

HEAD OFFICE WASTE

There is one thing the apologists of the capitalist like to do. They like to impress upon the people how much cheaper and better private enterprise is than social enterprise. They like to declare that the individual system of doing things is better than the social. They declare that, while it is true that the capitalists take their toll of the business done in the shape of rent, interest and profit, nevertheless the capitalists render such important services to the community that they should be paid their toll. I am going to give facts and figures that will answer the statements of the capitalist apologists. These figures and comparisons will show what a tremendous drag the capitalist is on the advance of the community.

In 1908 the business of life insurance was carried on in Canada by thirty-nine active companies, of which twenty-three are Canadian, six British and ten American. Canada has a population a little over seven million. In this small population thirty-nine insurance companies are out after business. They each maintain separate head offices. They each have a separate board of directors. They each spend a lot of money soliciting insurance. They each get but a small portion of business and they each want large profits. The result is that life insurance has been made an expensive luxury.

What would you think of the government of the Dominion, were it to establish thirty-nine different systems of postoffice service to cover the territory of Canada? What would you think of the government were it to pay a lot of expensive officials to run thirty-nine separate establishments; where one establishment would do? You would say the government had gone crazy and the whole bunch of Cabinet members would be hustled off to the padded cells of an insane asylum. Yet you, allow thirty-nine insurance companies to establish thirty-nine separate insurance systems in Canada, and not only that but you allow these insurance companies to charge enough to make a profit of nearly one hundred per cent. on the business done. You are easy and the insurance profit-hunters know it.

Do you want to know the cost of these thirty-nine companies? They come high. It is impossible to get the total cost because the head offices of the British and American companies are outside Canada and are not reported. But the cost of operating the twenty-three Canadian companies amounted to \$6,117,942. That is the cost of having twenty-three Canadian companies each trying to get business and each keeping up its separate organization.

The insurance companies are expensive and unnecessary. The people themselves could insure themselves cheaper and better than can the insurance companies. In this article head office waste alone is being dealt with. Let us examine that waste more closely, with particular reference to the Canadian companies.

Each of these twenty-three companies keeps up a separate head office and each pays a lot of expensive officials. To show the waste of these separate offices let us compare the head office salaries paid by some of the insurance companies with the salaries paid by some of the Departments of the Canadian government. The salaries paid to the officials at the head office of the Canada Life Insurance Company in 1908 amounted to \$154,129.95. This is but one of the twenty-three companies. The salaries paid by the Customs Department for the whole of Canada amounted in the same year to \$161,384. The Sun Life Insurance paid in salaries at the head office \$121,928.76. The Mines Department at Ottawa paid in salaries only \$118,312.00. The Great West Life Company paid in salaries to the head office staff \$99,206.09. The Finance Department at Ottawa paid \$99,562.02 in salaries and handled all the financial business of Canada with the staff employed. The Manufacturers' Life paid \$74,860.88. The Inland Revenue Department at Ottawa paid \$74,079.66. The Confederation Life paid in head office salaries \$71,000.00. The Auditor-General Department at Ottawa paid \$77,123.76 in salaries. The North American Life paid \$49,616.82. The Secretary of State Department at Ottawa paid \$50,547.95 in salaries. The Mutual Life paid \$49,318.58 in salaries. The Department of Labor and the Department of Trade and Commerce, together, paid but \$52,000.00 in salaries.

So we see the separate insurance companies of Canada maintaining expensive establishments. We see single insurance companies duplicating each other's organizations, and each spending as much in salaries to handle but six or seven per cent. of the insurance done, as do the government departments for handling all the affairs of the Canadian people along special lines. Is not that waste? I defy any insurance man to prove that

the insurance companies of Canada are not incompetent, wasteful, extravagant, inefficient, and a drag on the productive energies of the working people of Canada.

The twenty-three companies paid in head office salaries alone the sum of \$864,806.87. In addition the directors took \$80,000.00 unto themselves in fees. Auditing cost another \$20,297.07, or a total of \$965,000,000. This is but twenty-three of the thirty-nine insurance companies doing business in Canada. The total salaries paid in Canada by the Dominion government, for carrying on the affairs of all the people, including the 50,000 dollars paid the Governor General, including the salaries of the cabinet ministers and the Governor-Generals, amounted in 1908 to two and three-quarter million dollars. The head office waste of the twenty-three insurance companies would pay one-third of the salaries paid by the Dominion government.

What is the remedy? The public ownership and democratic management of the means of production and distribution is the only remedy.

What the Socialist system will be in detail no man can foresee, in the same way that no man could foresee the particular way political democracy would work out in various countries. But there is one central idea that the Socialist state will conform to, and that idea is the public ownership of the means of production and distribution democratically managed. At present we have the private ownership of the means of production and distribution automatically managed by the few for the benefit of their pockets. The C. P. R. is not run for the benefit of the people but for the pockets of its owners. In so far as we have private ownership with autocratic management we have a bad system. In so far as we have public ownership with democratic management we have a good system. If we know that it is good to have public ownership and democratic management, let us have the courage of our convictions and apply the principle to all the means of production and distribution for the benefit of the people of Canada. Let us nationalize our railway systems and our water powers and our shoe factories and cotton mills and elevators and street railway systems and our wheat areas. Let them be democratically managed and the benefits we now derive from public roads and water works and post office and canals and fire protection will come from all the means of production. The only reason that we do not have the public ownership and democratic management is that the people do not take the time to reason. When men and women begin to reason they old, outworn profit system will vanish from Canada.

Rent, interest and profit are no more necessary than are the payment of feudal dues or taxes to the extinct Roman empire or tolls to the Grand Lama of Thebet. But because certain persons have a great interest in receiving large incomes for rendering no services whatsoever, these persons hire other persons to write falsehoods about the necessity of paying rent, interest and profit. And these persons get members of parliament elected to enact laws legalizing rent, interest and profit. So the really productive workers are kept in bondage and have to pay money to the men and women who render no service for what they get. But the workers who produce the wealth that is taken from them by the receivers of rent, interest and profit are the ones who should see to it that the system by which they do not get what they earn should be made to cease. It is only when the people who work organize themselves and vote for the abolition of rent, interest and profit, that the system of private graft will be done away with.

Did you ever study the anarchy of private business compared with the organized effort of public bodies? A dozen insurance agents will endeavor to pull business for each one of their companies. The same man will be argued with by each of the dozen agents. They will waste his time and their own. If finally he is landed and becomes insured he has to pay the waste of all their times and the waste of his own time. Compare that state of affairs with the city organization for the prevention of fires. The city organizes a fire system in which the city is divided off into sections and each section is protected by its own fire apparatus and in case of need by the fire apparatus of the whole city. The fire apparatus is not run for profit but for the need of the city. No man derives rent, interest or profit from the fire system. Then if a public fire protection system is good, why not have public protection against hunger in the same way.

WATCH FOR NEXT WEEK'S COTTON'S.

LISTEN, YOU WORKERS

Are you a workingman. Then read the following and get your ears tickled. I am going to talk to you about millions of dollars, millions that rightfully belong to you because you produce the wealth of the world. I am going to talk to you of millions of dollars which you can get if you will only go the right way about it. If you go the wrong way about it then these millions will never be yours, but will continue to be the property of those who now enjoy them. These millions are but a fraction of the millions you can get, and which rightfully belong to you.

Last year the insurance companies in Canada received an income of forty million dollars. As the working classes produce all the wealth, you working men were the ones who earned these forty million dollars and you should be the ones who received it. But you did not get them. Someone else got them and the insurance companies got them from the people who got them from you. The insurance companies got them for agreeing to pay a certain sum of money to the heirs of the men should the men die.

There are four questions, first, where did the insurance companies get the money, second, how did they spend it, third, what could be done with the sum of money, and fourth, how can it be done.

The insurance companies got the money mostly from men and women who are living either directly on the productive workers as parasites, or from those who are living as parasite workers on the parasite rich. The money mostly came from the receivers of rent, interest and profit, or from the classes employed by these parasite profit getters, such as lawyers, brokers, land agents, and the like. As the average sum taken in return for insurance from each of the insured, amounted to fifty-three dollars, it is plain that the average workingman could not afford to insure. So that the forty million dollars are taken from the workers by the non-producers and handed over to the insurance companies and the workers get no benefit from the insurance. The money comes from the workers, but they get absolutely nothing in return for it.

How do the insurance companies spend the money. For every hundred dollars the insurance companies get it costs them \$21.25 to get it; they pay back, not to the workers, but to the people who took the money from the workers, the sum of \$33.86; they pay \$7 cents in taxes; and they put \$44.02 into their wad and keep it. The people who take the money away from the workers to give to the insurance companies only get one-third of it back again. They are almost as simple as the workers who gave up all the money in the first place and got nothing back at all.

What could be done with the forty million dollars the insurance companies get annually? The heirs of every male person who dies between the ages of twenty-five and sixty-five years of age in Canada could be given a sum of three thousand dollars and there would be left a sum of one million dollars with which the salaries and expenses of managing and delivering the insurance could be paid.

How can it be done. Let the workers who produce all the wealth, and see to it that they own all the wealth and that the wealth be managed in the interest of the workers. If they will do this then wealth undreamed of by the workers will be owned by and used in the interest of the workers.

How do you like to think in millions, you working men? You get from seven to ten dollars a week and your bosses enjoy the millions you do not get but which you earn. The power lies with you whether you shall continue to be exploited out of all you produce save a bare living, or whether you shall become the rulers of Canada and the owners of your own wealth.

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THE INSURANCE AGENT

This Insurance Special is not an attack upon the insurance agents. The insurance agent is a man with a wife and family to support and he must needs do many things that he knows could be done better for the benefit of humanity. Yet what is he to do? The capitalists have so arranged society that many men must do things they do not like. The insurance agent is forced to work and is not free to do that which he would like. The Socialist movement will free the insurance agent, as it will free the day laborer, and will give him a chance to earn his living by productive industry. This chance the insurance agent does not possess at present. It is the system that is to blame, not the agent.

A bill to prevent race track gambling is now being discussed at Ottawa. One witness before the special committee appointed to examine into the matter has a list of fifty men who have been ruined by race track gambling. Some papers are quoting this fact as proof positive that race track gambling should be abolished. If it is sufficient then the whole capitalist system should be abolished. Thousands of men are ruined annually by the capitalist system. Its crimes are innumerable. At the judgment bar of impartial reason the capitalist system stands condemned. Will the House of Commons bring in a bill to abolish capitalism and introduce Socialism? Not as long as the people do not rise on them. Just as criminals fatten and grow rich on crime when undisturbed, so capitalists fatten and grow rich on capitalism which they have legalized. Just as criminals will fight against police so will the capitalists fight those who are endeavoring to pass laws that will take their ill-gotten gains away from the capitalists. And just as criminals will band together and capture a city government for the protection of criminals, so the capitalists have captured the Canadian governments and are running them in the interests of capitalism—Capitalism may ruin thousands of Canadians, but the governments will not put a stop to it. It pays the legalized criminals too well.

There is one thing the Socialists know means nothing to them or the advance of their principles. When a person says, "I sympathize with Socialism and am a Socialist but—" the Socialists know that such a person is useless.

How would you and your fellow workingmen like to control the mill in which you work? How would you like to dig coal out of your own mine? How would you like to run the mill or mine or factory or department store? That is what Socialism aims at giving you the right to do. Let the title to the means of production be vested in all the people, and let the people enact a law that no one should enjoy the revenues of the means of production without performing some sort of useful labor, either mental or physical. Then let the man or woman on the job have a say in how the production of wealth shall be carried on. That is Socialism. Just how the system will work out in detail will depend on how the workers want the system to be managed. But there are certain fundamental rules to which the system must conform. There must be social ownership and social control, and the workers must form the society that will control.

Once upon a time the waggon roads of Canada were privately built and privately owned in many places. No one could travel over the roads without paying a toll. The people saw how foolish that was so they abolished the toll gates and toll roads and ran them and threw the roads open to the people to travel on without money and without price. The toll owners did not like to see the roads become public property. Their tolls were no longer being paid. But was it not better for the people to have free roads that the travel of the people should be free even though a few men did not get their former incomes? In the same way will it not be better for the Canadian people to own their own railroads and make them the instruments for the people's welfare rather than that the roads should be made dear to travel on and a few men have private yachts and wine cellars and incomes they do not know how to spend wisely? In the interests of the income receivers themselves the railroads should be confiscated from them.

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Socialism will remove the incentive now actuating so many persons of growing rich at the expense of their fellow men.

When Socialism comes there will be free government insurance. As long as capitalism lasts insurance will be beyond the reach of the working class.

The end and aim of Socialism is to get rid of the useless capitalists and to let the laboring many control the machinery of production and distribution.

The capitalist insurance game is one of the nicest games for the accumulation of unearned wealth that was ever practised on the Canadian workers.

The wages that go into the pay envelopes are but a fraction of what the workers earn. How could the homes of the parasite be built if the workers were paid all they earn?

It is the duty of every Socialist to hit the capitalist between his economic eyes. But it is the duty of the Socialist to do the hitting with a loving heart.

Let the workingmen of the Dominion not grow uneasy over the fact that they cannot afford insurance. Let them be content to learn from the lips of the politicians that Canada was specially created for the capitalists and not for the workers.

The incomes of the life insurance companies doing business in Canada total over forty million dollars. The workers are the ones out of whose work this vast sum is taken. It is not taken out of their pockets because the bosses see to it that the money never gets to the pockets of the workers.

necessary to the conducting of the affairs of the mill you work in, he speaks a half-lie and a half-truth. As long as there is competition and graft and economic anarchy, there is work for the little bosses to do. But private ownership and competition, and the bosses that develop under such a system of robbery of the workers are totally unnecessary. Some little boss with a pull on a corrupt government may be the means of a few workers in a small village getting jobs to do to produce something that is not necessary. But the whole bunch of bosses could be chucked out of the factories and the factories could be expropriated to the great advantage of the working class.

To struggle is a good thing. So says John D. Rockefeller and so says Theodore Roosevelt. Yes, to struggle is a good thing. We Socialists know that. So we intend to do good to those who do not like us. We are going to do good to men like John D. Rockefeller and Theodore Roosevelt and other rich men. We are not going to let them live on the interest of their money. When a man has interest and can live without work there is no necessity for him to struggle. So we Socialists are actually going to do the parasites a favor. We are going to give them a chance to struggle and produce their share of the wealth they consume.

Cannibalism is now regarded as a horrible crime. There was a stage in the evolution of human society in which cannibalism was regarded as the proper mode of living. We have outgrown that stage. We no longer regard it as proper to live off the bodies of our fellow men. In the future years our descendants will look back upon many of our customs of the present day with horror. Now our big men live off the work of others. It is considered honorable and worthy to live off the labor of others, to have others build houses for the rich to inhabit, and the rich to do nothing. The day is coming when humanity will regard it to be as great a crime for a strong person to live off the labor of others and with as great horror, as we now regard the crime of living off the bodies of other human beings.

Andrew Carnegie has established a pension fund for aged professors. One of the clauses in the pension fund gift is that no denominational college professor shall get a pension. The religious colleges have been deeply provoked at this clause and declare that it is commercialism's blow at the church. The church ministers should know that in this world those who pay the piper call the tune. If Andy pays the piper he has a right to say which piper shall be paid. The remedy is to so arrange the ownership of the means of production and distribution that the careers of the Carnegies shall not be possible. If the careers of the Carnegies are made impossible, then it will be impossible for Carnegies to dictate what a man shall think before a pension be given him.

WORKERS CANNOT INSURE

Now, Mr. Workingmen of this Dominion of ours, how would you like to get insured? The government could insure you dirt cheap. You are robbed right and left. The landlord robs you. The banks rob you. The capitalists rob you. After having robbed you of all they can, or dare, they give you a few dollars a week, just to keep you contented. All the rest they consider their dues. They need it in their business, so you cannot have it.

There is one class of people who need an insurance against leaving their loved ones unprotected for should they die. That class is the working class. The working class do not own their own homes. They pay rent. The working class do not have bank accounts. The banks will hardly let a workingman inside the bank doors. The workers do not draw money in interest. They are the class out of whose pockets the interest money is drawn. The working class possess but one saleable article—the labor power of their hands. That labor power perishes when the worker dies. The support of the family ceases with the death of the wage earner. If there is one class that needs insurance against the death of the father, that class is the working class.

But the working class cannot get insurance. Private control has raised the price of insurance beyond the reach of the working class. The average premium paid on each insurance policy in Canada amounts to fifty-three dollars a year. How many workingmen can afford to pay a lump sum for an average insurance policy. Fifty-three dollars amount to over one-tenth the annual income of the railway worker. Fifty-three dollars amount to one-seventh the annual income of the industrial worker in Canada. The workingman cannot afford to pay from one-tenth to one-seventh of his wages for insurance against death. Insurance has become the luxury of the well-to-do. Insurance, under the capitalist regime, is paid for by the class that does the least work, needs insurance the least, and does the most to prevent the workers getting insured.

There may be an occasional worker who finds that he can pay the money to become insured. But the worker who can do this is the one who has no dependent wife or child. A workingman is given a small wage. He can spend that wage in getting insured or in getting married and bringing up children. He cannot do both. But it is not the unmarried worker who needs the insurance against death the most. It is the worker who has a wife and children who should be insured. Yet the wage of such a worker is all needed to feed and clothe the family.

I might write in a sarcastic vein and give the cynical thought, that controls the minds of the capitalists. I do not desire to do that. This is a serious question. Upon it hinges the future welfare of the Canadian workers.

The Canadian government has handed the trade of taking toll of the weak over to groups of men who are in the trade for the money they can make. These men grasp millions. The workers are denied necessary relief. Laurier and his gang of capitalist exploiters are busy in preparing guns to kill. They strut at Ottawa and the people suffer. They fasten the chains of capitalist domination still more harshly upon the working classes, till the iron links sink into the quivering flesh of the victims. No relief can come from capitalist government without a great movement for the workers.

Let the people of Canada awake. Let the cry go forth that we Canadian citizens shall no longer live in bondage to the profit-hunting capitalist task-masters. Let the workers, in their hundred thousands, move forward to the overthrow of the present system of the buying and selling of the means of life, with profit the motive force. Let the Canadian people decide that the time has come for the abolition of the rent-takers, and profit-takers, and interest-takers from this Canadian land. Only then will the bondage of the workers cease and they shall walk forth in the newness of an economic life they dream not of at present.

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Socialists are not out to raise the wages of the workers. Socialists are out to give the workers all they produce.

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