SASKATCHEWAN'S HAIL INSURANCE ACT

One Hundred and Fifteen Rural Municipalities Participate in Plan

One hundred and fifteen rural municipalities have placed themselves under the Saskatchewan Hail Insurance Act. To give a proper understanding relative to this legislation the following circular has been sent to interested persons:—

Under the provisions of the act your crop is insured to the extent of $5 per acre if totally destroyed and a proportionate amount for crop partially damaged by hail, subject, however, to the provisions of section 19 of the said act.

The commission will require all claimants to show by proper legal documents therefor their interest in the lands damaged by hail, and to produce where the circumstances require an agreement in writing showing the mode of distributing hail insurance indemnity. (The commission recommend that where lands are held under lease, crop agreements for sale or similar title, that the parties interested at once make proper agreements in writing for the distribution of the hail insurance indemnity.)

Section 16 of the act provides:—"Any person assessed and liable for such special rate who may during the year for which he is so assessed suffer damage to his crops from hail upon the lands in respect of which such assessment is made shall within three days of such damage being sustained give notice to the secretary of the commission, by registered letter addressed to him at Regina, of his loss in full, particulars of the area of his crop damaged and the percentage of loss thereon."

Indemnity Should be Stated in Agreement.

Section 18 also provides:—"That no claimant shall be entitled to indemnity under this act for any damage less than 10 per cent. of the crop upon such hailed area at the time of damage."

Please note, therefore, that if your crop is damaged by hail to the extent of 10 per cent. or over, you should fill in particulars on form below, detach the form and forward by registered mail within three days to the commission.

Referring to the second paragraph of the circular a few words of further explanation are necessary. It is, of course, to the landowner that the commission looks for the assessments, but if the land is rented for cash to a tenant and loss occurs from hail then the whole of the indemnity is due to the tenant. On the other hand, if the land is held under a lease calling for half, one-third or one-quarter crop payments, as the case may be, then the interest of each of the parties in the hail insurance indemnity should be clearly set out in an agreement and the commission notified when claim is made, otherwise settlement will be greatly delayed.

Income and Cost.

The gross income of the commission can still only be estimated, but it is expected to reach approximately three quarters of a million dollars. The probable cost of administration was estimated at $50,000, but it is now felt that this cost is very unlikely to exceed half that amount, so that the commission will be in an excellent position to stand any loss that is likely to occur.

Under the old system the inspectors, being local men, were naturally interested in getting as much money as possible into their district, and without reflecting in any way upon their honesty were glad to see their friends and neighbours receive as much as possible in the way of indemnity when hailed out. Under the new plan things will be differently arranged, as none of the twenty-five inspectors will be given any special territory, but will be sent to any point where the demand arises, so that, the inspector and the claimant being strangers to one another, only strictly legitimate claims will be paid.

Accurate Results Anticipated.

An excellent method of inspection is to be followed. At least five tests will be made in different parts of the field, and the damage will then be averaged, so that the inspector's results will be accurately based on a foundation of facts and figures.

A considerable number of claims have already been made on account of hail damage done by the storm on June 4. These claims came in for losses on about 7,000 acres in the Gull Lake and Gravelbourg districts. Principally on account of this being so early the commissioners went personally to Gull Lake and inspected 38 quarter sections, but found that although some claims were made for 100 per cent. loss, the crop had revived so rapidly that there was no trace of damage to be seen. As an illustration of the working of the new plan, it was found that this inspection cost the modest sum of $25, whereas under the old plan, at the rate of $2 per quarter section, it would have cost $76, regardless of whether there was any damage done or not. Reports have been received of considerable damage from hail in the Rural Municipality of Browning, but at the time of writing the claims had not yet been investigated.

Another point which might be mentioned is that upon at least their first trip each inspector will be accompanied by one of the commissioners, so that uniform methods may be followed, and it is felt that this will result in better service, and tend to the mutual satisfaction of all concerned.

CANADA'S GROWING FAMILY HAS NEEDS

Wall Street Journal's View of Our Situation—Buying Goods in Foreign Markets

Money is very tight and bound to continue so throughout the fall months. Barring any calamity which cannot be foreseen, bankers are satisfied that they have the situation well in hand, are the resultant remarks of the Wall Street Journal's investigator, Mr. W. P. Barclay, as to existing financial conditions in Canada.

Continuing, he adds, funds for legitimate needs of business are being provided by banking institutions at an average rate of 6 per cent., but virtually no money can be secured under any consideration for real estate transactions or stock market speculations.

Speculation in lands, with special reference to the Canadian west, has been checked, as has been the "sub-division" feature of real estate speculation throughout the Dominion. Many holders of such property, especially the subdivisions, will probably never see an opportunity to free themselves from their purchases at a profit. There has, however, been practically no decline in values in central real estate locations, including the growing cities, both east and west.

Bank collections, particularly in the west, are not up to the average, largely on account of the tendency of the agriculturist to add to his realty, trusting that his crops will provide funds for payments on his lands, while, if necessary, he may secure time on payments for machinery, etc.

Actual Capital Without Provisos.

After referring to the fact that municipalities will be more restricted in their expenditures, Mr. Barclay touches on immigration, and continues:—

Estimates of the amount of money brought into the country annually by new arrivals converge around the $200,000,000 mark. This is actual capital brought into the country without any string attached; no funds have to be sent abroad periodically to pay carrying charges, nor is it a debt which must be liquidated in a term of years.

To house the additions to Canada's family, to provide means of transportation, streets, sewers, lights, water and other accessories, millions of dollars worth of bonds have been sold abroad, the proceeds of which appear in the foreign trade returns in the form of imports.

The big transcontinental roads are supplied with funds for present needs in so far as the Grand Trunk Pacific and Canadian Northern are concerned, the two having secured together over $30,000,000 from the Government, and for a longer period of time as regards Canadian Pacific, which recently announced a $100,000,000 extension and development programme.

Consumption and Manufacturers.

Prospects are for good average crops, materialization of which assures the railroads of considerable traffic.

So long as Canada continues a consuming country rather than a large exporting country—and so long as immigration holds at its present record pace her exportable surplus is bound to be small—her need of funds and materials will continue. Canadian bankers contend that it is better to supply a portion of her needs from foreign factories than for her business men to embark on a wholesale policy of expansion, with its consequent heavy consumption of capital, only to find that they had overreached their market and must wait years for demand to overtake them, if it did overtake them in advance of bankruptcy. Steady conservative expansion involves less capital and sees its market keeping pace with manufacturing capacity.

Finally, Canada is not worried in the same way as the United States as yet by interference of politics with business. Canadians are always interested in their own political affairs, but in a different way than south of the border line. The most exciting feature of politics here at the present time is the question of a Canadian navy or Canadian contribution to the Imperial navy. This question is disturbing political leaders but not capitalists.