

also might be arranged shortly, especially if the arrangements to adjust the semi-annual settlements at London should develop complications.

Canadian money rates have not undergone noticeable change in the week. Call loans in Montreal and Toronto are quoted at the old rates—4 to 4½ p.c. The current bank statement shows that the cash reserves of the Canadian banks continued to accumulate during May, in spite of a satisfactory expansion of the current mercantile loans in the Dominion. During the summer, the outlook is for a further gain in domestic deposits; and unless a number of special loans of considerable magnitude are negotiated by the business interests, the tendency is hardly likely to be changed till fall. Reaction and liquidation in the local stock markets last week and this, would, of course, tend to accentuate the tendency towards large cash reserves.

LOAN CORPORATIONS: THEIR PART IN THE COUNTRY'S DEVELOPMENT.

Year in and year out, leading Canadian loan corporations show increases in the amount of British capital which they are able to enlist in the developing of the country's resources. The companies reporting to the Ontario Registrar of Loan Corporations transact over four-fifths of the business done by all Canadian institutions of this class, including building societies as well as trust and loan companies so-called. That official's annual report having recently come to hand, it is possible to gain a fair idea of the part played by such corporations during 1908. Their service rendered in attracting capital from abroad may be gauged in part by the amount of debentures payable outside Canada. In this respect there was notable growth made in 1908, the year-end total of \$42,702,566 being \$4,236,280 greater than that reported at the close of 1907. And during 1907 there had been an increase of more than \$2,500,000 over the 1906 total—making a growth of some \$6,750,000 in the two years. On the other hand, during the past three years there has not been a continuance of previous growth in the amount of Canadian capital seeking investment through the medium of the loan companies. It was not surprising that business and speculative demands upon private capital during 1906, and the earlier months of 1907, resulted in some falling-off in the amount of loan company debentures payable in Canada—and also in the deposits held by such institutions. During 1908 deposits again increased to \$17,613,228, an aggregate somewhat above the 1906 record; but debentures payable in Canada showed a further slight decrease, the total at December 31, 1908, being \$19,913,722. It is to be noted, however, that ten or twelve years ago, only about one-tenth of the money borrowed on debentures was obtained in Canada; by 1905 this had increased to over one-third, and still remains at over three-tenths. So that the "settled East" in this respect—as in many others—is taking a proportionately larger part in developing newer territory than was the case a decade ago.

During 1907 and 1908 there was a decided slowing-down in realty transactions throughout the Can-

adian West and elsewhere. Nevertheless the two years showed an increase in mortgage loans of well on to five million dollars, indicating that legitimate buying and selling of property steadily continued, despite the lull in speculative interest. The total of mortgage loans reported is \$113,975,119—so that no unimportant part is being played by loan corporations in the development of a rapidly growing country.

It is gratifying to note that the companies in recent years have exercised greater discrimination and restraint than in 1894, when "boom" influences brought the aggregate of mortgage loans up to nearly \$117,000,000—a total relatively much greater in those days than it would now be. For a decade following 1894, there was a decrease year by year in the total of mortgage loans, until at the close of 1903, the showing was but \$104,275,000. In 1904, however, expansion once more began. That it was not dependant upon the land speculation movement, which culminated in 1906-7, is evidenced by continuance of growth through the past two years.

And it is to be noted that these figures include only live mortgages. Those falling into the hands of mortgagees are given separately. The steady decline in the amount of the latter affords evidence of the care with which loans have in general been made during recent years. In 1898 the loan corporations of Ontario had well on to \$9,000,000 worth of mortgaged lands on their hands for sale. To-day the reported total is a bare \$500,000.

It is to be noted that the loan corporations are grouped into four classes in the accompanying summary of the Ontario report:

- (1) Loan companies having only permanent stock;
- (2) Loan companies having terminating stock as well as permanent stock, or having terminating stock only;
- (3) Loaning land companies;
- (4) Trust companies.

It is, of course, by the first class that almost all debenture borrowings from abroad are secured—the canny Scot in especial affording an important source of supply. Companies of this class also transact the bulk of the deposit business, holding \$15,760,973 out of a total of \$17,613,228. Trust companies, however, have been making the largest proportionate gains in deposits of late years—though their total as yet is only \$809,698.

LAW AND THE UMPIRE.

With Abdul Hamid, umpiring the game used to be a simple affair in Turkey. As simple as the rulings of the Queen of Hearts in Alice's Wonderland croquet match, when all disputes were settled with that one terse decision: "Off with his head!"

But times have changed the old man now. His head is bending low. The game has got beyond the umpire. And—depth of degradation!—he who knew no law is being sued in an everyday, common court. A few days since a case was heard in which a firm of Constantinople goldsmiths claims damages from their late sovereign for illegally closing their place of business seven years ago. Then, there is a French cook demanding arrears of wages,