

compelled to reduce their loans owing to the scarcity of mortgages. A very gratifying feature is the amount of properties held under foreclosure, \$812,185, against \$1,190,840 last year. This reduction indicates there being a demand for farm properties that is one of the most promising signs for Canada, as her development in that direction means larger population and more active trade. Another bright spot is the marked decrease in overdue interest, the amount being given as \$156,020 as compared with \$234,430 in March, 1901. The sum of \$25,915 was written off for "net loss on realization of securities in Canada," an experience common to all mortgage loan companies however sagaciously managed, just as all banks and trading firms meet with bad debts in spite of the utmost skill and vigilance. In spite of this adverse item the Company paid more by \$8,125 as dividend and bonus to the proprietors than for same period 1900-1901, and had more by \$7,550 to carry forward to next half year than in March, 1901, the amount of the unappropriated balance of the revenue account at the close of last half year being \$131,740 against \$124,190 in 1901, and the reserve fund was practically the same as in previous year. The expenses were reduced from \$35,095 to \$33,445, a reduction of \$1,650. Out of the balance of \$131,740 the directors recommended a dividend at the rate of 6 per cent. per annum and a bonus of $\frac{1}{2}$ per cent. The Trust and Loan Company of Canada is now in its 52nd year, during which period it has done very material service to Canada by providing capital for its development when native capital was not available. Since the country has so prospered as to enable money to be accumulated in this Dominion the old Trust and Loan by continuing in the field as an investor has added the extent of its resources to the capital at the service of Canadian enterprise, and may justly claim a share in the honourable work of building up this country.

LONDON AND LANCASHIRE FIRE INSURANCE COMPANY.

So many fire companies' reports for 1901 shew their business to have been far from satisfactory in that year it is gratifying to find from the statement of the above substantial Company that its operations last year resulted in a large increase of business and in satisfactory profits. The net premiums were \$5,671,068 against \$4,778,529 in 1900, an increase of \$892,539. The net losses paid and outstanding in 1901 were \$2,923,873 as compared with \$2,417,069 in 1900, an increase of \$506,804. The ratio of losses paid and outstanding to net premiums was 51.56 per cent. The expenses, including commis-

sions, management, income and foreign taxes amounted to 35.35 per cent. of the net premiums, so that the losses and expenses together absorbed 86.91 per cent. of the net premiums, leaving a trading profit on the business which makes 1901 a very satisfactory year. The premiums of the accident department were \$197,729, and losses and expenses \$117,802, the excess of income over outgo being \$79,947, which is another highly agreeable result. The income from investments was \$224,694, which is \$14,078 more than in 1900. The surplus on the working of the business, including the interest on investments, was \$1,045,005. The total assets amount to \$9,235,300; the reserve and re-insurance fund, \$3,750,000, and the balance carried forward, \$2,788,445. The officials of the London and Lancashire have good reason to regard 1901 with considerable satisfaction.

BRITISH AND INTER-IMPERIAL TRADE STATISTICS.

Since the war has retired from its prominence as a subject for discussion the question of inter-imperial trade has come to the fore. This position it will occupy until the Conference has been held between representatives of the Home government and delegates from the self-governing Colonies. In view of the very general interest taken in this great question, which has a close bearing upon all branches of financial, commercial and insurance enterprise, we present tables adopted from official sources, such changes being made in their form as are helpful in arriving at a clear conception of the problem of inter-imperial trade. The difficulties presented by Sir Robert Giffen in his paper in the "Contemporary Review," of which we published a brief sketch, are all such as he considers to stand in the way of an Imperial Zollverein after the pattern sent by the States which became incorporated as the German Empire. The assumption, however, by Sir Robert Giffen that a British Empire trade arrangement must be on the lines of the Germanic Zollverein is quite arbitrary. There are Zollvereins and Zollvereins, for the term is quite a general one. It merely means an agreement for the imposition and collection of Customs duties. Were Canada and Australia to mutually agree upon certain tariffs, they would thereby establish a Zollverein, however much those tariffs might differ and although the duties collected by each country should be its exclusive property. Sir Robt. Giffen's difficulty respecting the equitable distribution of Customs duties amongst members of the proposed Zollverein is therefore quite imaginary, as such a Customs Union need not involve any change in the present system of each country retaining its receipts from Customs.