

## GRAIN GROWERS AND THE BANK ACT

## Terminal Elevator Receipts on Same Basis as Call Loans—Suggested Renewal of Charters Quinquennially—Agricultural Co-operative Banks

The grain growers of Western Canada were given an opportunity of stating their views before the banking and commerce committee upon the revision of the bank act.

Mr. Roderick Mackenzie, secretary of the Manitoba Grain-growers, suggested that the act should be so amended as to place terminal elevator receipts on the same basis as call loans. This would help to finance the crop movement. He favored the clause permitting farmers to secure loans on grain. The present conditions, he said, contributed to create an annual blockade, and the farmer should be encouraged to hold his wheat rather than sacrifice it.

Mr. Mackenzie did not think it necessary to revise the bank act more than once in a decade. With regard to interest rate, he said: "I think it pretty near time to call the bluff of the banks about this interest business. They say if they are limited to 7 per cent. they will withdraw. The railways said they would build no more lines if we pressed the freight rate inquiry. The manufacturers make threats what they will do if the tariff is lowered. It is time to call the bluff, and we might as well begin here."

## Renewed Every Five Years.

Mr. F. W. Green, secretary of the Saskatchewan Grain-growers, advocated that the renewal of bank charters should be made quinquennially instead of every ten years. He also favored smaller and more economically operated banks. In his opinion banks were generally too extravagant in the matter of buildings.

The chairman (Mr. H. B. Ames).—If there was a co-operative farmers' bank formed in your neighborhood would you deposit in it?

"Yes," was the reply, "if it was properly organized and had good security."

Major Sharpe.—Do you think more banking facilities would benefit the west?

"Yes."

Mr. Green suggested a scheme whereby the Dominion Government would secure bank loans, and put a tax on lands, as for school purposes, as the basis of that security. "We want the banks," said Mr. Green, "but we don't want to pay the money two or three times over."

Questioned as to the statement made by the manager of the Weyburn Bank that money could be obtained more easily by the western farmer than by his neighbor over the boundary, Mr. Green declared, "If I had to start over again I would rather start with a spade and a hen than have to borrow money."

## Considerations that Must be Faced.

Incidentally, Mr. Green complained, that there were regions where men were waiting for railroads, in which case they had to transport grain for hundreds of miles, and very few of these men were able to get loans.

As to the proposal to allow banks to make loans on thrashed grain, although he did not think it would affect very many farmers, yet for the sake of the few he thought the facility should be given. Such a system would, however, require inspectors to examine the amount and the quality of the grain. There would also have to be considered the risk of loss by fire and deterioration by snow and rain.

The provision of interior terminal elevators to relieve the grain blockade, was suggested, and it was urged that the Dominion Government should legislate so as to help the farmer at this time when the presence of so much grain in the elevators involved stringency of money. He suggested the creation of a national agricultural bank.

In conclusion Mr. Green said that he did not expect the minister of finance to establish agricultural co-operative banks at once, but the farmers of the west hoped that that action would be taken next session.

## INDUSTRIAL ACCIDENTS DURING MARCH

During the month of March, according to the record of the department of labor, 480 industrial accidents occurred, of which 93 were fatal and 387 resulted in serious injuries. This is eight more fatal and thirteen fewer non-fatal accidents than were recorded in February. The record for March, 1912, was 113 fatal and 356 non-fatal accidents. The greater number of fatal accidents occurred to employees in steam railway service. Of the non-fatal accidents, 115 steam railway employees were injured. In the metal trades, 102 workmen were injured, while in the building trades 25 workmen were injured.

## VALUE OF LIFE INSURANCE

## VIII.

## Short Term Policies

BY C. A. HASTINGS.

Take the position of a contractor, who has an opportunity to handle an important and profitable contract; or imagine the position of a man with an invention which he knows has a big commercial value. In each case neither dare make a move, because all that they have must be sunk into the contract, or into the marketing of the invention, so that the event of death during the preliminary periods must be very serious to their dependents.

Personally I seldom, if ever, approve of a short term policy for, to my mind, it means nothing more nor less than borrowing from his widow and orphans; furthermore, the assured is not building up a reserve.

## Cases When it is Essential.

However, there are cases, during a period of heavy financial responsibility, when it is essential, but the applicant must be more than a first-class life to get it, for no reputable life office would dream of accepting him, on such terms, unless he were. The rates of premium are very low and many apply for this class of protection on account of its cheapness, not recognizing the fact that he is buying on the same principle as if he were buying fire insurance.

There are other cases to whom this class of protection applies, for example, the individual who wishes to start up in business and who has reason to expect a substantial sum of money within a short period.

## Protection Till Business is on Sound Foundation.

Yet again there is the man with ability whom others are ready to back with capital, but naturally require protection until the nature of the business undertaken is placed on a sound foundation.

Although a man may be poor, his chief asset is his life; it is a marketable asset, and here is shown a method by which he can market it.

The following articles in this series have already appeared:—

- (1) March 1st.—How to become one's own master.
- (2) March 8th.—How depreciation of assets can be met.
- (3) March 15th.—How to borrow at a profit.
- (4) March 22nd.—The automatic production of capital.
- (5) March 29th.—How to redeem debentures.
- (6) April 5th.—Value of goodwill and how to preserve it.
- (7) April 12th.—How to protect capital in land, etc.

## ST. LAWRENCE ROUTE AND MARINE INSURANCE

An important feature of the past year in connection with marine insurance was the strength of the agitation in Canada for the establishment of a local underwriting institution at Montreal. This is by no means a new suggestion, for it has been discussed at intervals ever since the commencement of the twentieth century. Experience has shown that the St. Lawrence is an exceptionally dangerous waterway, and this being so underwriters have, of course, no option but to protect themselves by charging adequate premiums for the risks they incur, on the other hand, it is urged by Canadian ship-owners that very large sums are spent annually upon the improvement of the St. Lawrence as regards dredging and currents, and this is admitted by underwriters. Unfortunately, however, nothing has yet been done to reduce the dangers arising out of the dense fogs which last for days at a time and render the movements of shipping an extremely hazardous proceeding, nor is it likely that any human device will ever succeed in overcoming this serious drawback to the safety of the Canadian route, states the London Financial Times. If a marine insurance institution were to be started at Montreal, with a view to charging lower rates than are current in London for St. Lawrence business, it is safe to say that before long the new concern would become bankrupt. Before underwriters have not made money out of St. Lawrence business; on the contrary, they have lost large sums, and this must be borne in mind by those who are apt to think that Canadian ship-owners are discriminated against unduly.

Nova Scotia estimates were brought down in the House of Assembly on Tuesday by Premier Murray. The estimated revenue is \$1,902,016, and the expenditure \$1,890,788. The estimated income from mine royalties is \$852,000, and succession duties \$45,000. The heaviest items of expenditure are \$342,000 for education; interest, \$424,744; public charities, \$242,000; roads, \$230,000.