

## REPORT OF THE DIRECTORS

OF THE

# Canada Permanent Loan & Savings Company

FOR THE YEAR 1881.

The exhibit of the progress and position of the Company, which at the end of its twenty-seventh year the Directors have the honor to submit, is one which they believe will prove highly gratifying to their fellow shareholders.

During the year the sum of \$1,687,839 was received for principal and interest on Mortgage Loans; \$254,896 were received for investment on Deposit, and \$185,899 were received on the Company's Debentures. Of the Debentures which matured, \$167,899 were paid off, and \$335,800 were renewed at a lower rate of interest. Mortgage Loans were repaid to the amount of \$1,254,525.

Notwithstanding the fact that the total sum invested is greater and the proportion of old business larger, the amount of property in the hands of the Company for sale is much less than at the end of either of the two preceding years. The properties disposed of during the year realized on the whole considerably more than they were expected to do in December, 1880. It is also satisfactory to note that the maturing obligations of Mortgages have been met with more than average promptness.

Although the rates obtained on the money lent were lower than in previous years, the anticipated effect, in lessening the profit-earning power of the Company, has not for various reasons yet become manifest, but will eventually have its legitimate influence in that direction.

The results of the year have enabled the Directors to pay the usual half-yearly dividends of six per cent. each and to pay municipal tax thereon, and to add \$40,000 to the Reserve Fund, which now amounts to One Million Dollars, and to fifty per cent. upon the subscribed and paid up Capital Stock. Deeming it inexpedient to further increase the Reserve Fund, the surplus profits, amounting to \$23,778, have been carried to the Contingent Fund, to be dealt with as may be hereafter determined.

The rates of interest obtainable here on good securities are so nearly equivalent to what may be obtained in the Province of Ontario. The rates of interest obtainable here on good securities are so nearly equivalent to what money can at present be procured at in the British markets, even by the best known and accredited institutions, that no sufficient margin is left to cover the cost, risk and trouble necessarily undertaken. This unusual state of things may not be of long continuance, but while it exists the Directors consider it wiser to restrict the volume of business than to accept additional capital at unremunerative rates.

With a view to give effect to the resolution passed at the last Annual meeting, the Manager visited Manitoba and succeeded in making favorable arrangements for extending the operations of the Company to that Province. A General Agency has been established in Winnipeg, and business of a satisfactory character has been done at that and other points.

All which is respectfully submitted.

J. HERBERT MASON,

Manager.

JOSEPH D. RIDOUT,

President.