

BANK OF NOVA SCOTIA.

The annual statement of the Bank of Nova Scotia states the net profits of the past year to have been \$368,927. This equals 18.44 per cent. of the paid-up capital and 8 per cent. of the paid-up capital and reserve fund combined. Through the whole of last year this Bank had a reserve fund of from \$2,418,000 to \$2,600,000, which exceeds the capital paid up by an average of \$500,000. Such a reserve fund acts as an accumulator of profits like a snowball, which, the larger it becomes, the more snow is added to its bulk at each revolution.

The profits provided two half-yearly dividends at the rate of 9 per cent., a contribution to the Pension Fund of \$12,000, and left \$180,907, to which was added \$19,093 from balance at credit of Profit and Loss, so as to enable \$200,000 to be added to the Reserve Fund. This Rest now stands at \$2,800,000, made up as follows: \$2,418,000, amount at close of 1900; \$182,000 added from premium of 1400 new shares and \$200,000 as stated above. The Reserve Fund is, therefore, 140 per cent. of the Bank's capital. During 1901 the deposits advanced from \$13,184,000 to \$17,705,000. The Bank of Nova Scotia conducts a large business outside Canada, as is shown by its foreign loans in October last, having been \$5,971,810 and its foreign deposits \$2,195,067. The circulation of this bank is up to the limit so that more capital will have to be called up if its note issues are to be enlarged.

EDUCATION IN INSURANCE.

The organization of Insurance Institutes in the United Kingdom, Canada, Australia and New Zealand is the outcome of an educational movement that is affecting other circles. We have, for instance, Bankers' Institutes, as another fruit of the movement, and those organizations of quite recent date designed to supplement the ordinary education of a school by the technical training so valuable in each walk of life. Society is undergoing revolution by which it is slowly adapting itself to modern conditions. In simpler times the work of instructing the youth in the work and duties of his occupation devolved upon the employed, the "master." The youth was his "apprentice" or "articled clerk," who paid for his training by services only nominally remunerated by money, very often indeed were not paid for by instruction in his craft. All this system has passed away; it is no longer practicable, so that we find youths who enter a workshop or office are left to find out, as best they may, how to acquire a knowledge of their calling. The following reflections and suggestions on the need of technical training in insurance were published long before any Insurance Institute was founded; the

writer, however, failed to see that the work of education for insurance must begin with youths' to be thorough.

EDUCATION IN INSURANCE.

Education is the foundation of civilization. Upon it the whole structure of our modern society and vast commercial progress is built. It is a *necessity*, in one form or another, and to achieve that exalted position, given only by success in the social world, or in the busy work of commerce, one must bring to his aid this great helper, "Education," and upon its strength, and through its far-reaching assistance, build himself up, and mounting himself on the pinnacle to which he has aspired.

In the Pulpit, in the Professor's Scientific Chair, at the Bar, on the Bench, in the rush of every day business, the successful man must be the educated man; and when we say educated we do not, of necessity, refer to the academic or collegiate course as being the all necessary *mode* of education, but we take it that education, in this practical period of the nineteenth century, means "keeping abreast of the times" in one's especial calling or business.

The scientific professor, who teaches only the theories he brought from his alma mater a half century ago, without adding to them the wonderful discoveries since that period, is "behind the times," and cannot keep pace with his more active and better educated associates. And so with insurance. There is no department of business before the world to-day which has made greater progress and more rapid strides in the last century than insurance, and the man who enters its ranks, from local agent up to President of the Board of Directors, expecting to find a "soft place," a "convenient asylum," from which to draw a comfortable living, without keeping himself thoroughly educated in the great principles of his business and they kept abreast of the daily advancement of its progressive ideas, theories and practices, will find himself left a long way behind in the race, and it will not be any great while before he will have to step down and out, to give place to a worthier successor, who has educated himself, and is *ever* educating himself, in his chosen business in life.

The member of the firm of John Smith's Sons who transacts his commercial business just as John Smith did, twenty-five years ago, is called an "old fogey," and unless John Smith left a very large bank account, which John Smith's Sons haven't yet exhausted, they will awake some morning to find that an unexpected "flurry" in Wall Street or Chicago has knocked their feet from under them before they had learned what a "panic" or "flurry" meant.

Especially is this line of argument applicable to the local fire insurance agent. Although he may apparently occupy the lower grade in the scale of the company's employees, and all others be normally his superiors, he is nevertheless a part of the great executive power, and has it in his hands to squander or increase the trust funds of his company, with a freedom not given to any superior officer. Their power is, after all, but a negative one. A veto upon that which the "local" has already done, and for whose contract the company has already stood bound full long enough to have lost thousands of dollars.

Notwithstanding this vast power given him, how often do we find the local agent entirely "uneducated" and unequal to his responsible position. And right here, it is well to state that the agent is not