penalty is one which strikes the offender in a vital spot, and will scarcely be courted by prudent men blessed with an ordinary degree of concern for their own interests. Ex-Governor Russell of Massachusetts was chosen as the referee, or, more properly, executive, charged with the investigation of charges and the decisions thereunder. The three companies declining to enter into the agreement are the Connecticut Mutual, the Ætna, and Travelers, all of whom disclaim rebating practices and object to the plan of enforcing the laws by special machinery at the expense of the companies, when it is the duty of the State authorities to see to their enforcement. This plea of self-righteousness and quibble over ways and means in an emergency will scarcely commend itself to right-minded people, we imagine. The non-endorsement of the plan by the companies named will, however, scarcely affect its working, for with all the other companies pledged to the agreement the situation may be effectually controlled.

The objector can find points open to criticism in the plan adopted, undoubtedly, but the time for standing on technicalities is past, and the tumor now requires the application of the surgeon's knife, even though not wielded with the graceful curves of the most skillful expert. The plan, if effective in practice, of course will cover the entire field, including the Dominion, for the active American companies here are all parties to the agreement, and we venture to believe that our Canadian companies will not countenance a bad practice outlawed by their American competitors. It remains to be seen whether this compact will be honestly observed and its provisions enforced by the united efforts of the parties to it; but certainly it holds the promise of great things, and we assume a sincere desire is back of the movement until compelled to believe to the contrary.

THE MOLSON'S BANK.

The date of the annual meeting of the Molson's Bank gave it some advantage over its neighbors, who had to make up their profit return before the revival set in. This later date, however, rather colors the report than adds to the net profits, for the increased business cannot have been appreciable in this connection. The result of the year's business is certainly highly gratifying as the net profits exceed 11 per cent. of the paid up capital. Owing to the cautious management by which Mr. F. Wolferstan Thomas has built up the Molson's Bank to its present size and strength, the last year, although so serious a period of depression, was kept remarkably free from serious losses. The little and big foxes that eat up the bankers' corn were kept out of the field by increasing vigilance. The profits being so large, $222,827, enabled the usual half-yearly dividends of 4 per cent. to be paid, with a bonus of one per cent., and $75,000 to be added to the Reserve Fund, which now stands at $1,375,000. This is 68.75 per cent. on the Capital. For over 40 years the Molson's Bank has kept on paying regular dividends, equal to an average percentage of 7.76 for that long period. Such a record speaks for itself, and speaks also not only for the sagacity and enterprise by which it has been achieved, but for the business steadiness and honor of Canadian merchants and manufacturers, for any general failure in these respects would have spoilt the Bank's brilliant financial record.

Mr. President Molson in his practical address spoke of the growing difficulty of bankers making large profits under the present conditions. Although we are not sure of his having much reason to complain, with last year's profits in view, still he merely voiced the experience of all bankers. The difference between rates for deposits and rates for discount, upon the width of which profits depends, is becoming less and less. For any bank then to be bidding for deposits by high rates is most suspicious and censurable. The Board consists of Messrs. J. H. R. Molson, President; S. H. Ewing, Vice President; W. M. Ramsay, Samuel F[illegible]ley, Henry Archbald, J. P. Cleghorn and W. M. Macpherson, to whom we extend felicitations on the success of last year's business, as we do also to the General Manager, Mr. F. Wolferstan Thomas, to whom the shareholders and all the connections of the Molson's Bank owe a deep debt of gratitude—as they know. Mr. Durnford, the Inspector, is also a valuable and very highly esteemed officer.

ONTARIO LOAN AND INVESTMENT COMPANIES.

We present in this issue statements showing the Assets and Liabilities in detail of the loan and investment companies operating in the Province of Ontario, which comprise the great bulk of those in Canada. The exhibit involves a very interesting, as it also does a highly serious problem as to the economic condition of the Dominion, and of those enterprises in particular. Those who are only familiar with the conditions of land tenure in Great Britain, who have made no study of the founding and development of agricultural industry in Canada, are apt to draw erroneous conclusions from such an exhibit of the great extent to which borrowing on the security of real estate has been carried by our people. The mortgaging of land in Great Britain almost invariably arises from the owners being embarrassed, or under some legal obligation to raise money, for which a mortgage [illegible] their only resource, as in the case of inheriting real estate charged with the payment of legacies to others of the family, when the land either cannot be used, or pride prevents it being divided. Canadian mortgages have an entirely different origin. At a not remote period all the land in Ontario was owned by the Crown. For a title to be complete it must be traced up to a "Crown Patent." To facilitate its occupation the land was divided into lots of 100 and 200 acres each. The settlers on these, in most cases, paid down a small sum, and gave a mortgage for the balance. This system has gone on to this day, so that few transfers of land ownership have occurred without a mortgage being part of the transaction. Out of 285,608 occupiers of farms in Ontario, no fewer than 224,033 are freeholders, and in a large number of cases the balance of 61,575 of tenants, those tenants are freeholders who, besides working their own farms, rent one from the owner. Prosperous farmers who own two or more hundred acres frequently let a portion to a son or more vigorous