

1,200 or 1,500 souls to leave themselves with absolutely no provision against the outbreak of fire. Any new community should neither postpone nor evade the duty of providing some means of fighting flames, for flames will come to disturb and menace them. And it is plainly wrong for a good-sized place, thirty years old or more, to be caught without a fire brigade. Nor may the residents of flourishing places with 1,000 to 2,000 population pretend that they cannot afford fire appliances. It is a hollow pretence. Every place should have some sort of provision against such a ravenous enemy. Tanks, hook and ladders, chemical engines, hand-engines, steam fire engines—there are abundant means to choose from, and there is no excuse for any town or village being without one or other of these.

The people of Teeswater have shown their perception and good sense by meeting to discuss the subject of fire protection. At a public gathering held in that place this week, it was resolved "that this meeting is of opinion that it is absolutely necessary to adopt some system of fire protection, and hereby instruct the council to obtain all the information possible from all available sources as to the most efficient and economical system in use and submit the same to the ratepayers at an early date." It would be well if fifty similar meetings were held in fifty different places throughout Canada to take steps in a like direction.

MORTGAGE LOAN COMPANIES IN CANADA.

We have received from Ottawa a statement of the affairs of loan companies and building societies in Canada for 1887, as furnished by them to the Department of Finance. Returns, more or less full, have been furnished by 74 companies out of the 85 whose names appear in the list. The Ontario Investment Association, of London, the Grange Trust, of Owen Sound, la Societe Canadienne Francaise de Construction, of Montreal, and the Artisans' Permanent Building Society in Quebec, are all in liquidation. The concern bearing the lofty title of the Financial Association of Ontario loftily claims incorporation under provincial statutes, and therefore loftily disdains to send its figures to the Ottawa Government. Le Credit Foncier du Bas Canada has disposed of its assets, we are told, and paid off shareholders; the Commercial Mutual Building Society of Montreal has closed up its business, the business of the St. John, N.B., Building Society is transferred to the Dominion of Canada Mortgage Co., while the Yarmouth, N.S., Building and Loan Society and the Manitoba Investment Association, at Winnipeg, apparently neither send returns nor give a reason for refusal.

In nine of the companies out of seventy-one the amount of the capital is unlimited. The aggregate amount of capital authorised to the remaining sixty-two is \$102,700,583, and the amount subscribed in the seventy-one is \$75,768,750. Of this sum \$32,125,009, or about 42 per cent., is paid up. In twenty-one of these companies, accumulated stock to the aggregate amount of

\$366,238 is shown, while sixty of them had reserve funds, the total of which came to \$7,747,676, and something over a million of contingent funds. The loan companies whose figures appear in this table appear to owe \$42,850,623 to their shareholders and \$58,734,196 to the public, the difference between the sum of these and the total confessed liabilities, \$101,584,819, being undistributed dividends or profits on accumulating shares. A table may show items more distinctly:

	Co.'s in Ontario.	In other Provinces.
Capital authorized....	\$99,150,583	\$3,550,000
" subscribed.....	72,878,215	2,890,535
" paid up.....	30,531,639	1,593,369
Reserve funds.....	7,693,769	53,907
Contingent funds.....	847,788	227,742
Deposits.....	17,559,456	691,966
Debentures, British*..	31,240,366	821,900
" Canadian.....	6,614,048	284,000
Owing to banks in Can.	169,532	12,155
Total liabilities to the public.....	56,907,756	1,826,440

* All but \$900,000 of the Netherland American Co., Winnipeg, payable in Holland.

The assets of these loan companies consist, of course, of loans upon the security of real estate. In fact 96 per cent. of their loans are so secured, the remainder being loaned upon municipal securities or to shareholders upon the security of their stock in these companies. Their total loans exceed \$90,000,000. Cash in hand and in bank amounts to \$2,595,000; real estate owned by the companies, their business offices, &c., &c., to \$5,458,574; Dominion, provincial, county, city, or town securities held as investments, to \$2,542,702. A further asset consists of real estate held for sale under power of mortgages, \$1,979,680. We append a table of assets:

	Co.'s in Ontario.	In other Provinces.
Current loans on real estate.....	\$81,945,750	\$2,975,934
Loans secured on R. E. held for sale.....	1,957,114	22,566
Loans on municipal securities.....	193,362	138,471
Loans to shareholders on stock.....	1,001,817	129,431
Securities owned, Dominion or provincial.....	430,522
Municipal.....	2,102,180
Cash on hand.....	77,498	8,458
" in banks.....	2,268,627	240,855
Real estate owned....	3,592,631	847,410
Total assets, 1887.....	96,839,123	4,390,197

Of all these societies, only eight were in existence before 1860. The most prominent of these were the Canada Permanent, the Trust and Loan, the Freehold, and the Canada Landed Credit. Between that year and 1870 ten more were formed, the Western Canada, the Huron and Erie among them. But since the beginning of 1870 the great majority of such concerns have been organized.

The rates of interest charged on mortgages by these companies vary, and it is impossible to average them. We may note, however, that in the case of eight principal companies in Toronto, London, and Hamilton, the rates were 6·85, 6·97, 7·247, 6·6, 7, 6·6, 6·774, and 6·94 per cent. The rates of interest paid by these eight companies for their borrowed money were respectively 4·30, 4·40, 4·51, 4·48, 4·72, 4·41, 4·33, 4·32 per cent. There is thus a margin of not far from 2½ per cent. between the price paid for money and the rate at which it is lent, and that this much is necessary to cover ex-

penses and risks has been proved by experience.

Out of some \$83,561,000 secured by mortgage, these companies have taken during the year 1887 compulsory proceedings in the case of 793 instruments, representing loans of \$1,627,000, or only 1·94 per cent. The estimated value of mortgaged real estate held for sale is \$3,474,000, and the amount charged against such property \$3,322,000, showing a margin on the right side. Indeed, we find only six companies in the whole list which admit that they have advanced on such properties more than they were worth.

ANSWERS TO ENQUIRERS.

INVESTOR; Halifax.—The reply of our New York correspondent to a request for information about the American loan companies you name, apparently doing business in the Eastern States, is as under: "You do not state the head-quarters of the companies and I know nothing of them. Loan companies, as a whole, are becoming in less favor in the United States. So much money has been made by them in the past that many new ones have sprung up and there have been some miserable failures. There is too much money to lend to admit of your finding a good 'bang-up' mortgage at 6 or 7 per cent. nowadays, and so some of these companies have got to taking second mortgages, and issuing their own debentures based on them—not a safe thing to do. There are some good and well-managed loan companies in the States, I know, but I would not recommend them as a class unless I knew particularly about them."

—The twenty-first half-yearly dividend of the British Canadian Loan and Investment Company is announced at 3½ per cent., an increased rate from the 3 per cent. dividends hitherto paid by this company.

BANKING RETURN.

The figures of the Canadian bank statement for June last will be found in condensed form below, and are compared with those of the previous month. The statement bears date Ottawa, 18th July.

CANADIAN BANK STATEMENT.

	June, 1888.	May, 1888.
Capital authorized..	\$75,279,999	\$ 75,279,999
Capital paid up....	60,168,010	60,167,266
Reserve funds....	18,736,215	18,686,215
Notes in circulation	30,444,643	29,278,074
Dominion and Provincial Government deposits....	15,486,186	8,943,099
Deposits held to secure Government contracts & for insurance companies.....	378,642	375,080
Public deposits on demand.....	50,331,413	50,069,017
Public deposits after notice.....	62,529,285	61,674,561
Bank loans or deposits from other banks secured...	786,849	919,185
Bank loans or deposits from other banks unsecured.	2,262,916	1,465,032
Due other banks in Canada.....	1,299,871	802,535
Due other banks in foreign countries	307,671	205,909
Due other banks in Great Britain...	2,256,216	2,280,948
Other liabilities....	261,355	828,916
Total liabilities..	\$166,344,852	\$156,842,356