

the prosperity enjoyed by reason of the increased capital Colonel Morden and his English associates have brought into the enterprise." Mr. Wolvin said that it was the intention of the company to formulate a plan by which the employees at Sydney and elsewhere would participate generously in the fortunes of the undertaking and he looked for the closest co-operation between the executive and its staff of workers in the working out of the great destiny ahead of the company.

D. H. McDougall, president of the Scotia enterprise, who has been close to the interests behind the ambitious consolidation, stated that successful culmination of the negotiations was of incalculable importance to New Glasgow and to the Dominion at large. "Hereafter there will be no conflict of interests as acted as a deterrent to the steel and coal industries in the past," he said. "All departments will now be dove-tailed in one harmonious organization, and the effect will be of tremendous significance to both the enterprise and its employees, who will share in the fullest measure possible in the results obtained. We have the splendid coal and iron resources of Nova Scotia to develop and now that we have the capital means to assist us, the future for our workers and shareholders alike is very bright.

#### Parliament Discusses It

The proposed merger came up for discussion in the House of Commons on May 4th. Sir George Foster stated that the British Empire Steel Corporation had not yet secured a charter, but that their application for one was being carefully considered by the government. Capital was necessary in this country, he asserted, and objections to the merger should not be raised unless on good grounds. Several members of the House spoke against it, however, although it was admitted that the capitalization was not out of proportion to the assets. It was found necessary to control the corporation, said the minister, and if the government had not the power to do so they could go to parliament for it. R. L. Richardson, Unionist member for Springfield, Man.; Hon. Michael Clark, of Red Deer, and E. W. Nesbitt, of South Oxford, condemned the practice of issuing watered stock. Mr. Richardson said that although the application called for a paid-up capital of \$200,000,000, notice was also given that this would be increased to \$500,000,000, and possibly \$1,000,000,000. "If they secure all the stock for \$400,000,000 and are allowed to capitalize that for \$500,000,000, then the public will be expected to pay the dividends on the \$500,000,000 and not on the actual amount of value involved in the property," he said. "The great curse of high finance in this country has been the over-capitalization. People put tens of millions of dollars of wind and water into an enterprise and the public has been obliged to pay dividends on this vast amount."

Other members pointed out that huge combinations were necessary for success in some industries to-day. Hon. E. Bristol, of Toronto, urged that the proposition was sound, and J. A. Currie, of North Simcoe, and D. D. McKenzie, of North Cape Breton, said that capital in large quantities was necessary for the development of the industry in Canada.

The subject also came up in the Nova Scotia legislature on May 3rd, when Hon. E. H. Armstrong introduced a bill providing for the merger of the Nova Scotia Steel and Coal Co., Ltd., and the Dominion Steel Corporation, Ltd., into the British Empire Steel Corporation, Ltd. The bill states that the two first-named companies may respectively enter into agreements with the Empire Corporation for the acquisition by it of all their outstanding common shares.

Eleven cheques, totalling \$550,000, have been issued by the Manitoba government under the Rural Credits Act this year, it was officially announced on April 26th. The government is taking over some of the loans made by the banks during the earlier period of the rural credits when the banks advanced the money.

#### INSURANCE DEVELOPMENTS IN BRITISH COLUMBIA

**The Conflagration Danger, and the Preventive Steps Being Taken—Attempt at State Insurance Was Abortive—Life and Fire Results for 1919 Should be Good**

By R. W. DOUGLAS,

*Douglas, Mackay and Company, Vancouver*

IN a recent issue you stated that it is reported that the fire insurance companies in this province have put forward a fire marshal law for consideration of the legislature, the cost to be provided for by a tax not exceeding one-third of one per cent. of the companies' fire premium income within the province. In case this information should cause amazement and concern amongst the head offices in the east, we can assure you that the report, as you printed it, is quite erroneous. We have in this province at the present time a very capable official, who occupies the position, lately created by the government, of fire prevention officer. The laws on the statute book are very clear and stringent in the matter of carelessness which may cause fires, but the enactment of the law is not always enforced, and it was thought that the title of fire marshal should be given to the official in question, and he be clothed with the authority to act under the statutes now in vogue, but which seem to be overlooked or ignored by the various officials throughout the province, who appear to be disinclined to assume the task.

As the fire insurance companies now pay a tax of 2 per cent. on their income to the local government—which represented a contribution of \$81,740 on the income of 1918—and the only benefit they obtain is the annual issue of the government returns, the insurance interests here, while anxious to help the department to see the Fire Marshals' Act observed, did not see why they should be taxed to a further extent, instead of advocating the introduction of the measure, they protested against it in no uncertain way, with the result that the suggested bill was withdrawn.

#### Officials Act as Fire Marshals

It may be of interest to point out that the duties of fire marshal are generally assumed by the chief of the fire departments, where such exist, and in the cities of Vancouver, Victoria, New Westminster, Nelson and other towns, with fully-equipped fire protection, there is not any marked grievance, although, even in such places, it is sometimes very difficult, through defective by-laws and undue influence, to effect necessary remedies, but there is a very perceptible weakness in villages and municipalities, where the duty of fire marshal is relegated to the mayor or reeve. If a glaring case of carelessness comes to the notice of such an official, while he is clothed with the authority of the law, it is not always wise or politic for him to act in the matter, as it is obvious that in a small community a zealous and painstaking official does not always get due reward in seeking to improve conditions which may cause inconvenience or involve his fellow-villager in some little expense. Consequently, all over this province, especially in the unprotected places we have referred to, conditions (from a fire insurance standpoint) are not of the best. Such villages, as your readers doubtless know, are generally of frame construction, with a commercial area of one or two blocks. The rear of these ranges is, as a rule, dirty and ill-kept. Boxes, packing-crates, paper, and the thousand and one things pertaining to the discard of the country store are littered around, and often the whole business area of a place is jeopardized by conditions which are a disgrace and a reflection on the common sense of the community.

In a country of vast spaces we crowd our erections in a congested group and wonder why insurance rates are so high. It is, of course, too late now to amend the by-laws, where such exist, and only a conflagration will secure improvement. But what we require is sanity in laying out our villages and towns, and if the Town Planning Commission, very academic in its theories so far, can only teach public