

AN INSURANCE INVESTIGATION

THERE seems to be a well-founded belief that a general investigation into insurance methods in Canada will be ordered by the next session of the Federal Government. A well known insurance official of Montreal said in this connection, that it was the general impression that such an investigation would take place, but that just now it was a question whether the present was a suitable time for it. If it were a year previous or a year hence it would be welcomed, for he believed the Canadian companies would come out with flying colors. He did not believe that the evils which had been revealed in New York had their counterpart at all in Canada. Just now, however, owing to the scandals in connection with the New York companies, he thought the public would be prejudiced, and not in a position to give a cool and deliberate judgment such as might be expected under ordinary circumstances. As a result of this prejudice he believed that an investigation at this time would be injurious to the business, not because of anything it would reveal, but because of the blue spectacles which the public are at present wearing. Anything that could be distorted into further inflaming the public mind would probably result in the passing of legislation, especially as regards the insurance companies' powers of investment, which would be extremely injurious to the companies and also to their policy-holders. However, if an investigation should be brought on here it should be in an endeavor to get the actual facts and the truth in a calm and consistent manner, and not endeavor to make out every man a crook or a fool.

We endorse the statement that such an investigation, if held, should be fair and impartial and not conducted in a spirit which may produce panic conditions. As we have often stated, we do not believe that Canadian insurance companies need fear such an investigation. and while it may be necessary to restore public confidence, which has been disturbed by revelations in New York, it would result beneficially to all parties, the companies, policyholders and the general public.



INTERESTED SPECTATORS AT NORTH WEST MOUNTED POLICE GAMES AT REGINA. THE PICTURE SHOWS SIR WILFRID LAURIER, EARL GREY, LADY GREY, LADY LAURIER, AND OTHER WELL KNOWN PEOPLE

MIGRATION OF MEN AND MONEY

AN American Government expert of the Department of Commerce and Labor has been investigating the migration of men and money from the United States into Canada. The result of his enquiry is interesting not only to his own Government, who are somewhat concerned at the growth of the movement, but also to Canadians. What this country wants, as we all know, is more population and more capital to develop our resources. It also offers another aspect of the workings of the Canadian tariff referred to elsewhere in this Department.

An estimate prepared by a Montreal manager of American investments in that city places the minimum at \$25,000,000 during the last five years. There are no data from which the total investment in Canada can be established with reasonable accuracy. In 1885 the capital engaged in manufacturing in the Dominion was \$137,400,000. In nine years it has trebled, rising to \$441,000,000. The phenomenal increase can be explained only by assuming a great influx of American capital.

The migration of capital is due to the resolve by American manufacturers that Canadian tariff laws shall not keep them out of the profitable markets of the Dominion. Its population is only five and a half millions, but its consumptive capacity is great. Canadian imports last year were \$259,000,000, or \$47 per capita. It is worth while to control Canadian trade. If it cannot be held by reciprocity treaties, which seem impossible of procurement, there is another way in which it can be done.

One or more important concerns in every manufacturing city in the United States have established branch plants in Canada, equipped with machinery made in the States. Nearly a score of the great Chicago manufacturing houses have done this. They would prefer in most instances to make their goods there and ship them across the boundary. The tariff wall stands in the way of that. They simply take a part of their capital and put it into Canadian plants. Then they get the benefit of Canadian protection. It gives them a great advantage over other American manufacturers who are not equally enterprising.

On the other hand, this movement is causing some disturbance on the other side. A Chicago despatch says: "Reports just gathered show that 132 of the leading concerns of the country have been obliged, chiefly on account of tariff restrictions, to establish branch plants in Canada. The resulting loss financially is estimated at upwards of \$50,000,000. (This has been invested in Canada.)

The agitation which the Illinois manufacturers are about to start is expected to assume the form of a national appeal to Congress. The remedy most in favor provides for reciprocity legislation which will permit of a freer exchange of American and Canadian manufactured products.

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