

benefit of the tariff change, and the importations, especially in lines of cheap cloths, continue to increase.

"And whereas the greater difficulty is experienced in securing and retaining with the wages available even a limited number of workers necessary to keep a part of the mills in operation. Therefore resolved. "That the woolen section of the association request the association to bring the strongest pressure to bear upon the Dominion Government to grant a sufficient increase to afford it relief.

"That this increase should be made at once if the industry would be saved.

"That it should apply not only to certain lines of woolen cloths, but equally well to all classes of woolen goods manufactured in Canada."

The report of the fire insurance committee, which was submitted, went very fully into the entire question indicated in its title, winding up by a proposal that an insurance department of the association should be organized. The report after giving the reason for the necessity of the manufacturers having some system of mutual insurance owing to the excessive rates charged by existing companies, recommended a system to be organized as follows:

The department shall be controlled by a standing committee of the association to be known as the insurance committee which shall report monthly to the executive council, and annually to the annual meeting. The committee shall be composed of twenty-one members. Seven members of the committee shall be elected at each annual meeting, and hold office for three years, and shall be eligible for re-election. In centres where there are eight or more members of this association, advisory committees shall be organized at the discretion of the insurance committee.

The department shall be organized to carry on the business (a) of mutual fire insurance, and (b) of insurance brokers.

In order to increase the desirability of the policies issued by the department, as many risks as can be obtained (provided they are satisfactory to the department) will be accepted. No manufacturing risks will be accepted unless the manufacturers are members of the Canadian Manufacturers' Association. All warehouse, dwelling, and non-manufacturing property irrespective of ownership will be insured under the same conditions as manufacturing risks.

Every risk before being insured by or with the insurance department must be approved of by the insurance committee.

To avoid the necessity at the outset of an expensive inspection department the rate of premium charged will be the same rate as is charged at the time the insurance is effected by any company that is acceptable to the committee, and the usual conditions regarding co-insurance will also be adopted.

The Department will aim among other things to encourage the insuring public to protect their own property, and as an inducement, sprinkled and properly protected risks will receive special consideration.

In addition to the insurance carried by the Department, arrangements are expected to be made with several first-class Canadian, English and United States companies, whereby an insurance amounting to several times the amount carried by the Department may be placed. The commission on this insurance will be credited to the Department to increase the fund available for losses.

In addition to the cash premium paid to the Department, the policy holders shall also bind themselves by the acceptance of a policy to be responsible for all losses suffered by the Department over and above the amount of premiums collected to an amount sufficient to make the policies absolutely safe.

No agents will be employed by the Department. The

insurance will be secured through the head and branch offices of the association, and through the individual efforts of the interested members.

The Department will at the end of each year set aside a percentage of profits to be decided upon for a reserve fund to increase the security and lessen the guarantee of policy-holders.

The Department will begin business just as soon as it has insurance contracted for to the amount of \$1,000,000, provided that legal authority has been obtained by that time. An effort will be made to have in addition to this \$1,000,000 a large amount of insurance to place in other companies, on which the Department will receive a commission.

The committee submitted an estimated statement, figured on the basis of \$5,000 on each risk, the Department carrying half and reinsuring half. The result gives a balance of \$7,000 in favor of the Department out of \$40,000 earned on policies of \$2,000,000, half being reinsured. This \$7,000, it is claimed, is straight excess over the amount at the disposal of the line companies for the same losses on the same business.

The executive committee will arrange for the carrying out of the plan.

When the question of preferential trade was again brought up, the following resolution was unanimously carried: "That whereas the events of recent years, industrial, political and international, indicate that the future strength and safety of the British Empire depends on the closer union of all its parts, and whereas the time has come when the Mother Country and the colonies should extend to one another some practical expression of such union, therefore be it resolved that this association in convention assembled re-affirms its belief in an Imperial trade preference, and favors the appointment of an Imperial commission representing all the British dominions, who shall consider the whole question, and submit a plan for the consolidation and permanency of the Empire.

The names of the officers of the association for the ensuing year are published in another page.

UNFAIR BUSINESS METHODS.

The practice of paying commissions to engineers, under superintendents and other employes about manufacturing establishments by salesmen representing supply and machinery houses in order to have such employes recommend their products having become quite general in the United States, manufacturers there are up in arms against this questionable practice. There enormous sums are expended in this way annually and no doubt it has to some extent been extended to Canada, and, if not, is likely to be, hence this is a matter for the attention of Canadian manufacturers. The problem involves nothing less than wholesale bribery. In addition to paying a fair price for the products which he uses, the manufacturer through this practice, is compelled to pay a certain sum which goes into the pocket of his engineer or other employe to whom he is already paying a good salary. Of course such commissions are paid secretly and it is a somewhat difficult matter for the employer of such workmen, to ascertain whether they are or are not, receiving a bonus from firms whose machinery and supplies they recommend.

Many large manufacturing concerns, using large amounts of supplies of various kinds, already have their expert buyers, but the buyer has to rely on the engineer or superintendent to a certain extent for his expert knowledge, and either of these can readily condemn or approve as he chooses. It would be a good idea for every manufacturer to keep closely in touch with the prices of the products which he consumes, and of course when it becomes known that the unfair practices mentioned are in vogue in his establishment there is certain to be an upheaval. These unfair practices are of interest to every manufacturer and