

TRUST AND SAFETY DEPOSIT COMPANIES.

In accordance with a recommendation in the Council's Report for 1890, your Council memorialized the Minister of Finance, urging that legislation be enacted by the Dominion Parliament providing that no Trust companies should be incorporated unless provision be made whereby they will be compelled to place with the Government as security, deposits proportionate to the amount of business they transact, and also to furnish to the Government annual returns of such business. The Minister, in replying, said that he was much obliged for the suggestions made, which would receive due consideration whenever any Trust company seeks legislation at Ottawa, but that companies receiving charters from the local Legislatures could not be affected by Dominion legislation.

The business of a Trust company must of necessity frequently extend through two or three generations, and it is therefore most necessary that every possible precaution be taken to safeguard properties entrusted to their care, and to this end the charters of all such companies should provide that all trust funds held by them should be kept entirely distinct from the assets of the company, and that any violation of that provision should render the Directors liable to prosecution.

The Council therefore urges upon its successors, and upon all organizations interested in the public welfare, that any application to the Legislatures for the incorporation of Trust companies should be closely scrutinized, with the view of preventing the granting of any charters which do not contain due provision for the protection of interests confided to their care.

UNCLAIMED BANK DEPOSITS, DIVIDENDS, ETC.

At the instance of the Council, a clause was in, 1890, inserted in the amended Banking Act, providing that "Banks and other Corporations holding moneys, stocks, etc., belonging to other people should be compelled by law to endeavour to find the rightful owners thereof, and, further, that all corporations, individuals, etc., now making sworn returns to Government should state amount and particulars of such unclaimed moneys, etc., on hand." It is satisfactory to note that this legislation has caused the Banks to take steps to discover the owners of unclaimed monies in their hands, which, it is understood, have resulted successfully in many instances; the amount appearing in the sworn returns to Government will therefore be correspondingly reduced.