the other of the Atlantic, have led to a revision of the terms of borrowing and lending by mortgage companies in Ontario. Rates at which companies could lend have been tending downward, while the terms for money that could be borrowed in England and Scotland showed a steady tendency upward. Under these circumstances it is not surprising that the borrowings of Canadian mortgage lending companies on sterling debentures have been reduced. While Old Country debenture holders, stimulated by improved market for their money in England, have been standing out for increased rates on Canadian five-year debentures, it has been found possible for Ontario companies to borrow money at home more cheaply, and the disposition to use our home money is becoming general. Thus we find that a dozen companies in London, Hamilton and Toronto have lessened their sterling borrowings by not far from three millions of dollars during 1899, and increased Canadian borrowings by more than a million. The following table shows the amount of sterling debentures due by various Ontario companies at the close of 1898 and 1899 respectively:

	Sterling Debentures. 1898.	Sterling Debentures. 1899.	Reduction.
Agricultural L. & S. Co......$	200,112	$ 190,622	$ 9,490
Canada Permanent	4,931,970	4,291,970	640,000
Canada Landed & National..	2,382,218	2,254,726	127,492
Central Canada	1,703,865	1,175,173	528,692
Dominion Savings	324,607	289,689	34,918
Freehold Loan Co	2,161,159	2,001,159	160,000
Hamilton Provident	604,293	553,680	50,613
Huron & Erie	1,352,582	1,175,173	177,409
Imperial	675,351	600,647	74,704
London and Ontario	1,569,583	1,489,099	80,484
London and Canadian	....	....	198,000
Landed Bank and Loan.....	221,785	196,721	25,064
Ontario Loan & Debenture..	1,218,012	1,074,940	143,072
Toronto Mortgage Co	1,587,771	1,351,490	236,281
Western Canada Loan Co....	2,739,025	2,502,491	237,000
	$21,672,333	$19,147,580	$2,723,219

A change is evident, too, in the character of business done by companies which hitherto have been engaged in mortgage lending exclusively. Companies which were not permitted to buy and sell securities, such as bonds and debentures, have sought and have obtained enlarged powers. The placing of money in farm or other mortgages implies delay and a degree of expense in legal proceedings, searches of title, inspection and correspondence, which loans on collateral do not require. Hence naturally enough the application to Government for amendments to charters designed to enable Ontario companies to vary their transactions.

With scarcely an exception, the companies of this class which have been in the habit of borrowing in Great Britain have during the year last past reduced their borrowings by sums varying from £5,000 to £50,000 each. We have compiled a list of a dozen or more whose aggregate reduction of sterling debentures exceeds two millions and a half of dollars. These were not all voluntary reductions on the part of the companies, for in a number of cases the holders of the debentures were not satisfied to renew them for another period of five years. Some insisted upon a higher rate than the 3½ per cent. or even 4 they had been receiving; while the loan companies on their part had in a number of cases determined to reduce their issues of sterling debentures and to replace the money thus obtained by Canadian money, which offers more freely for the purpose, and can be had quite as cheaply, perhaps more cheaply. Notable instances of the kind can be found in the list above; many of the companies, notably the Central Canada, the Western Canada and the Huron and Erie, have lessened their English borrowings and increased their Canadian.

It is to be remarked that according to the Ottawa Blue Book the amount of money borrowed by Canadian loan companies in England and Scotland has declined steadily from $49,408,000, at which it stood in 1893, to $40,373,000 at the close of 1898. Deducting the two and a half millions reduction in 1899, the obligations of such companies to Old Country debenture holders do not now probably exceed $38,000,000.

A word with reference to individual companies. The London companies have done well; the Huron and Erie particularly well, for having had no lock-ups in Toronto or Winnipeg real estate, and having been well paid by the prosperous farmers of Southwestern Ontario, it has earned enough to pay nine per cent. dividend, to put $50,000 to reserve, to give $1,000 to the Patriotic Fund, and carry forward as much as in the previous year. The Ontario Loan and Debenture Company, though not paying a large dividend, has demonstrated the sound character of its loans by a very satisfactory year's return. The net profits of the Agricultural are several thousand dollars larger this year, and the reserve has been swelled by $10,000. The Dominion Savings Company has done wisely to add to its reserve and to maintain a good contingent account, preferring to reduce its dividend to four per cent.

It is not necessary to review at length the report of the Toronto Mortgage Company, which is the name given to the Union Loan and Savings, and the Building and Loan Association, as consolidated in November last. We have already reviewed the circumstances which led to the amalgamation. This company has written down its assets to what is considered a safe figure, and has reduced its debenture obligations by between $200,000 and $300,000. As Dr. Larratt Smith had expressed a desire to lessen his business duties by retiring from the presidency, Mr. Andrew J. Somerville was elected president in his stead.

EVOLUTION IN LIFE ASSURANCE.

The annual reports of the life insurance companies are being studied this year with perhaps greater interest than ever before. As we have stated, the Dominion Government last session passed a Bill, which required the life companies to hold reserves on new business on a 3½ per cent. basis, and to bring all reserves on old business up to the same standard within a period of about fourteen years. The period originally named in the Bill was seven years, but the extended time was afterward granted so that the change would not bear unduly on the weaker companies, it being generally understood that the stronger companies would be able to meet the Government requirements within a shorter period. It is to the interest of policy-holders as well as the companies themselves that the change be made as soon as practicable, and it goes without saying that the managers of the various companies will use every effort to attain the desired goal in the shortest possible time. Our issue of 12th January told what the Canadian companies generally have done with respect to future rates of premium. What