

THE MUTUAL LIFE & CITIZENS' CANADIAN EXPENSES.

About a year ago, THE CHRONICLE called attention to the exceedingly heavy expenses of the Canadian branch of the Mutual Life and Citizens of Australia. We are now glad to note from the Dominion blue-book that although the balance of Canadian income and expenditure was still on the wrong side last year, there was in 1915 a considerable improvement over 1914. Last year with a net premium income of \$36,403, expenses were only \$64,165, which is quite good when compared with the 1914 showing of \$26,452 premium income, and expenses of \$85,585. At this rate of improvement, the time should be soon approaching when the Canadian branch of the Company is able to make ends meet. The greater part of last year's reduction in expenditure appears to have been brought about through a decrease in agency salaries and commissions, with which probably a reduction in the amount of industrial business written—not much more than half of what was written in 1914—had something to do. It would not be amiss, we suggest, if in the efforts to make ends meet some attention is now paid to head office salaries. They were reduced a thousand dollars last year, but at \$13,733 on a total premium income of \$36,403, it still looks as if they might be further decreased without going below Union rates of pay for services rendered.

The Ottawa Census & Statistics Office estimates this year's wheat production as 159,123,000 bushels. Of this total, 138,542,000 is estimated as the production of the three prairie provinces.

LOAN COMPANY DEBENTURES.

Canadian loan companies are now able to forecast with some degree of reliability the extent to which they will have to meet maturing debentures at the Michaelmas term. The general rate at which renewals are being made is $5\frac{1}{2}$ per cent., but in one case renewals will not be accepted at better than five per cent. It is understood that on the whole a very considerable proportion of the aggregate maturities on the date in question will be renewed. Exchange rates are favorable for the settlement of debenture liability. On the basis of the above rates of interest it is obvious that mortgage money will be high for some time, and on the basis of rates at present available on mortgages the margin of profit, when management expenses are cut to the most economical basis, cannot be lavish.

THE ROUND TABLE.

The *Round Table* is performing valuable service in making available periodically thoughtful and temperate studies of Imperial problems. It is an advantage of this review that its regular contributions come not only from Great Britain, but also from Canada and other Oversea Dominions. Thus there is made available for readers in any one part of the British Empire first-hand information of conditions and public opinion in any other part. In the September issue, especially note worthy articles are a short contribution on "War Aims," which admirably crystallises discussion regarding the essential conditions of peace and subsequent economic policy, a review of the Irish problem and a remarkable historical article on France.

To Investors

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DEPARTMENT OF FINANCE, OTTAWA.
OCTOBER 7th, 1916.