CANADA PERMANENT MORTGAGE CORPORATION.

The strong position built up by the Canada Permanent Mortgage Corporation in times past is enabling that well-known institution to pass through a period unfavorable to its operations with a minimum of disturbance. Last year, the deliberate policy was followed of repayment of a very substantial amount of maturing sterling debentures, since the rate which would have had to be offered for their renewal gave an insufficient margin with the moderate yield obtainable on mortgage loans. The returns from the latter have not increased in the same proportion as the cost of borrowed funds. In these circumstances, and in view also of war taxation and other abnormal charges upon revenue, the fact that profits are only $6,000 less for 1916 than in the preceding year is a distinctly satisfactory result.

THE YEAR'S FIGURES.

The net profits total $866,126 compared with $872,105 in 1915. With a balance of $179,526 brought forward, the total amount available on profit and loss account is $1,045,652. Of this amount the ten per cent. dividend upon the capital stock absorbs $600,000; $250,000 is again transferred to the reserve fund—for the fourth year in succession—making this fund $5,000,000 equal to 83.3 per cent. of the paid-up capital, and the increased balance of $195,652 is carried forward.

Deposits ($6,059,274 against $6,013,897) and currency debentures ($3,112,237 against $3,096,169) show little change in comparison with 1915. The net decrease in sterling debentures is $1,600,000 from $13,341,998 in 1915 to $11,733,574. Funds for paying off these debentures were provided in part out of the large cash balances carried by the Corporation, and in part by the restriction of mortgage loan operations and the realisation of securities. The Corporation's mortgages at December 30th totalled $27,859,082, a reduction of about $550,000 in comparison with the year previously. Advances on bonds and stocks are reduced from $668,231 to $546,053 and security holdings from $1,818,559 to $1,615,901. Cash is $1,492,003 against $2,007,232.

INTERESTS PROTECTED.

Through the large amount of cash on hand and holdings of securities easily realisable, the Corporation maintains a very strong position against possible future unfavorable developments. At last week's shareholders' meeting, Mr. W. G. Gooderham (the president) stated that the way in which borrowers generally had met their obligations, both of interest and principal, was gratifying, and that while in many instances the selling values of properties, particularly in cities and towns, have been materially affected by the financial uncertainties of the past two or three years, the Corporation's interests have been protected against the possibility of serious loss by the conservative policy of the management.

Messrs. R. S. Hudson and John Massey continue as the joint general managers of the Canada Permanent and a board of well-known business men conduct its affairs.

Mr. F. Gordon Osler and Mr. F. J. Parry have been elected directors of the Canadian Surety Company.

ÆTNA LIFE INSURANCE COMPANY.

The Aetna Life Insurance Company, of Hartford, Connecticut, has for many years occupied a prominent place in the Canadian life insurance world. Established in the Dominion so far back as 1866 and possessing an efficient organisation, the Aetna Life has made headway in Canada alike by energetic administration and by honorable treatment of policyholders, for which latter trait, indeed, it has long been famed. The Company has been a substantial investor in the Canadian war loans, thus demonstrating its desire to associate itself with Canadian ideals at the present time—action which has naturally commended it the more to the Company's many Canadian policyholders.

THE BUSINESS OF 1916.

The Aetna's business record during 1916, a summary of which and the Company's statement as at January 1st last is printed on another page, furnishes convincing evidence that this fine old Company took vigorous advantage of the favorable opportunities open to it last year. New insurance paid for during 1916 and in course of collection amounted to $103,253,406, a gain of practically $36,000,000 upon the new business of 1915. Insurance in force was raised to $467,545,657, a gain for the year of almost $60,000,000, against $27,000,000 in 1915. Coincidently with this large development of the business, the surplus to policyholders was increased over a million dollars, now standing at $18,985,333.

A SUBSTANTIAL POSITION.

The balance sheet shows an exceedingly substantial position. Assets were increased during the year by $7,060,072 and now aggregate $131,298,624. Of these assets, $40,641,048 are invested in stocks and bonds, $58,780,821 in mortgages and $11,840,926 in policy loans. These last show a slight decrease in comparison with 1915. The amortised value of bonds and market value of stocks at December 31st, 1916, less assets not admitted, was $2,746,627 in excess of their book value.

The liabilities include a reserve on life, endowment and term policies of $95,777,611, a special reserve of $1,195,231 and a reserve for a special class of policies and for dividends to policyholders payable in 1917 of $3,463,016. Adequate provision is also made for the liabilities of the Company on account of its steadily progressive accident, health and liability business. Unearned premiums on account of this business are calculated at $4,426,593, and there is reserved for liability claims, $3,588,566. After this careful calculation of liabilities, there is a surplus to policyholders, as already stated, of $18,985,333. Since its organisation in 1850, the Aetna Life has paid to its policyholders almost $300,000,000, and that the present position occupied by the Company is a very fine one is attested by the figures given.

The old established firm of Messrs. T. H. Christmas & Sons, 160 St. James Street, manage the Aetna Life's affairs in Montreal, where an increasing business of high grade is transacted.

Mr. Thomas Ahearn, of Ottawa, has been elected a director of the Merchants Bank of Canada in succession to the late Mr. Alexander Barnet, of Renfrew, Ont.