

men named could devote much time to actual development of the industry. That is New Glasgow's chief concern. The town is not particularly well versed in stock market fluctuations, but it knows something of ore seams. It prefers coal dust to that of the stock exchange floor. Let us suppose for a moment that Mr. Forget successfully carried out his threat to obtain control. Would the change please New Glasgow? If not, what has Mr. Forget to gain? No brief is held here for either. The matter of the change is one of public interest, and especially to the Maritime provinces. Mr. Rodolphe Forget might be serving his best personal interests and those of the Nova Scotia Steel and Coal Company by dropping the fight and shaking hands.

The present directorate intends to apply to the Nova Scotia Legislature for a change in the company's charter. It will provide that eight members of the board shall be residents of Nova Scotia, that the directors may fix the time and place for shareholders' meetings, and that the capital stock may be increased to any amount not exceeding \$10,000,000. This proposal is open to criticism. If the company's stock were entirely held in Nova Scotia and the intention was to retain it there, the idea of a local directorate might be admissible. But the stock is widely held. It was not a condition of purchase, when the securities were sold, that residence was to be a necessary qualification for the directorate. The company should reconsider and modify its proposal. The Provincial Legislature will probably refuse to endorse it.

UTILITY OF UNDERWRITING ASSOCIATIONS.

The sessions of the Provincial Government Insurance Commission in British Columbia will have accomplished good work if only judged by the educative publicity given to the fire insurance business. That crass ignorance exists as to the good work accomplished by the licensed fire insurance companies of Canada and the various underwriting associations is obvious from the evidence of various witnesses. Mr. A. W. Ross, secretary of the Mainland Board of Fire Underwriters, has placed before the commission a statement which is worthy of perusal not only by fire insurance interests, but by the business man, to whom insurance is a necessity. He points out that the interest of the insurance companies and that of their patrons is mutual, while any condition or legislation which harms or benefits the one must necessarily harm or benefit the other. In this period of industrial combination there may be some excuse—although not justified by a knowledge of the facts—to label the various underwriting associations as combines. Those who become familiar with the work of these organizations must recognize their value to the country and admire their spirited efforts to reduce the appalling annual fire waste, at the same time lowering fire insurance rates in keeping with the general risks involved. One of the most important considerations is the fact that without such organizations each insurance company would be governed by its own experience only in the matter of fixing rates. Each company would then have a different rate, and the intricacies of fire insurance would become more perplexing. The fire underwriters' associations also insure uniform policies. Increased cost of insurance in many ways must fall chiefly upon the property owner. Organized work among the licensed companies does not yield the sour fruit attributed to combines, but is a factor in the reduction of rates. The layman will easily see that rates based upon united experience will be more favorable to the insured, especially in the case of large property, than those fixed upon limited individual experience. The word combine as applied to the underwriting associations is obviously a misnomer and an undeserved slight upon the praise-

worthy labor of legitimate underwriting concerns. Unfortunately they have received poor treatment from Government departments, provincial and federal. Encouragement is given to the individual property owner to improve his risk. That is the chief medium to lower rates.

Were the public to study more keenly this important question they would realize how much they figure in rate fixing. As Mr. Ross points out, the fire insurance business is entirely one of average. When a policy is accepted a premium is exacted in proportion to the amount insured. Neither the company nor the individual knows whether a profit or a heavy loss will be sustained.

That the Government has either the right to place a tax upon the insurer placing his business with unlicensed companies, or that it has no right to tax the licensed companies are two well-made conclusions. These naturally will be leading arguments when the commissioners begin to summarize the voluminous evidence. British Columbia need not necessarily follow precedent in this matter for some precedents sadly lack business commonsense and fairness. A British Columbia Government insurance department on somewhat new lines would be a welcome innovation. There is ample scope for an official department to set a worthy example in helping to reduce Canada's fire waste; to protect the insuring public; to further the legitimate interests of companies willing and able to conform to reasonable laws and to pay their license fees and taxes; and finally to place the unlicensed companies where they belong.

INVEST IN GOOD MEN.

Toronto lately has been losing its high civic officials. Single cogs and new wheels are often needed in machinery, and so it is with the professional labor market. The parts become broken and find the scrap heap. They may be too valuable for the small machine and are placed in a larger one. Without discussing the merits of particular resignations, the incidents afford an opportunity to discuss a question of growing importance. Does Canada remunerate sufficiently its men of value, or has it adopted a foolish system of economy? A nation's best investment is the cultivation of its best citizens. We find excellent university professors being monopolized by United States educational institutions. Their intellect and effort is needed in our own universities. Civic officials chafe under the irritating harness of municipal pettiness. Small men fail to recognize that big men are worth the money. They pare a respectable salary till it would pay the office boy. The natural result is that capability, which should run big cities and towns, finds it does not pay. Capability leaves the city and starts in business for itself—a good thing for self but bad for the city.

Engineers are asked to build bridges and to save enough on the steel to put by automobile money for the employer. Services are asked and handshakes given in return. That costs nothing and looks good. Investors frequently prefer to lose five thousand dollars in mining stocks than pay a few scores to get expert advice as to how to save the five thousand. It is the same throughout the country. We are losing our best judges, doctors, engineers, newspaper men and professional capability.

Canada, which can afford, considering its wonderful possibilities, to pay most, pays least. It fails to recognize that a country grows on the strength of big individualities. Obviously, men are as marketable as other commodities. But the age has passed when brains are laboring for exercise. Changes on the top rungs will always occur, but their frequency is becoming serious. Canada must keep its good men.