

THE FUSE INQUIRY

After reading newspaper reports of the fuse inquiry at Ottawa, the people will not desire to read the judicial finding upon the evidence. The country has weighed the evidence to date and it is hoped that the premier and his colleagues are sufficiently posted from points outside Ottawa, as to what is the opinion of the country. Even should the Meredith-Duff commission happen to present a report which would make glad the hearts of partisans, partisans must recollect that such reports have no weight with the independent voter, who year by year is becoming a stronger factor. The Toronto Telegram puts the matter in a nutshell, when it says: "The finding of a royal commission has no more moral effect than is given to that finding by public opinion. The influence of a royal commission is measured, not by the opinion which learned judges may form on the facts brought out in evidence, but rather by the opinion which the people themselves form on the basis of these facts." That is an important consideration for the government.

ACCIDENT INSURANCE BUSINESS

Whether the accident branch of the casualty insurance business is getting out of hand to the extent that some form of statutory control may soon be necessary to regulate it, in the interest both of the companies and of the public is a much discussed question at the present time. Competition may be the life of trade, but the axiom does not seem so to work in the case of the accident insurance business. On the contrary, it seems to be eating into the vitals of the business and unless the companies get together and agree on some uniformity of action to safeguard the business, it may be seriously impaired.

Up to a few years ago the companies were issuing a standardized form of policy contract which met the requirements of the public and at a fair premium charge. But the advent of many newcomers, anxious to get a foothold at any cost, brought with it certain innovations or so-called "frills" in the nature of added benefits without a proportionate premium charge. This is causing the companies, as a group, considerable concern. The regular charge for a \$5,000 accident policy to the business and professional classes, granting \$25 weekly indemnity in case of accident, is \$25. But to this principal sum has been added, through extreme competition, insurance of the beneficiary; accumulations yearly at 10 per cent. until the principal sum has increased by 50 per cent.; double benefits for various happenings, as well as several other benefits, but all without proportionate increase in premium charge. The result is that the companies are being called upon to pay amounts aggregating nearly three times the original sum insured. This need not and should not be. The companies should call a halt, taking steps to adjust matters as the business demands.

Other evils need attention, too, such as commission allowance to agents, unjust taxation in various provinces, arbitrary rulings, and the interpretations of various clauses in the policy contracts. With regard to the interpretation of accident contracts, which are carefully drawn up to convey their intent as clearly as words can make them, they are often twisted to meet the whim of the courts. If matters do not change, the present condition may be terminated by statutory regulation of the business.

ROMANCE IN FINANCE

Mayor Church, Toronto, objects to the city paying its share of the Ontario war tax. By that objection he apparently intends to test a legal point which is bothering his fertile mind. The chances are that the provincial government will enter the contest and with good chances of winning. The calm of Hon. T. W. McGarry, provincial treasurer, has naturally been ruffled by the incident, because last year he was able to borrow \$2,000,000 in New York in anticipation of the collection of this war tax, and a similar operation is again necessary. The objection of Mayor Church, however, is not likely to count for much in the day's work of any New York banking house interested in Canadian securities.

Mr. McGarry is taking the matter too seriously. According to a report in a paper of his own political color, he says that when Mayor Church raised the tax protest at Toronto the other day, "there was laughter on the part of Count Bernstorff down in Washington." Then, in modern dramatic style, Mr. McGarry gave the following reason for this Teutonic mirth: "When I went down to New York last year to borrow money for this province, to borrow this \$2,000,000, I went to a number of banking institutions, and amongst these was one presided over by German interests, although I did not know this at the time. Luckily for the province and luckily for myself I escaped in time, because they were endeavoring to tie this province up so that it would be unable to give any financial assistance in this war. If I had taken money from that firm this province would now have been in trouble, and unable to accomplish what it has."

The country is glad to know of Mr. McGarry's escape from this tangled web of financial intrigue, but he should not allow the incident to worry him. The next Ontario loan will have a good reception in the United States and will bring the high price it deserves.

TONNAGE AND SHIPBUILDING

Of the total tonnage of sea-going ships of the world, namely, 33,531,503, only 62 per cent. is available to-day for the ocean trade of all nations. The nations of Europe engaged in war own over 21,000,000 tons. Of the 17,000,000 tons comprising the merchant marine of the Entente Allies, 65 per cent. is owned by Great Britain. Of the 21,000,000 tons owned by the belligerents, over 4,000,000 tons belonging to the teutonic allies are bottled up in neutral harbors and elsewhere. Of the 17,000,000 remaining, over 50 per cent. has been commandeered to act as transports and supply ships. These are some of the factors which have caused ocean freights to rise to the highest level in history.

In addition, since the outbreak of war, 2,031,000 merchant tonnage has been sunk. New tonnage launched in approximately the same period has been 1,201,638, giving a net tonnage loss of 829,000. Little, if any, increase can therefore be expected in ocean ship space during the war. Even after the war, with a certain amount of tonnage released by various governments, there will be a great scramble for tonnage for use during the coming commercial campaign. In the meantime, Canada still hesitates as to whether or not it will engage in the shipbuilding industry.