

## LOAN COMPANIES AND DEBENTURE RENEWALS

### War Has Failed to Shake Confidence of Investors—Life Companies Called for Funds

The loan companies of Ontario are pleased with the way in which their sterling debentures held in Great Britain, and maturing about the middle of November, were renewed. These renewals, taking the companies as a group, averaged about 80 per cent. of the maturities. In some cases, the percentage of sterling debenture money retained this term was as high as 90 per cent. Under prevailing conditions, this is a remarkably good showing. The loan companies in Ontario have every reason to be pleased with the evidence given by British investors of the high estimate in which loan companies' debentures are held. Besides renewals, a very satisfactory amount of new money was obtained.

Those companies having currency debentures also met with success. In one case, 84 per cent. of the amount was renewed and 14 per cent. paid, while some new money was obtained.

The debentures held by life insurance companies have mostly had to be paid by the loan companies, on account of the provision the life companies are making for war risks. One company, for instance, had a considerable amount due to two life insurance companies, who were naturally anxious to augment their cash reserves. The payments to these two life companies accounted for half of the total repayments of the loan company to Scottish holders.

The above facts and figures have been gleaned by *The Monetary Times* through an inquiry among the loan companies. In view of the unsettled conditions due to industrial depression and to the war, the results of the companies' operations among investors have been very gratifying. The following are the replies received from some of the companies:—

**London and Canadian Loan and Agency Company.**—We are advised by cable that almost all our sterling debentures were renewed maturing on November 11th, and in Canada we had not any debentures maturing.

**Toronto Savings and Loan Company.**—About 90 per cent. of our sterling debentures falling due in November were renewed. We are not in a position as yet to state what percentage of our Canadian debentures will be renewed, as they do not mature until January 1st next.

**Toronto Mortgage Company.**—Our British debentures mature in May and November, and our Canadian ones in February and August. The result of the November term in Scotland has surpassed our expectations. Including new money, we have retained 90 per cent. of our maturities, all at 4½ per cent., as per advices from Edinburgh up to November 23rd.

**Dominion Permanent Loan Company.**—We have no debentures in Great Britain except those sold here to parties moving there. The only one there, expiring since the war began, is renewed. In Canada our renewals have been practically on the same percentage as before the war, and all the withdrawals have been accounted for by death of the owners or the necessity of the money to pay off mortgages or to build houses.

**Huron and Erie Loan and Savings Company.**—While we have not as yet received advice from our Scottish agents as to the decision of all holders of maturing debentures regarding the renewal thereof, we have, of course, heard from the greater part, and the results are entirely satisfactory. We, of course, did not receive as large a volume of new money as in normal times, but, as before stated, we are quite satisfied with the results, not only as regards new money, but as regards renewals.

**Standard Reliance Mortgage Corporation.**—Since the opening of the war we have had no debentures at all come due in Great Britain; in fact, it is only quite recently that any of our debentures have been placed over there at all.

With respect to our Canadian debentures, we have them coming due on certain fixed quarterly days, namely, first of March, June, September and December, and the renewals and new debentures issued as at the last quarterly day far exceeded the withdrawals.

Our next quarterly date will be December 1st, and the indications point to a repetition of September 1st.

**Canada Permanent Mortgage Corporation.**—The currency debentures due in October amounted to \$156,000; 84 per cent.

of the amount was renewed, 14 per cent. paid, and we have still to hear from 2 per cent. In addition, we obtained new money for a little over \$6,000.

As to the sterling debentures, our cables show that out of a little over £200,000, due on the 11th of November, the following results have been obtained: Renewed, £140,000; called up, £54,000; not yet advised, £8,000; new money, £30,000. The new money mentioned above covers only the new money obtained in connection with the term days, and does not include the amounts we have received from time to time throughout the year.

## NEWS OF THE LIFE UNDERWRITERS

The second number of the Life Underwriters' News contains an extensive account of the association's successful convention at Halifax in August, and is worthy of the attention of all engaged in the life insurance profession. The convention issue of the journal is an excellent production.

## LIFE INSURANCE COMPANIES WILL FIGHT

The life insurance companies do not seek to avoid their fair share of responsibility in the matter of governmental taxation, but desire to protest against the burden imposed upon them in some of the provinces, which they regard as excessive and relatively much greater than that imposed upon other classes of corporations. Life insurance, by protecting the home and the family is safe-guarding the best interests of the country, and relieving it from the possible burden by caring for those who may be unable to support themselves in the event of the death of the breadwinner.

That sums up the opinion of the life insurance interests represented at the annual meeting of the Canadian Life Insurance Officers' Association, held at Toronto last week. Representatives were present from 23 Canadian, British and United States companies, operating in Canada. The result of the conference was a unanimous feeling against life insurance taxation.

The Life Managers' Association have questioned the constitutionality of the tax laws, and have secured opinions from several eminent legal counsel expressing the opinion that the tax is unconstitutional. It is, therefore, proposed to test the constitutionality of the tax and counsel has been retained. The newly-elected officers of the association are:—President, T. B. Macaulay, managing director, Sun Life Assurance Company; first vice-president, Alex. Bissett, manager for Canada, London and Lancashire Life; second vice-president, Col. W. C. Macdonald, managing director, Confederation Life; honorary secretary-treasurer, D. E. Kilgour, actuary, North American Life Insurance Company; assistant secretary-treasurer, W. G. Reburn, Imperial Life Assurance Company; auditors, J. F. Weston, managing director, Imperial Life Assurance Company, G. B. Woods, president and general manager, Continental Life Insurance Company; executive committee, foregoing officers, Geo. Wegenast (managing director, Mutual Life Assurance Company), J. E. Kavanagh (Metropolitan Life), J. F. Weston (Imperial Life), H. C. Cox (president and general manager, Canada Life Assurance Company) and A. R. Howell (manager for Canada, Gresham Life).

War orders are an artificial aid, but a man learns to swim with a cork belt.

When John Bull fired his £325,000,000 war loan, it made a happier noise than the German guns.

The Imperial government is steering well and the Empire crew must do its duty, and individually.

After the war, a few years' activity, a few years' stagnation, and then more activity. Figure it out now and do business.

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