

Average amount of specie held during the month	7,348,904	7,511,931
Av. Dom. notes do..	12,496,372	12,901,539
Loans to directors or their firms....	8,245,956	8,380,391
Greatest amount of notes in circulation during month	34,166,689	36,850,205

THE TIMBER TRADE IN BRITAIN.

The absence of activity in various branches of trade throughout the United Kingdom, and the want of a confident tone in business circles, have affected the timber trade. And while the actual movement of wood has not been much less than an average, indeed in some lines it is said to have been greater, the difficulty has been in getting a reasonable profit. With the single exception of spruce deals, imports do not appear to have been excessive. Deliveries, however, were affected by the long-continued strike of the coal miners, and prices generally were kept at a low point. Luckily, freights ruled low, which was a fortunate thing for the importers of wood.

The Liverpool circular of Messrs. Farnworth & Jardine, dated February 1st, says with respect to Quebec yellow pine timber, that although deliveries show an improvement, the present supply is sufficient. The import of waney pine, 961,000 feet, as against 862,000 feet last season, has been disposed of fairly well on regular contract. For square pine the demand appears to grow less each year, and "nothing but first-class deck wood can with safety be imported." For red pine the demand was limited and prices low. Oak, which came forward more freely than in 1892 by some twenty per cent., has commanded steady prices for good quality, but inferior wood—such as the main supply consists of—is slow of movement at weak figures. The import of elm has been moderate, and the movement steady at fair prices, the present stock being adequate. Ash is in over supply, double the quantity of two previous years having been sent over, and the price ruled low. Quebec birch appears to have been a drug in the market, even though only one-fourth the customary quantity went forward. Pine deals and boards from Quebec have been dull of sale; prices of 1st and 2nd quality have maintained their value, but 3rd and 4th quality have been hard to sell. The proportion of boards was unusually large and the stock is still too heavy. The import of spruce deals was 5,028 standards as compared with 5,206 in 1892; much of this was on contract for special requirements, and the stock held over is light. Red pine deals are in heavy supply and prices low. St. John pine "has almost ceased to be imported," but prices are firm. Spruce timber is only saleable at very low prices. Of birch logs the supply has been smaller, but still too heavy, prices low; while of planks the import has been most excessive, viz., 618,000 feet against 470,000; and although the deliveries have been large under the low prices, the stock is much too heavy. N.B. and N.S. spruce deals are 12 per cent. in excess of 1892 in supply. "It is to be hoped," says the circular, "that the reported short produc-

tion this winter may be realized, to place this article in a better position."

FIRE UNDERWRITING RESULTS.

To those who are accustomed to complain that fire insurance companies charge excessive rates of premium and thereby accumulate needlessly great reserves, food for thought may be afforded by the following facts concerning the business of fire insurance underwriters in 1893:—

Twenty-seven United States companies, having a premium income of a million dollars or more each, suffered an aggregate reduction of surplus to the extent of \$6,000,000.

The losses and expenses of eighteen foreign companies covering fire risks in the United States exceeded the premiums by no less than \$1,600,000 in the twelve months.

The loss ratio of the companies operating in Canada last year was 75½ per cent. of the premiums. If only 25 per cent. be allowed for expenses—which is below the average rate—it will be seen that policyholders might find difficulty at this rate in getting their money for their losses, if it were not for the reserves.

It may be said that 1893 was an exceptional year for fires. And so it is. But exceptional periods for fires have an uncomfortable way of coming round, and the proper way to prepare for them is to lay by a reserve.

In view of what has been stated above respecting the American experience of various companies, it is a matter for thankfulness that the two leading Canadian companies, the Western and the British America, make as good a showing as they do. To have earned their dividend may be considered, in view of the result of the year to fire underwriters generally, as having done well. And the experience of these two Canadian companies for the past quarter century goes to show that taking good years with bad ones, the average is fairly satisfactory.

MORTGAGE LOAN COMPANIES IN ONTARIO.

It is noticeable that the London mortgage loaning companies which confine their operations to the central counties in the Western peninsula of Ontario, have an advantage over those companies which lend all over the Province. They may not get so good a rate of interest, but on the other hand they appear to suffer less from bad debts. It takes them, probably, less time to realize upon, or to make profitable the from properties which fall into their hands. Some of them, we observe, show in their statements for 1893 a larger aggregate of lands on hand than was the case a few years ago. This must be expected at a time like the present. And it is satisfactory to have the truth told about the matter, instead of covering it up with ingenious book-keeping or extravagant language.

"While our farm lands have depreciated in common with lands in nearly all parts of the globe, no agricultural lands in the world give better security for moderate

loans than in the western part of Ontario, our chief loaning field; we have the soil, the climate and the rainfall, the latter so lacking and uncertain and consequently so frequently disastrous in sections of the American West and North-West." So reads a sentence from the sensible address of Mr. McClary, the vice-president of the Ontario Loan and Debenture Company, last week to his shareholders. He further referred to the new conditions in our agriculture, the attention now being given to stock and dairy products instead of the once customary adhesion to grain-raising. By these means, he reasoned, they would produce the best results from their lands. Some more real estate remains in the hands of the company at the end of this year, the value being now \$54,515, but this has been made productive and will not be sold at a sacrifice. This sum we understand to include the \$20,800 of lands put down among the assets as actually owned, and other properties on which foreclosure proceedings are not completed. The mortgage assets of the company are increased to \$3,779,000, and its total assets to \$4,156,000. The sterling debentures are \$1,824,000. New loans were larger than in 1892, and the repayments nearly as great. Out of gross earnings of \$229,439 the net profits were \$101,493, which paid seven per cent. dividend and added \$17,000 to Reserve. The statement must be considered a quite satisfactory one.

The increase in capital effected by the Huron and Erie Loan Company in the fall of last year has resulted in an increase of business, the total mortgage loans being now \$5,699,000, which is about \$400,000 more than a year ago. Some \$250,000 of this increased amount was borrowed in Canada on debenture, which probably costs more than Old Country money. Having been able, after paying nine per cent. dividend, to add \$24,000 to Rest out of earnings, and having further swelled that fund by \$20,000 premium on new stock issued, the Rest is now \$670,000, or fifty per cent. of the paid capital. The general good character of the Huron and Erie's loans has long been known, and it is evidence that this character is maintained when we find the arrears of principal and interest amounting last year to only \$86,500 on an aggregate of five and a half millions. The real estate on hand is in small compass; one would expect it to be more, but the statement is distinctly made that "this sum (\$12,536.45) includes all properties remaining unsold which have come into possession of the company by foreclosure, failure to obtain purchasers under powers of sale or otherwise." The losses on real estate, according to profit and loss account, were \$2,465. One of the directors, in remarking upon the favorable report, congratulated the company, and not without reason, on having confined its loans to Ontario, instead of going outside. It doubtless escaped losses thereby. Mr. Philip MacKenzie was chosen vice-president, as successor to the late Mr. John Beattie.

A satisfactory feature in the affairs of the Building and Loan Association, is the fact that the real estate which it held so