

## OUR COTTON INDUSTRY.

As a reaction from the gloom which enveloped everybody connected with a Canadian cotton mill but a few short years ago, when the glut was so great and the depression so deep, it is agreeable to find the reports of a number of mills of a very cheerful and hopeful character. For example, the directors of the Montreal Cotton Company, which paid its shareholders eight per cent. in 1887, "regard the prospects for the present year as bright and anticipate satisfactory results from their operations. New machinery has been purchased for the mills at Valleyfield, increased water-power secured, and a class of goods is being produced equal to any imported or turned out elsewhere in Canada." The report of the Merchants' Manufacturing Company is also of a satisfactory character.

The greater variety of product which our cotton mills now turn out and their increased total out-put of course implies that the British or American-made article has been displaced, to a large extent, by our domestic manufacture. Statistics prove this: for in the year 1879 the quantity of raw cotton brought into Canada to be manufactured into fabrics was only 7,243,413 lbs., while in 1887 the quantity imported reached 30,971,070 lbs., an increase of no less than 23,727,657 lbs., or more than three times the quantity. In the same year, our imports of grey and bleached cotton fabrics from Great Britain and the United States were 12,771,896 yards, of the value of \$971,685, while the importation of this class of cottons in the last fiscal year was only 1,634,190 yards of the value of \$174,873.

## TRADE WITH THE ARGENTINE REPUBLIC.

We took occasion recently to urge upon the attention of our manufacturers and shippers the importance of cultivating trade with the Argentine Republic of South America, and gave a list of products for which a market could be found in that country. We are interested to find that in order to facilitate the objects of the government's trade commissioner to Argentine, the St. John, N. B., Forwarding and Trade Promoting Association proposes to despatch a clipper sailing vessel from that port to Buenos Ayres, so that Canadian manufacturers and producers may send consignments of their products (at the lowest possible rate of freight) to the Republic. Shippers can consign to their special agents at Buenos Ayre, or to the care of the commissioner, Mr. Wood, who will see that the shipments are placed in the hands of reliable agents for exposition and sale.

Agent-general Wood, the commissioner to Australia, complains that where he was promised two hundred samples, only thirty were forwarded, two-thirds of which found sale, and in some cases will lead to extensive orders. But he found it almost impossible to introduce Canadian goods without samples or drawings.

All who intend making shipments will please communicate at once with George Robertson & Co., St. John, acting agents,

stating the character and quantity of the products or manufactures.

## MORTGAGE LOAN COMPANIES.

In reference to our remarks of last week on the higher rates of interest obtained by Ontario loan mortgage companies during the latter half of the last year, and the more active business done by the companies, we note that Mr. Moreton Frewen, the eminent economist, writing from India to *Bradstreet's* respecting the Western States, says, "It is not at all necessary to believe that fall of produce prices affects mortgage companies and their business; indeed, it may well be the other way if their management is thoroughly conservative." "And again, advances of 50 per cent. to farmers as a fixed charge on their farms may be entirely safe, quite independently of mere fluctuations; and that is, I believe, considered the limit to the advances of a properly conducted mortgage company. If prices have fallen, to that point where the profit of the cultivator has ceased, then I should expect to find the business of mortgage companies very brisk, because those farmers previously clear of debt have now commenced to mortgage their real estate." Mr. Frewen is writing against the mortgage companies of the States in whom he seems to have little faith; but evidently, according to his own dicta, if they do not allow arrears to accumulate and so diminish the margin between the amount of the advance and the value, their business is "entirely safe." That, at any rate, we believe to be the case with our Ontario companies.

When a company's mortgage loans amount to millions, and when it has obligations abroad as well as at home, to debenture holders as well as shareholders, the desirability is plain of great care in scanning its securities, their character and the margin of value held for them. The authorities of the Ontario Loan and Debenture Company have been at the pains of a special investigation of its assets, not only by the president and manager but by the whole board, assisted by appraisers and inspectors. The result, as stated in strong terms by the president's address, is the conviction in the minds of the directors that the \$3,250,000 of the company's loans are undoubtedly secured. The further satisfactory statement is made, that "during the seventeen years' of the company's existence, not a dollar has been lost by forgery or by dishonesty of employees." The company is to be congratulated on this happy condition of affairs as indeed it is upon another good year's business. Net earnings were \$105,205, which permitted an addition of \$21,000 to Reserve, making that fund now \$321,000. There is a reduction in current expenses, in commissions and in debenture expenses. All debentures maturing during the year, says the report, were either paid off or renewed at lower rates. The properties unsold, on the hands of this well-established and carefully managed company amount to only \$30,592.

An increased business is shown by the last report of the Building and Loan As-

sociation. Debenture borrowings are increased to \$527,000 and deposits to \$297,000 compared with 1886. Loans are increased from \$1,487,000 to \$1,525,000 while the item of "real estate vested in the association" shows a reduction. Interest earnings are larger than in the previous year; they sufficed to pay the usual dividend, place \$10,000 to Manitoba Guarantee Fund and carry \$2,276 forward. Higher rates of interest, during the latter portion of the year, are reported; borrowers in Ontario paid up satisfactorily and those in Manitoba did rather better than before. Still, the directors pursued the prudent course of building up the guarantee fund against possible loss by investments made in that province. Larger amounts of cash are held, we observe, by this company as well as by the one previously mentioned.

We referred last year to the by-law passed to increase the capital stock of the Midland Loan and Savings' Company by \$100,000. This new issue was all taken up and a premium realized thereon. An increase of earnings is reported in 1887, sufficient to pay interest, expenses and dividend, to write something off property account and to put \$7,000 to reserve—now seventeen per cent.—and \$1,576 to contingent fund, a very encouraging state of affairs. The repayments of loans last year were \$113,000 in amount, but the new loans made amounted to \$171,000. Total loans now reach \$834,000, properties on hand (\$34,500 last year) are reduced to \$25,000. We remark with interest the opinion of Mr. Smart, "I should not care to entrust my means to men who have failed to manage their own business successfully; and in these days when directors of monetary institutions are often the largest borrowers, it is some satisfaction to know that our directors are independent of and do not require any such aid."

## CANADIAN COMPANIES' LIFE BUSINESS.

We have received from the office of the Superintendent of Insurance at Ottawa, his compilation of the preliminary statements of the various Canadian Life Insurance Companies for the year 1887. It shows that the business of life insurance is making steady progress in this country and that our home companies are doing their full share in the increased transactions. It will be of interest to compare the totals of the business of the eleven Canadian companies in 1887 with that done in the previous years. The companies are the same ones which were dealt with last year with one exception, a new company, the Manufacturers.

## TOTALS OF LIFE BUSINESS, CANADIAN CO'S.

	1887.	1886.
Net insurance in force.	\$103,822,094	\$89,904,071
No. policies in force.	63,243	59,900
Amt. of new business.	23,642,342	20,168,159
No. of policies of year.	15,898	11,011
Premiums of year.	2,987,110	2,498,453
Net claims	897,246	734,702
Claims unsettled	136,920	99,110

Twenty-three and a half millions of dollars is a pretty tidy aggregate of business for our home companies to get together in twelve months. Every company shows increased premium receipts over 1886 ex-