such activities continue. It is estimated that, notwithstanding the disappointments and losses which have occurred in connection with the organization and financing of Nova Scotia industries, the amount of Nova Scotia money locked up during the past five years in unproductive real estate and other like ventures in other parts of the world, ten times exceeds the losses incurred within the province.

Disappointing investments within the province have temporarily checked investment in local securities of a speculative class, but the relative loss in outside investments has been so much larger that the resumption of purchase of local securities will doubtless ensue and give assurance that legitimate enterprises in the province can be financed and developed by means of local capital.

I am sure that all borrowing bodies in Nova Scotia would welcome a return of the inflow of life insurance funds for investment.

Should Invest in Nova Scotia.

It has always seemed to me a reasonable proposal that, approximately, to the extent that a life insurance company derives its accumulated funds from within a province, these funds should be reinvested in securities within that province. The insurance company may answer that owing to higher interest rates obtainable elsewhere, the best interest of the policyholder would be served by concentrating the company's investments in places where very high rates prevail. But the experts who administer such funds know that abnormal rates always carry a disclosed or undisclosed risk. The same argument which their underwriters utilize in the solicitation of a policy from an individual, viz., that life insurance is sound because it is founded on the distribution of hazard over a wide area, should apply with equal force in the investment of their accumulated funds.

Besides, there is a growing public opinion which favors a fair distribution of the incidental benefits which are controlled by large companies in their operations, and inasmuch as the good will of the public is likely to become more and more necessary to the permanently successful operation of our great semi-public corporations (for such are life insurance companies), it would seem to be the part of wisdom and good policy for those responsible for the investment of the growing funds of life insurance companies to distribute their capital and turn a fair proportion of the fertilizing stream of investment into the districts from whence it rises, even should that policy seem to entail a present apparent curtailment of earnings.

In the archives of the Manhattan Life is one of the oldest group policies on record. It was issued February 22, 1854, to Howland and Aspinwall, and covered 720 coolies transported by the Sea Witch from Swatow, China, to Panama. The premium was \$840 and the insurance involved \$21,000.

Sir Donald Mann, vice-president of the Canadian Northern Railway Company, says that the transcontinental line from tidewater to tidewater will probably be completed in October or November next, and that at the present time a total of 8,000 men are engaged in the construction work between the Pacific coast and Montreal.