as such will be taken into due account in placing orders for new machinery and equipment.

HABITS OF CAUTION.

When we come to consider the inculcation of habits of caution as a means of accident prevention we reach the most difficult, and at the same time the most important part of the problem. The several means already touched upon can accomplish a great deal, but any accident prevention movement must fail largely in its purpose unless the co-operation of the workmen themselves is secured.

Some of this co-operation can be obtained through the employment of the right sort of foremen, men who both are imbued with ideas of caution and who are strict disciplinarians. The foreman is apt to be looked up to as a sort of leader by the men under him, and they are more easily influenced by him than by those higher up in the organization. In a sense they consider him as one of themselves, a man who has been through the same experiences they are undergoing. He is closer to the workmen in every way than anyone else in the plant can be. By a combination of moral suasion and discipline he can help prevent many accidents against which no known safety device will afford protection, such for instance as those due to the removal of safeguards, to horseplay, and to the wearing of unsuitable clothing. Incidentally, he can also be of the greatest service in the determination of the exact cause of each accident with a view to avoiding recurrence.

The foreman cannot do it all, however. He cannot make men over again, nor can he watch each workman all the time to see that he does none of the innumerable things which, whether they originate from ignorance, from thoughtlessness, or from foolhardiness, are constantly placing men unnecessarily in danger of injury. Despite all that a foreman can do, workmen will wipe machines while they are in motion, they will leave parts of their bodies under heavy pieces that are being hoisted, they will brush chips from revolving cutters with their fingers, they will take short cuts through dangerous places, they will stand directly in front of emery wheels when grinding, they will start to drill without securely fastening the work, they will file right-handed near a lathe dog or chuck, they will use defective machinery and tools—in fact the list is practically endless.

The only possible way of preventing accidents due to such causes is to secure the willing and active co-operation of the workmen themselves, by interesting them in safety for both themselves and others, by inculcating habits of caution in them.

(To be continued.)

SUBSIDIARY COMPANIES.

Committee of Western Canada Fire Underwriters' Association makes Report regarding them—Their Recommendations.

The administration committee of the Western Canada Fire Underwriters' Association makes the following report on "subsidiary companies":

"Your committee beg to report that they have considered the question of so-called subsidiary companies and have been able, after careful consideration, to reach certain definite conclusions. We have been guided in doing so by keeping prominently before us the ruling principle of the association, which involves absolute and impartial fairness to each member alike. With this principle in mind we think the maintenance of underwriters' agencies is in controvention of our single agency rule (Article 12, Section 3), and that either such agencies must be refused the privileges of the association or that relief must be granted those members not maintaining such agencies. We have chosen the latter course as the preferable one, and while it leaves considerable canvassing advantage to the underwriters' agency, due to its distinctive name, still we think conditions will be more nearly equalized than would otherwise be the case. Our recommendations will, therefore, be with the view of defining (1) the status of underwriters' agencies, and (2) what form the relief so granted should take.

"It would be well to state as exactly as possible what is meant by an underwriters' agency, and the following is offered as a definition:

"'It is proposed and recommended that—

"'(*a*) Each member may maintain and operate not more than one underwriters' agency, such agency to have no vote in the association, and the parent company or companies to be responsible in every way for the due observance on the part of the subsidiary of all the association rules and regulations.

"'(*b*) A member who does not maintain an underwriters' agency may appoint one additional agent at each outside town (*i.e.*, not more than two at any one place) and one additional representative at Winnipeg. The privileges shall not extend to a company or companies jointly maintaining an underwriters' agency.

"'(*c*) It shall be the duty of the secretary to prepare a schedule of charges for extra sets of rating material and extra plans, and each member requiring such additional supplies, either for a second agent or for an underwriters' agency, shall pay for the same in accordance with such schedule.'"

The accounts of the Grand Trunk Railway Company for the half-year to June 30, 1012, show the following results:—

Gross receipts		£3,834,300
Working expenses		2,793,300
Net receipts		£1,041,000
Deduct debit balance on account of rentals, outside operations and car mileage		33,500
Total net revenue		£1,007,500
Net revenue charges for the half-year, less credits		513,900
Balance		£ 493,600
Deduct Canada Atlantic deficiency for the half-year	£52,800	
Detroit, Grand Haven & Milwaukee deficiency for half-year	50,700	103,500
Surplus		£390,100

This surplus of £390,100, added to the balance of £6,800 from December, 1911, makes a total amount of £396,900 available for dividend, which will admit of the payment of the full dividend for the half-year on the four per cent. guaranteed stock, and first and second preference stocks, leaving a balance of about £8,500 to be carried forward.

The accounts of the Grand Trunk Western Company for the year ending June 30, 1912, after providing for all fixed charges, including the debit balance of £31,461, brought forward from the previous year, show a deficit of £16,144, which will be carried forward to the current year.