

## INCREASE OF WORLD'S WEALTH

### Largest Gains During Last Century Were Made by United Kingdom, United States, France and Germany

At no time in history has the economic condition of the world improved as rapidly or as much as in the past hundred years. Progress has not been confined to one or two nations; it has extended around the world. All countries have not advanced at an equal rate, but all have progressed. Last year's events had a serious effect upon that progress. The advances made are indicated in the following statistics compiled by Sir George Paish. The wealth of the United Kingdom in 1814 was computed at about \$12,500,000,000, while a conservative estimate would place it now at about \$85,000,000,000, an increase of 580 per cent., while population has grown 130 per cent. The income of the British people in this period has increased 700 per cent.—from \$1,500,000,000 to \$12,000,000,000. The wealth of France has expanded 400 per cent.—from under \$10,000,000,000 to nearly \$50,000,000,000; while the country's income has risen from \$1,250,000,000 to about \$6,000,000,000, or 380 per cent., with only a 33 per cent. increase in population. A century ago there was no German Empire—only a number of German states whose aggregate wealth and income were probably less than those of France. Now United Germany is estimated to possess an income of nearly \$10,000,000,000 and accumulated wealth of about \$80,000,000,000. During the century Germany's population has grown from 24,000,000 to over 67,000,000, or 180 per cent.

#### Advancement of New Countries.

But if the economic welfare of the older countries has improved in this remarkable manner, the progress of the new countries is still more noteworthy. During the last 100 years the wealth of the United States has increased from about \$1,750,000,000 to something like \$150,000,000,000, or nearly 8,500 per cent., and the income has risen from less than \$500,000,000 to about \$35,000,000,000 a year (6,900 per cent.); while population has grown from 8,000,000 to 98,000,000, an expansion of 1,125 per cent. The progress of the other young countries has been small in comparison with the growth of wealth in the United States; nevertheless, when one remembers the meagreness of the populations of Canada, of Australia and of South America, and the smallness of their incomes in the early part of last century, the really wonderful advance in their economic well-being becomes apparent. The greatest uplifting force of the past century has been the growth of a spirit of trust and of confidence between man and man and between nation and nation.

#### Credit System in Britain.

In no other country is the credit system as highly developed as in Great Britain. . . . Whatever may be the cause of their action, the fact is that the British people have provided a larger amount of capital than any other country for developing the supplies of natural wealth throughout the world. It is computed that about \$2,250,000,000 of British money is employed in the discount of international bills. Furthermore, the British people lend large sums to individuals, corporations and governments for temporary purposes over and above the sums supplied as permanent capital. It is evident that upwards of \$50,000,000,000 of British capital out of \$85,000,000,000 is now employed by other than the owners, and that of this sum about \$20,000,000,000 is embarked in colonial and foreign countries. At the present time, about one-tenth of the yearly savings of the British people, or \$200,000,000 per annum, is left permanently with bankers; upwards of \$1,000,000,000, or nearly one-half of their savings is supplied by investors publicly to states, municipalities, corporations and companies; while a large part of the remaining 40 per cent. is loaned privately by persons who save to others willing and able to employ more capital than they possess.

#### Investments of France and Germany.

The country that comes next to Great Britain in its appreciation of the credit system is France. The sum annually saved is now about \$1,000,000,000, of which three-fourths is placed in issues of a public character; while nearly 40 per cent. of the total savings is annually invested in foreign countries. Large sums of French banking money are employed also in practically all the money markets of the world

in the discount of international bills and in loans on securities. The amount of capital and of money which French investors and bankers have now placed abroad is not far short of \$10,000,000,000. The German people in the last 20 years have had a much greater appreciation of the credit system than formerly, and very large amounts of German capital have been employed both abroad and at home. The savings of Germany are now estimated to be upwards of \$1,500,000,000 a year, of which \$1,000,000,000 is invested in securities. German investors also rely upon their bankers when purchasing stocks and bonds and leave a relatively large part of their accumulations on deposit with bankers. It is computed that the investments of Germany in various countries are now about \$8,000,000,000 and that in normal times the amount increases by about \$250,000,000 a year.

#### How New Countries have Benefited.

No group of countries has derived greater advantage from the credit system than the various agricultural states of the New World, which have obtained vast supplies of capital from Europe. The amount of capital obtained by the United States from abroad is calculated to reach \$6,000,000,000, while the amount of foreign capital invested in Canada is about \$3,500,000,000. In Argentina, foreign investments of capital now exceed \$2,500,000,000, and in Brazil about \$1,500,000,000. In the whole of North and South America the investments of foreign countries are not far short of \$20,000,000,000, and of this total, Great Britain has furnished about \$11,500,000,000. Australia and New Zealand have been supplied with nearly \$2,500,000,000 of foreign capital, almost entirely British, and South Africa with about \$2,250,000,000.

In the early part of last century the United States depended on Europe for most of the new capital needed for its development. To-day the accumulations of the American people are greater than those of any other nation. The wealth of the United States is growing at the rate of about \$7,000,000,000 per annum, whereas the investments of Europe in the country rarely exceed \$300,000,000 in a single year, and in some years are nothing at all on balance. The annual growth of banking deposits in the United States in normal years is about \$1,000,000,000; the issues of new capital by subscription, so far as the amounts are ascertainable, about \$3,000,000,000; and the sums spent on buildings in the leading cities of the country alone reach \$1,000,000,000.

## SUN LIFE RESULTS

The operations of the Sun Life Assurance Company during 1914 yielded good results. The company's assets as at December 31st, 1914, were \$64,187,656, an increase over 1913 of \$8,461,309. The cash income from premiums, interest, rents, etc., in 1914, \$15,052,275, a gain of \$1,055,873. The surplus earned in 1914 was \$1,676,298, of which there was: distributed to policyholders entitled to participate in 1914, \$861,762; paid as dividends to shareholders, \$37,500; and added to undistributed profits, \$777,035. The total surplus on December 31st, 1914, over all liabilities and capital, was \$6,503,793. Death claims, matured endowments, profits, etc., during 1914 were \$6,161,287. Payments to policyholders since organization have been \$45,546,575. The assurances issued in Canada and paid for in cash during 1914 were \$15,988,429, being an increase over 1913 of \$388,665. The total assurances issued and paid for in cash during 1914 were \$32,167,339. The company's business in force on December 31st, 1914, was \$218,299,835, a gain over 1913 of \$15,935,839.

Mr. A. K. Bunnell, city treasurer of Brantford, who has a well-deserved reputation of being one of the most practical city treasurers of Canada, received a pleasing letter recently from Messrs. A. E. Ames and Company, investment bankers, Toronto. It said in part:—"We would like to say that among our clients and company investors very few securities stand so highly as those of your city, and we attribute this largely to the efficient manner in which its affairs have been handled by you, as exemplified in the very clear and full reports which you put out from year to year. We do not think it is too much to say that there are very few municipalities in this province whose financial interests are so well maintained as those of Brantford."