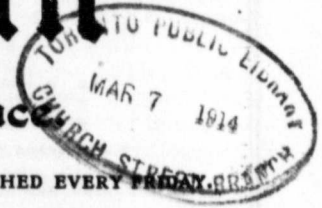


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## ON THRIFT

From various quarters during the last few months Canadians have received quantities of advice on the practise of the old-fashioned virtue of thrift. What the total effect of these economic sermons has been it would be difficult to say. It is fairly obvious that recently there has been considerable restriction of expenditure in regard to personal luxuries as well as corporate restriction of expenditure owing to inability to borrow funds upon suitable terms. How much of this restriction of personal expenditure can be credited to a growing sense of the fact that in some cases at least the high cost of living is merely the cost of high living, and how much to sheer *force majeure*, it is impossible to tell. But we should incline to think that *force majeure* has had more to do with recent restriction than an economic awakening. The necessity of meeting deferred financial engagements entered upon in boom times probably rather lightly is a powerful incentive towards economy of expenditure. But unfortunately it lacks permanence, and we have no guarantee that people who are now sternly economising will not be foolishly spending when the next boom period comes along.

Probably no other country is so obviously in need of a thrift propaganda as is Canada. There are proportionately to our population an exceptionally large number of people who have amassed wealth very quickly, and a good many of them have not the remotest idea of how to spend their money properly. They waste much, they spend much more in unproductive directions, and in a degree the whole community suffers from their lack of thrift in exactly the same way that it suffers from the thriftlessness of those with whom funds are less plentiful. But the most striking examples of thriftlessness, which is equivalent to lack of management or skill, are to be found in matters corporate. The fire waste is a case in point. It is an established fact that we have practically the highest *per capita* fire waste of any country in the world with pretensions to civilisation. We go on wasting millions of dollars in this direction every year. But the only people who care about it are the

fire underwriters and long-headed manufacturers, who realise the practical importance of lessening the burdens upon industry as far as possible. Beyond these nobody cares. The cheerful idiot with a cigar butt or a box of matches can set fire "accidentally" to anything he likes and not a soul will say him nay--least of all our numerous legislators who are much too busy to pay attention to a little matter like that.

In some ways, the wastefulness now going on in Canada is due to conditions which are inevitably found in a country in process of being developed: Sir Edmund Walker has called pointed attention to the fact that high prices in Canada are partly the result of inefficient labour. This inefficient labour as a source of waste is augmented by the go-slow policy indulged in by some of the labour unions and also by inefficient management. Up to the present we have indulged the queer theory that a man who shows himself a slick financier is *ipso facto* qualified to run half-a-dozen or a dozen—the number doesn't matter much—diverse and highly-technical industrial undertakings. However, recent events have given that theory something of an upset and there are grounds for assuming that in this respect we are on the way to becoming more thrifty. Certainly if the man who makes two blades of grass grow where only one grew before, or the one who persuades by dint of careful cultivation an acre of prairie land to yield twice its previous crop, is entitled to the grateful thanks of the nation, so also is the good manager in industry, who by skill and efficiency increases the production of his plant.

The problem of thrift as we have it in Canada is not the problem of teaching everyone to save a few dollars and put them in the savings bank against a rainy day. It is mainly the problem of conservation of our resources, of efficient manipulation of our plants, of the use of scientific methods in agriculture instead of rule of thumb, of the increased co-operation of industries instead of wasteful individualism, of the encouragement of good management in public and municipal affairs, and last, but not at all least, of good management in domestic matters. With those problems settled, the savings bank dollars would take care of themselves.