

THE POSITION OF CANADIAN LOAN CORPORATIONS.

(Continued from page 855).

675,533, now show a decline of not quite \$4,000,000 to \$73,784,756. This decline was, of course, anticipated. While some time ago the British Treasury authorities gave permission to the companies to make new issues of their debentures up to the amount of those repaid, some of the companies did not take advantage of this permission owing to the high ruling rates of interest, combined with the small demand in Canada for loans.

This decrease, therefore, in part reflects the policy—a wise one under the circumstances—of restriction of borrowings by the corporations. In part, also, it would probably be accounted for by withdrawals of funds by British investors for other purposes. There is, however, every reason to believe that old-country investors maintain supreme confidence in the Canadian loan corporations, which have steered through exceedingly difficult times with very great success. It may, we think, be anticipated with some confidence that when the war is finally over, and the loan corporations are again large borrowers, in order to meet the demand for loans arising out of new land settlement and development, that they will find British investors eager to supply them at rates which, while possibly high in comparison with pre-war standards, will indicate in a practical manner the esteem in which the loan companies' securities are held in Great Britain. To what extent, there will be ability on the part of British investors to resume their investment in these debentures is, of course, not clear. But presumably, even with a continuance of Treasury control of British capital issues, sale of the companies' debentures will be facilitated in Great Britain after the war, as the use of the funds thus obtained will certainly be upon objects of "national importance."

INTEREST RATES.

The average rates of interest paid on deposits and debentures by the companies in recent years are as follows:—

Interest paid on	Rate per cent.				
	1916.	1915.	1914.	1913.	1912.
Deposits.....	3.68	3.69	4.119	3.750	3.7385
Debentures.....	4.760	4.683	4.570	4.599	4.4350
Debenture stock..	4.25	4.0	4.0	4.0	4.0

The average rate of interest received on realty

mortgages and other securities owned during the last two years is shown in the following table:—

	Rate per cent. on			
	Mortgages of realty.		Other securities.	
	1916.	1915.	1916.	1915.
Loan companies (perman-ent stock).....	7.116	7.107	5.815	5.823
Loan companies (terminating stock).....	6.906	6.64	6.30	6.30
Loaning land companies..	6.10	6.28	5.66	5.66
Trust companies.....	6.873	6.913	6.833	5.872
Average, all companies...	6.748	6.735	6.152	5.913

THE GERMAN SOCIAL INSURANCE SYSTEM.

Some folk admire the German system of Government social insurance so much that they desire to introduce it on this side of the Atlantic. This is what Mr. James W. Gerard, former United States Ambassador to Germany, says about it in his "My Four Years in Germany," now running serially:—"The workingmen in the cities are hard workers. Probably they work longer and get less out of life than any other workingmen in the world. The laws so much admired and made ostensibly for their protection, such as insurance against unemployment, sickness, injury, old age and so on, are in reality skilful measures which bind them to the soil as effectually as the serfs of the Middle Ages were bound to their masters' estates."

COMMERCIAL UNION'S NEW MOVE.

It is understood in London that the Commercial Union Assurance Company has made an offer for control of the National Insurance Company of Great Britain, which has its head office at Glasgow, and transacts fire, accident, burglary, etc., business. The Commercial Union offers £6 2s per share for the National's £5 shares, £1 paid up, £6 of the purchase price to be paid in War Loan. The National was established in 1897.

At the Life Underwriters' Association Winnipeg convention, the executive committee was instructed to take action looking towards the enactment of standard and uniform provisions governing change of beneficiary in every province of the Dominion.

LLOYDS BANK LIMITED,

HEAD OFFICE:

71, LOMBARD ST., LONDON, E.C. 3.



CAPITAL SUBSCRIBED	•	•	•	(\$5 = £1.)
CAPITAL PAID UP	•	•	•	\$156,521,000
RESERVE FUND	•	•	•	25,043,360
DEPOSITS, &c.	(June, 1917)			18,000,000
ADVANCES, &c.	do.			705,268,005
				337,869,515

THIS BANK HAS NEARLY 900 OFFICES IN ENGLAND & WALES.

Colonial & Foreign Department: 17, CORNHILL, LONDON, E.C. 3. London Agency of the Imperial Bank of Canada.

The Agency of Foreign and Colonial Banks is undertaken.

French Auxiliary: LLOYDS BANK (FRANCE) LIMITED,

with Offices at PARIS, BIARRITZ, BORDEAUX, HAVRE and NICE.