

# The Chronicle

## Banking, Insurance and Finance

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### THE BANKS' MUNICIPAL LOANS.

The figures of the banks' loans to cities, towns, municipalities and school districts have now been available for comparison over a period of three years—since July, 1913. During the ante-war period, the general tendency of these loans was downward, a minimum of \$29,301,620 being recorded for January, 1914. While there were advances in the following months from this level, at the end of July, 1914, these loans were still nearly seven millions lower than they were a year previously, at \$36,372,334.

With the outbreak of war and the consequent cutting off of the civic authorities from their customary supplies of capital, these loans rapidly advanced, the highest level recorded being reached in October, 1914, with \$47,316,076. Thence there was a decline until January, 1915, when \$35,952,805 was recorded. By June, 1915, these loans were, however, up to \$46,889,819, following which came a decline until December, 1915 (\$30,878,028) and a gradual advance to June, 1916, when the total of these loans reported (\$46,773,032) corresponded closely with the amount recorded a year previously.

The following table shows the course of these loans month by month:—

June, 1916.....	\$46,773,032
May.....	43,924,036
April.....	44,371,050
March.....	38,649,462
February.....	35,149,915
January.....	32,015,371
December, 1915.....	30,878,028
November.....	41,064,550
October.....	45,682,230
September.....	43,928,331
Aug st.....	46,020,730
July.....	44,029,446
June.....	46,889,819
May.....	43,948,436
April.....	43,031,360
March.....	41,227,449
February.....	38,437,903
January.....	35,952,805
December, 1914.....	38,256,947
November.....	44,706,055
October.....	47,316,076
September.....	44,338,873
August.....	39,664,534
July.....	36,372,334
June.....	37,260,571

May.....	\$33,689,577
April.....	30,168,812
March.....	31,890,843
February.....	30,372,854
January.....	29,301,620
December, 1913.....	30,518,573
November.....	35,173,817
October.....	37,846,369
September.....	37,465,383
August.....	41,310,281
July.....	43,121,384

The activity in permanent and quasi-permanent financing at home or in the United States on the part of many municipalities during the last year or so has, it will be seen, not lessened the civic authorities' dependence upon the banks. Probably, however, at the present time these borrowings represent to a lesser extent than formerly expenditures on capital account made in anticipation of permanent financing and to a greater extent borrowings on revenue account due to deficiencies in revenue and to slow collection of taxes.

The subjoined table shows the details of the banks' municipal loans as at June 30 last and a year previously:—

	June 30, 1916.	June 30, 1915.
Montreal.....	\$12,535,204	\$7,731,792
Quebec.....	133,258	162,967
Nova Scotia.....	942,881	993,061
British.....	2,381,677	4,781,847
Toronto.....	4,011,261	3,523,893
Molson's.....	2,004,782	1,642,507
Nationale.....	212,113	584,179
Merehants.....	954,938	1,191,539
Provinciale.....	288,987	418,101
Union.....	2,100,822	3,043,496
Comme ce.....	4,132,844	4,525,560
Royal.....	3,025,526	3,167,500
Dominion.....	296,774	590,104
Hamilton.....	2,041,081	2,148,907
Standard.....	995,736	1,197,252
Hochelaga.....	1,246,216	729,708
Ottawa.....	1,762,021	2,517,406
Imperial.....	7,232,592	7,333,659
Home.....	128,472	116,565
Northern Crown.....	203,924	337,123
Sterling.....	103,845	119,249
Weyburn.....	38,078	33,401
	<b>\$46,773,032</b>	<b>\$46,889,816</b>

There has been a particularly large increase during the past year in the municipal loans of the Bank of Montreal and a sharp decrease in those of the Bank of British North America. Otherwise the return does not show striking change. Doubtless the municipal authorities, particularly in the West, will find themselves compelled to rely considerably upon the banks until such time as they are able to get in taxes more freely than at present.

### NOTICE.

Owing to military duties intervening in our Editorial department, we propose doubling up for two or three weeks, and issuing THE CHRONICLE on alternate weeks commencing August 18th.

Under the British Government's scheme of insurance against aircraft damage, about 168,000 policies covering \$8,000,000 have been issued.