

both lender and borrower. It has to see that the payments are made with regularity,* and to invest them, or a portion of them, again as the accumulating fund to pay off the debt according to previous agreement. The Company has also to pay the interest to the lender, on the day it becomes due. In everything the Company holds the balance equal between the capitalists and the landed proprietors.

There are surely thousands who will eagerly invest their surplus funds where there can be no risk, and where the interest is certain to be paid to the day. Capitalists advancing money on the security of productive land in a country, prosperous beyond parallel, and where the monied institutions are upon a firm basis, have the highest and best security it is possible to give.

It is a peculiar feature of this Company that it is empowered to borrow on its own security—the Company being itself secured by the accumulated securities of a number of estates all mortgaged—the exact amount of money which it has lent. If, for example 100,000 dols. £20,000, be let out on mortgage, the Company may issue its certificates or debentures for a corresponding amount, bearing interest, and these may be issued, not one debenture for one mortgage, say of 2,000 dols. £400, but in debentures of various amounts from 50 dols. £10, upwards, altogether making up 2,000 dols. £400. They are issued in small amounts so as to be easily negotiated, and so as to suit the small as well as the large Capitalist.

Without some check there might no doubt be more debentures issued than there were securities to represent them. The act therefore provides, that audited returns similar to what the banks are required to furnish, shall be made half-yearly to the Government and published in the *Gazette* and certain newspapers, of the then state of the affairs of the Company, shewing the amount of securities in its possession, and the amount of debentures issued and afloat, which are never to exceed the amount lent or due on those securities. The precise position of the Government with regard to the Company has been already noticed.

The Company is not in the interest exclusively of either capitalist or landed proprietor, but of both. It is their agent or intermediary. It does not seek to obtain for one very large profits at the ruinous cost of the other; but it gives to the capitalist in Canada the highest market value for his money, and to the Capitalist in England a much higher value for his money than can there be obtained, and with that regularity and ease, the absence of which are so severely felt by mortgagees on the old system in both countries, at the same time that it accomplishes all this by facilitating the means of mortgaging—of encouraging the flow of capital to the soil, it will confer inestimable benefits on agriculture and on all persons connected with it, from the owners down to the humblest laborers employed.

* From the Annual Report of the Company just issued, it is stated that of 67 half-yearly payments of interest due recently, 48 were paid before due generally two or three days or a week; 18 were paid a few days after they were due, and the delay generally arose from cross posts or accidental circumstances, and only 1 was in arrear for any time, and that is now paid; an assurance to the Debenture holder, that inasmuch as the Mortgagors, paying so easily and punctually their interest, the Company in turn is enabled, easily and punctually, to pay him his interest.