

# The Chronicle

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## THE TRUST AND LOAN COMPANY OF CANADA.

The new accounts of the Trust and Loan Company of Canada are in a form slightly changed from those preceding, the results for the whole of the year ended March 31st last being presented. It is intended to adhere to this practise in future, instead of, as formerly, issuing accounts half-yearly, an interim statement as at the 30th September being sent out, however, each year for the information of the shareholders. The present report discloses an exceedingly satisfactory position, and cannot fail to be exceedingly gratifying to those associated with this old-established company, whether in Canada or in England. As is well-known, loaning organisations have received none too reasonable treatment in Canada since the outbreak of war, through hasty and ill-considered legislation by various provinces. Fortunately, although many serious grievances remain, there has been something of a change in tendency during recent months, a recognition, prompted, perhaps, by the stern logic of facts, that honesty is the best policy, and desire to treat organisations, which have performed, and are performing, very valuable services in the up-building of Canada, with something approaching fairness and consideration. It says a good deal for the sound character of the business of the Trust and Loan Company, and for the skill and prudence of those actively engaged in the direction of its interests, that unjust legislation and other adverse circumstances equally formidable, have been successfully surmounted and results achieved which reflect the highest credit upon those concerned. The longer the war goes on, the less possible does it appear to forecast developments after its close. The elementary ideas of the war's early days, of a rush of returned soldiers to the land, have been speedily disproved by experience with men already back from the front. The possibility is looming up of emigration of English agriculturalists after the war being considerably affected by the tremendous programme of agricultural development and education which the British authorities are now getting under way, which programme covers not merely increase of home-grown production during the war, but aims equally at a permanent enlargement of British agricultural operations. However, it is certain that circumstances will demand every effort by the Dominion Government to foster post-war immigration into Canada, and in the event of a

large immigration, companies such as the Trust and Loan Company would undoubtedly find active employment at remunerative rates for all available funds. If, on the other hand, this movement does not mature, as the Chairman (Colonel the Hon. Sidney Peel, D.S.O.) pointed out at the recent annual meeting, the strength of the Trust & Loan Company's position is such as to permit a period of depression to be encountered with confidence.

### A STRONG LIQUID POSITION.

During the last twelve months, the Trust & Loan Company has continued to follow a policy of caution, liquid assets have, throughout the period, been maintained at a high level, the holdings of cash and short-dated British Government securities at March 31st last approximating \$2,500,000. Mortgages in Canada have been reduced during the year by \$1,350,000 from \$15,570,323, to \$14,204,217. The legislation already mentioned has distinctly not been an encouragement to continued lending of borrowed funds. The thoroughly sound character of the Company's business is shown by the fact that at March 31st last, foreclosures amounted only to \$163,131—a very small fraction of the amount loaned on mortgage—and as regards even this amount, it is not anticipated that there will be any loss to the Company.

In reference to the financial results of the year ended March 31st last, the interest account in Canada stands at approximately \$1,199,540. Net profits for the year approximated \$621,470, practically the same amount as for the preceding twelve months. From the year's profits the usual allocation is made to the Statutory Reserve Fund, viz., the moiety of profits in excess of 6 per cent. per annum on the paid-up capital. This allocation absorbs about \$220,735. There is then left at the credit of revenue, including \$20,240 brought forward from the previous year, a sum of \$420,975. Of this amount \$3,625 goes to the Special Reserve Account, bringing this, with other additions, up to \$700,000 (£140,000). The combined reserves of the Company now stand at \$2,783,996, being over 95 per cent. of the paid-up capital. After providing for income tax a dividend of 10 per cent. for the year is paid, a balance of \$30,160 being carried forward to the current accounts.

At the recent annual meeting held in London, eulogistic reference was made to the energy and loyalty of the officers in Canada, where the Company is admirably served. Col. L. Edye, of Montreal, is Chief Commissioner for Canada and a director of the Company, and Mr. R. C. Young, an Assistant Commissioner, manager at Montreal.

### B. C. GOVERNMENT CREDITS TO FARMERS SUSPENDED.

The British Columbia Government's scheme of loans to farmers has temporarily suspended operations. It seems that the Government recently made enquiries regarding terms upon which it could borrow \$2,000,000 authorised at the last session. The best rate that could be secured, it is stated, was 5.80 per cent., which the Government would not accept. It has been previously admitted in connection with this British Columbia scheme that loans which were being made to farmers at 6½ per cent. were costing the province 9½ per cent.