

history, and have had repeated warnings—shall we make the same terrible and fatal blunder?

Mr. Gifford Pinchot, after asserting that forestry was more closely involved in the prosperity of the American continent than in any other area on the face of the earth, and referring to the alarming conditions brought into view by the growing scarcity of wood, not only to the manufacturing industries, but to the very basic existence of agriculture, outlined the principles on which the Washington Forestry Bureau was doing its work, one of which was that every man, woman and child in the United States should understand that forestry means something to every home.

This is what it means to Canadians also; the future of our forests is of pressing importance, not only to lumbermen, and manufacturers, and farmers, and railroads, but it means something to every individual in our country.

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#### MORTGAGE LENDING COMPANIES AND DEPOSITS.

The notoriety which the York County Loan Company has gained of recent days, and especially since its compulsory stoppage, has given rise to a feeling of suspicion in the minds of many as to the safety of other loan companies using like methods. Nor is this all. It has caused murmurings as to the prudence of allowing mortgage loan companies to take deposits at all. This latter doctrine is not new: it was espoused many years ago by bankers, more than one, and supported by arguments which have a certain weight if used with reference to speculative or loosely managed concerns of the kind. But these arguments have been heard and weighed before committees of Parliament in successive years, and while they have had the effect of increasing the safeguards thrown around depositors, they have not convinced the law-makers that taking deposits is a thing which should be forbidden. The latest speaker to reassert the doctrine is Mr. D. M. Stewart, before the Empire Club, of Toronto, the other day. He contends that "all companies authorized to make loans on real estate, buildings, etc., should either be prohibited from taking deposits or be required by law to maintain a certain percentage of their assets in actual cash as a reserve for the security of depositors."

If Mr. Stewart is correctly reported as above, he seems to have made his remarks too sweeping in their character. There are numerous sound and carefully managed mortgage loan companies in Canada which do maintain a certain percentage and a very large percentage of liquid assets. Take as an example the Canada Permanent, which had at the close of last year some \$2,700,000 of deposits. It held at that date \$354,000 in cash, \$481,000 in municipal debentures, and \$1,380,000 call loans on bonds and stocks, in all \$2,215,000 in realizable form with which to pay depositors, or more than 82 cents for every dollar. Or take the case of the Huron & Erie, with \$1,659,000 of deposits. Against these it held \$971,000 in cash, debentures and bonds, say 58½ per cent. immediately available. The Ontario Loan & Debenture, having \$525,000 in deposits, and keeping \$225,000 liquid, equal to more than 52 per cent. And there are other companies, such as the Central Canada Loan, and the Toronto Mortgage Company, which hold, the first, three times, the other, twice as much in cash or immediately available securities as their deposits amount to. It would be manifestly unfair to prevent such

companies from taking deposits when they can show such security to their depositors. Nor is it less unfair to lump sound concerns like these with the score of weak and undesirable companies which not only have no such available reserves but make pretensions and alluring promises to depositors or "members" which cannot be made good.

In his remarks Mr. Stewart has spoken as if the chartered banks were the only places for the deposits of the people. He surely does not need to be reminded that there are already more than a hundred millions of Canadian deposits outside of them. And as to the twenty millions of loan company deposits, he and others who possibly think with him will find upon examining the body of Dominion and Provincial legislation on the subject that they are very well hedged about by law. What is needed in addition to having laws on the statute book about loan companies, is the prompt administration of those laws, and the restriction of charters so that only men of known character and ability shall be allowed to conduct companies which take the money of the people.

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#### WHY BRITISH EXPORTS TO CANADA DO NOT GROW.

British statesmen, writers and statisticians have for a long time been commenting upon the fact that Canada's imports from the Mother Country do not grow of late years in so great a ratio as her imports from other countries, such as Germany and the United States. And they have seemed to reproach Canadians because of the fact. At any rate, they appear to think that there is something unfilial, strange, almost unfriendly, in a colony buying more manufactured goods from other lands than from the mother land.

We have repeatedly shown that one reason for this is the greater accommodatingness of American and continental manufacturers and merchants, the sometimes greater attractiveness of the make or pattern of their wares, and even the enticement of superior terms. And we have even been so bold as to suggest that the fault lay quite as much with the sellers of British goods as with the purchasers of them, even more, when any one pointed to the millions of United States goods bought by Canadians and claimed that these might as well have been bought in Great Britain.

There is another phase of the matter, however, which needs to be brought to the attention of exporting manufacturers and merchants in England. Our attention has been drawn to it very pointedly, and we make no apology for devoting some space to it.

A gentleman has shown us, this very week, a report, eighteen type-written pages in length, from a canvasser who was sent to the Midlands to represent a number of Canadian journals circulating among the textile trades, the engineering trade and the paper trade in Canada, with instructions to solicit advertising among those English firms who either were doing or desired to do business in the Dominion. The canvasser an Englishman born, who has lived in Canada some years, and is of good habits and address, gives what our readers will, we think, consider an astonishing account of his reception.

He was between two and three months in England, and called upon 150 firms and companies in various lines of manufacture, being provided with letters of