

stds. against 2,840 stds. in 1903; the deliveries have been large, owing partly to forced sales by auction, but generally the demand has been unsatisfactory, and stocks are too large; values are lower. There is no improvement in the demand for pine deals. Birch logs from St. John, etc., and Quebec have arrived more freely, the deliveries have been fair, and stocks are not too large; prices are steady. Planks—The arrivals have been moderate; there has been a good consumption, and the stock is light; values show improvement, but are still low. British Columbian and Oregon pine—There have been no arrivals, the consumption shows improvement, but the stock is too heavy; values are steady.

## THE TRUST COMPANY IDEA AND ITS DEVELOPMENT.

### THE FUNCTIONS OF A TRUST COMPANY.

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What are the functions of a trust company? A different answer will be given to this question in different countries. The trust company promoter in the United States will say that a trust company can undertake a banking business, the guaranteeing of land titles, the underwriting of stock, and everything and anything of an agency description that will pay. In Australia and in Canada trust companies, as we have seen, have been developed upon different lines; and the manager of a well-conducted company under this name would reply that there are some things which ought not to be done by a company to which the Government grants a charter for the purpose of attending to the interests of its wards, the orphan, the helpless and insane. It must not imperil its capital or its reputation by making investments which are not absolutely sound, or by incurring obligations to the public except in its capacity as trustee; and the invasion of the financial departmental store must be repelled, because the company which is formed to act as executor and trustee ought to be a specialist in its line, and needs protection from the competition of the general agent.

It will be generally conceded that the policy which has been adopted in the British colonies is based upon sound business principles, and is better calculated to inspire public confidence. The foundation of the trust company idea is the failure of the individual trustee. There are few people who cannot recall some instances where a widow, left sole executrix, has been badly advised, and lost all that she had; where the man whom everybody trusted, speculated with the moneys placed in his care, and was unable to make restitution, or where the fortunes of a family have been wrecked by the absconding of a trusted friend. The trust company offers insurance against loss from these sources; and it is as necessary as insurance against fire. To render this insurance effective it is necessary that the trust business of the country should be concentrated in a few companies, and that the whole time and thought of the officials should be devoted to the work. We must not forget that there are important interests at stake. The trust company is entrusted with the most sacred responsibilities. It is the guardian of family secrets; it has in its care the welfare and future of many families; it is the adviser of the helpless and unprotected, and it is the trusted agent of the absentee.

The functions of the professional trustee company are manifold. It acts as executor or joint executor under a will, as administrator by direction of the next of kin, executors or a creditor entitled to administration who wish to renounce their responsibilities, as trustee of marriage and other settlements, as executor, administrator, or trustee in place of persons wishing to give up such positions, as committee of the estates of lunatics, and it undertakes the management of estates as agent or attorney under power for absentees or people who wish to be relieved from the worry and trouble of business. Acting in these capacities, it undertakes the fulfilment of all kinds of contracts, buys and sells real estate, collects rents, interest and dividends, attends to repairs and insurance, pays taxes, and buys and sells all kinds of investments. To maintain the equipment necessary to fulfil these duties better than an individual, and to make it pay, the trust company offers various services to the public. Thus every properly equipped trust company has a safe deposit branch. It will undertake to invest the funds of any person, and guarantee the prompt payment of interest. It can act as liquidator and assignee of insolvent estates. It acts for corporations in arranging amalgamations, as mortgagee for the securing of bonds, and as registrar and transfer agent. It is in a peculiarly advantageous position for undertaking a general real estate agency, and also to act as an appraiser of real estate.

And there is another legitimate and useful field of work for the colonial trust company. The problem of new countries has always been how to safely attract the money that is stored in the old. How is the Old Country investor to collect specific investments for consideration? How is he to be protected from the unscrupulous promoter, from ignorance, incompetence and fraud, from the over-sanguine temperament of the trusted friend? To whom is he to entrust the care of his investments across the seas? In the established and well-managed trust company this medium can be found. It has all the necessary office machinery developed in every department; it has responsible agents and correspondents all over the country; it is in constant touch with the field of investment. It can offer to the investor the advice of an experienced manager and of a board of directors composed of men who know the country, and have been selected for their integrity, knowledge and business capacity, and it is a convenient medium to hold deeds and money in escrow pending the completion of an agreement.

### THE ADVANTAGES OFFERED BY TRUST COMPANIES.

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The stock in trade of a trust company is special skill, constant vigilance, permanence, reliability, and, most important of all, good management. The advantages in selecting a well-managed trust company to act as executor and trustee are written in large letters in the literature of every company. The Trust Company does not die. This is a substantial advantage, because trusts frequently last for twenty-five or fifty years. The creator of a trust may select the original trustees with the greatest care, but it is impossible for him to control the selection of their successors. The trust company is always available; it is never ill, and never takes a vacation; its officers are experts in the management of estates; the execution of trusts is their primary