

# The Chronicle

## Insurance & Finance.

R. WILSON-SMITH,

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### Railways As Employers Of Labour.

Speaking recently on "Transportation," Mr. Chas. M. Hays, president of the Grand Trunk Pacific, said, "it would take 500 men three years, if they worked all the time, to produce enough cross ties to lay the Grand Trunk Pacific, and when the new road is completed it would add 20,000 workers to the railway employes in Canada. Out of every dollar received from traffic, both passenger and freight, seventy cents is paid back to the country in wages, cost of maintenance and other expenses. This must be paid back before any can pay dividends to shareholders."

### An Electrical Pointer.

The chief electrician of the Sun Fire Office, London, in a paper read before the Manchester Insurance Institute, calls attention to the necessity of having installations overhauled periodically and tested, for it is not a common thing in an ordinary lighting installation for a sudden break down to take place capable of producing a fire. As a rule, a fault in a circuit will shew, when tested, long before it becomes a danger. If users of electric light would see the value of a small sum annually for "maintenance" not only would the plant last longer, but there would not be so many fires in this class of risk attributed to "cause unknown."

### When Does A Workman's Day Begin?

A suit which was carried to appeal has just been decided in England which hinged upon the question, When does a workman's day begin? A coal miner was injured when passing over a bridge built for the use of the miners on his way to obtain a lamp to take down the pit. The colliery owners denied liability on the ground that, at the time of the accident, the man was not engaged in their work. When the appeal was heard the Lord Chancellor, as reported in "Assurance," did not agree that employment did not begin until the miner struck coal with his pick.

The man was serving his employers when he proceeded to the colliery for his lamp. The facts in each particular case must be considered. It might be said that a man who was getting up and met with an accident in his bedroom was doing something on his employer's behalf. But that would be reducing the matter to an absurdity on the other side. In this case the man was doing something which it was essential he should do in order to carry out his employer's work." The appeal was dismissed with costs. The Workmen's Compensation Act is bringing out some novel points in regard to accident insurance.

### Defaulting Columbia.

The Council of Foreign Bond-Holders has arranged on behalf of the creditors of the Republic of Columbia to resume the service of the debt as fixed in 1896. Under the agreement then made new bonds were to be issued for a reduced capital amount of \$13,500,000 bearing interest at the rate of 1½ per cent. payable in gold from January 1, 1897, increasing yearly until 3 per cent. was reached. Other parts of the arrangement related to the sinking fund, etc. The funds called for by the debt are to be secured by a percentage hypothecation of the Customs receipts.

The arrangement, in plain English, is exactly like those made by an insolvent who offers to pay so much in the pound by instalments. By this system of settling the debts of a foreign State the greater bulk of the creditors' claim may be wiped out. In 1873, the Columbia debt was sliced down from 33 millions of dollars to 10 millions with interest at 4½ to 5 per cent. In 1879 this arrangement was upset, the principal was increased to 13½ millions of dollars and the interest reduced to 1½ per cent on an ascending scale until 3 per cent. was reached, some of the interest arrears being wiped out. In the arrangement just concluded there is no reliable security given for the arrears of interest being paid, indeed the whole business proves that the Republic of Columbia is desirous, practically, of repudiating its financial obligations. While we have such first-